

## SENATE WAYS AND MEANS COMMITTEE

Minutes of the Meeting  
January 20, 1964

The meeting was called to order by Chairman Smith at 9:30 a.m. on January 20, 1964. All members were present except Senator Glades. Also present were members of the House Ways and Means Committee, Budget Director Mr. Bibb, Budget Division analysts, and other interested members of the Senate and House of Representatives.

Mr. Henry Bubb, Chairman and Members of the Board of Regents as follows appeared before the committees in reference to the budget requests for institutions under the control of the Regents: Messrs. Whitley Austin, W. F. Dannenbarger, Ray Evans, A. H. Cromb, Clement H. Hall, L. D. Morgan, and Clyde Reed.

Mr. Bubb addressed the joint committee giving a general statement of what the Board is requesting for the institutions and the factors involved in reaching its decision. He noted that the Board felt it had allowed what it considered very minimum requests in view of increasing enrollments.

The main plea of the Board was for the restoration of approximately \$850,000 for salary increases on a strictly merit basis. Mr. Bubb pointed out that they were requesting no new programs. The Board is requesting this amount in order to increase professors and associate professors by 12%, assistant professors and instructors by 5%, and graduate assistants by 10%. These increases will allow the universities to attain Grade B level for these ranks based on the rating scale of the American Association of University Professors which rates from AA to E. The overall increase would be 7.5%. This increase is felt to be necessary to maintain and recruit quality personnel among competition which has similar or higher ratings. (For complete remarks of Mr. Bubb, see Attachment 1)

Mr. Dannenbarger, Chairman of the Building Subcommittee of the Board presented a statement concerning funds which might be available to the state schools under the recently enacted Federal Educational Facilities bill. He noted that some of this available money could be utilized by rearranging present priorities previously set up to use EBF allocations. (For complete remarks and actual proposed building program, see Attachment 2).

The question was raised of the feasibility of raising out of state fees to help finance salary increases. Mr. Bubb noted that such fees had been raised last year and that Kansas was currently third high in the Big Eight conference. He noted further however, that a committee was currently studying that question and would welcome any suggestions from the legislators along that line.

Mr. D. W. Olson, Jr., Superintendent of the State School for the Blind appeared before the committee in reference to the budget requests for that agency. He requested the restoration of 3 new employees at approximately \$8,000 to allow the agency to grom from the 44-hour work week to the 40-hour week.

Mr. Stanley Roth, Superintendent of the State School for the Deaf appeared before the committee in reference to the budget requests for his school. He also requested restoration of 5 employees to allow the school to go to the 40-hour work week. He noted that 4 new employees were needed to handle increased enrollment. He requested restoration of \$10,000 to improve the athletic track.

President M. C. Cunningham appeared before the committee in connection with the budget requests for the Fort Hays Kansas State College. He echoed the plea of Mr. Bubb for the restoration of the money for salary increases for unclassified personnel which amounts to \$42,652 at Fort Hays. He also requested restoration of 9 new positions at \$30,528, but stated that he definitely preferred the money for the salary increases if both were not allowed. There was a discussion of the \$960,000 EBF appropriation for a new library and the desire to change the plans in order to qualify for Educational Facilities Act money in the amount of \$500,000 in order to build a bigger structure which would be adequate for many years. Mr. Austin pointed out this would save the state the cost of building an addition later if present plans were followed.

President Leonard Axe appeared before the committee in connection with the budget requests for the Kansas State College of Pittsburg. He also requested restoration of funds to raise the salary increases to unclassified personnel. He also requested restoration of the following:

1. \$6,000 for salaries for new positions allowed. This represents the difference of \$7,000 requested salary to start for these positions as opposed to \$6,500 starting salary recommended by the Governor.
2. Three new administrative positions had been requested, but special appeal was made for restoration of position of Assistant to Dean of Women.
3. \$6,400 for additional student help.
4. Increase revolving fund from \$2,000 to \$4,000.

President Axe stated that he wished to mention that many others items which the College deemed necessary had been cut by the Board of Regents in order to place emphasis on the request for salary increases.

President John King appeared before the committee in reference to the budget request for Kansas State Teachers College of Emporia. He requested restoration of funds for the proposed salary increase as outlined by Mr. Bubb. This will amount to about \$63,000 for Emporia. He also requested restoration of following:

1. 15 new positions which were approved by Board of Regents at total cost of \$105,000. These are unclassified positions.
2. \$6120 for student help.

President Emory Lindquist of Wichita University appeared before committee in reference to budget requests for the school. As salaries were already at higher level at the University, they were not awarded any increase by Board of Regents. However, he spoke in favor of the increase at the other schools and indicated that enrollment was increasing at a very fast rate at Wichita and would perhaps exceed that anticipated next fall. 1964 fall enrollment higher than anticipated for 1965, but budget would still allow for increase of 344 only.

President James A. McCain appeared before the committee in reference to the budget request for Kansas State University. His main request for restoration was the salary increase for faculty. He pointed out that even though salaries have been increased each year, Kansas has still fallen behind national averages. He also requested the following:

1. 40 new positions were requested for increased enrollment. The Governor allowed 10 at \$7500, for starting salary. School had requested starting salary of \$8000.

2. Consideration of reallocation of EBF money to allow Chemistry Lab Annex to be built to take advantage of Educational Facilities Act money.

3. \$35,000 to match money raised privately for study of forestry facilities. This was not included in budget as money from Garden City area had not been raised at that time. Has since been pledged and this request approved by the Board of Regents. Is thought this study would be of value to State to determine how much timber available.

A discussion of basis for accrediting was held in relation to quality of faculty and effect salary increase or not might have on same.

Dean C. Arden Miller appeared before the committee in reference to the budget request for the University of Kansas Medical Center. He made requested the restoration of approximately \$50,000 to maintain the 12% increase for faculty salaries as recommended by the Board of Regents. He also requested restoration of the following:

1. 16 classified positions at \$57,723. Patient load increases and these positions are needed to maintain services to patients.

2. \$10,000 for student help. Some students are on stipends and as enrollment is increasing there is need for this additional money.

Chancellor W. Clarke Wescoe appeared in connection with the budget request for the University of Kansas. He requested restoration of approximately \$313,000 for salary increases for faculty.

He also requested restoration of \$55,400 for other operating expenditures which was cut. It is felt this amount is necessary because three new buildings were opened for operation this year and one more new one will be ready next year. He also pointed out that the University had 73% of increased enrollment at all schools. In connection with the operation of these new buildings, he also appealed for the restoration of new positions under Physical Plant in order to maintain these buildings.

Chancellor Wescoe requested rewording of 1964 appropriation text dealing with tennis and handball courts to delete reference to number of courts. He requested authority for following:

1. To spend from restricted fees up to \$30,000 for carrel units and steel shelving for library addition.

2. To spend from sponsored overhead research up to \$35,000 for stacks for special collection room and furniture for faculty study areas.

3. To spend from sponsored research overhead up to \$50,000 to remodel area for computer.

In general discussion with President McCain and Chancellor Wescoe they expressed the opinion that fees should not be raised to finance salary increases as it was the responsibility of entire state, not just students.

Meeting was recessed at 4:15.



Glee S. Smith, Chairman  
Senate Ways and Means Committee

W. F. Dancberger, Concordia  
Chairman, Building Committee  
Board of Regents, State of Kansas  
Joint Hearing, Senate and House  
Committees on Ways and Means  
January 20, 1964

Mr. Smith, Mr. Conard, and members of the Committees on Ways and Means of the Senate and of the House:

The Board of Regents has re-shaped its building program to take best advantage of the recently enacted Educational Facilities bill.

If appropriations are made as expected, the Educational Facilities bill will provide several types of Federal funds.

(1) Grants to four-year colleges, both public and private, for buildings to be used for libraries, certain sciences, engineering, mathematics and foreign languages. Under this provision, the amount Kansas can expect is \$2,325,563 per year, starting with this current fiscal year ending June 30, 1964. This money must be matched on a two-to-one basis...that is, two-thirds state or private money, and one-third Federal grant. To qualify, a school must show growth.

(2) Grants to junior colleges on a 60% local money, 40% Federal money basis. This amounts to \$753,906 Federal grants available to Kansas public junior colleges. There are few limitations on these grants. These are not available to four-year schools.

(3) Loans on a basis of one-fourth local money, three-fourths loan. Kansas' share of this loan money is about \$1,500,000, but it is not usable by our state schools because of our cash-basis law. It is available to private schools at low interest.

(4) Grants to graduate centers. We have no present means of using this money. Rules and regulations regarding the grants are now being formulated. It therefore is possible only to guess at the usage we can make of Federal grants.

The best information that I can give you right now is that during the 1964 and 1965 fiscal years, using our available EBF money, the schools under the Board

of Regents will be eligible for not more than \$1,228,000 of Educational Facilities grants. This is of \$4,651,000 available funds.

If we are limited to our EBF money during the 1966-67 biennium, the most we would be eligible for under Educational Facilities grants would be something less than \$3,000,000...and this by considerable rearranging of our present priorities.

Private four-year schools will be sharing this fund, under direction of a state commission.

The accompanying chart will help in explaining how our building funds should be spent during the 1964 and 1965 fiscal years.

At the University of Kansas, Fraser Hall is being built to house several sciences. Applications have already been made for National Science Foundation and National Institute of Health grants. If one of these is granted, there still is a possibility of applying for an Educational Facilities grant. The amount could vary from \$100,000 to \$200,000, or we could get nothing. The gymnasium is not eligible, but is necessary to clear a site for much-needed classrooms we are planning for the next biennium.

At the K. U. Medical Center, we are requesting \$325,000 from the General Fund to be matched by a similar amount in Federal funds to replace a badly outmoded children's ward. We are also requesting \$110,000 from the General Fund for air-conditioning patients' rooms and for an addition to the Central Sterile Supply Department.

At Kansas State University, the administration and we have decided to postpone plans for a much-needed auditorium. This was a difficult decision, but one that was made to take advantage of Educational Facilities grants for much-needed classrooms.

Willard Hall has already received \$352,625 in NSF-NIH funds, and Waters Hall \$139,577. It is doubtful that these projects will be eligible for Educational Facilities funds. The power grid appropriation is not eligible. We are requesting that you appropriate \$135,000 to tear down the old poultry farm and build a new one at a new location. This move is necessary because the present poultry buildings are

inadequate, and they must be moved to make room for a proposed women's dormitory.

We are requesting a \$305,000 addition to Seaton Hall to be used for architectural engineering. We are asking \$203,333 in EBF money, and expect this to be matched by \$101,667 of Federal funds.

We are also requesting a \$1,248,000 Chemistry Lab building. To complete the building we are requesting \$700,000 from the 1965 EBF, to be matched by \$350,000 Federal funds. We would then request \$132,000 from the 1966 EBF for equipment and furnishings, to be matched by \$66,000 Federal funds.

This keeps our total request from the EBF at virtually its present figure, but we would be increasing our building program at Kansas State by \$943,000 of Federal funds.

At Kansas State Teachers College at Emporia, we already have \$900,000 available for a humanities building. By adding a \$76,000 bay of classrooms, the school can schedule sufficient foreign language classes to qualify for \$76,000 in Educational Facilities funds, or so we think. This will provide more classrooms with no additional state money.

Also at Emporia State, we are urging a \$225,000 expenditure from the General Fund for power plant improvements. This is made necessary because the present boilers will be unable to generate enough steam to heat all of the new buildings now under construction or in final stages of planning.

At Fort Hays Kansas State College, we have a \$1,000,000 appropriation for a library. We have found to our dismay that this was going to limit us to an inadequate structure, one that would require a \$700,000 or \$800,000 addition within a few years. We should be able to receive a \$500,000 Educational Facilities grant and build a \$1,500,000 library that should be adequate for a number of years.

At Kansas State College of Pittsburg, the \$50,000 for remodeling Carney Hall is not eligible for Federal grant.

From this, you can see that the Educational Facilities Act will be of limited value to the building programs of the state supported schools during the 1964 and

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1965 fiscal years. It will be of greater value during the 1966-67 biennium. It will not be fully usable unless the categorical restrictions are removed, or considerable broadened.

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BOARD OF REGENTS RECOMMENDATIONS FOR 1964 and 1965 FISCAL YEARS

<u>UNIVERSITY OF KANSAS</u>	<u>EBF</u>	<u>1964 FY</u>	<u>ED FAC</u>	<u>EBF</u>	<u>1965 FY</u>	<u>ED FAC</u>
Fraser Hall (\$1,750,000)	904,000			646,000		
Trans. from Library (200,000)						
Gym., 1st phase				1,000,000		
<u>KANSAS STATE UNIVERSITY</u>						
Willard Hall, remodel 600,000		(352,625--NSF-NIH)				
Waters Hall, remodel 200,000		(139,577--NSF-NIH)				
Power Grid 70,000				200,000		
Poultry Farm 135,000						
Seaton Hall Add. (\$305,000) 100,000				103,333		101,667
Chemistry Lab. (\$1,248,000)					700,000	350,000
				TOTAL	<u>1,003,333</u>	
<u>KANSAS STATE TEACHERS COLLEGE AT EMPORIA</u>						
Humanities Bldg. (\$976,000) 596,000		76,000				
Balance (304,000)						
<u>FORT HAYS STATE COLLEGE</u>						
Library 960,000						500,000
(\$1,500,000)			Balance	(40,000)		
<u>KANSAS STATE COLLEGE OF PITTSBURG</u>						
Remodel Carney Hall 50,000						



APPROPRIATIONS BY 1963 LEGISLATURE OF E. B. F. FOR FISCAL YEARS 64 & 65

	***** TOTAL COST	APPROP 64	APPROP 65
K. U.			
Fraser Hall Replacement	\$1,750,000	\$1,104,000	\$646,000
Gymnasium (first phase)	1,200,000		1,000,000
K.S.U.			
Auditorium	1,300,000	230,000	800,000
Remodel Willard Hall for Chemistry	600,000	600,000	
Remodel Waters Hall for Entomology	200,000	200,000	
Power Distribution	270,000	70,000	200,000
EMPORIA			
Butcher Hall (Humanities)	900,000	596,000	
HAYS			
Library	960,000		960,000
PITTSBURG			
Remodel Carney Hall	50,000	50,000	
SCHOOL FOR THE DEAF			
Dormitory Addition	200,000	200,000	
BOARD OF REGENTS			
Planning Money	100,000	50,000	50,000
TOTALS		3,100,000*	3,656,000

\*Includes \$200,000 transfer from K. U. Library Addition to Fraser Hall

In addition to the above the 1963 Legislature appropriated \$650,000 of General Revenue Fund money for the "D" Laboratory building at the Medical Center.

Henry A. Bubb, Chairman  
Board of Regents, State of Kansas  
Joint Hearing, Senate and House  
Committees on Ways and Means  
January 20, 1964

Mr. Smith, Mr. Conard, and members of the Committees on Ways and Means of the Senate and of the House:

It is a pleasant experience for me to appear before you today representing the agency which is charged with the responsibility of maintaining the state institutions of higher education in this state, as well as the Schools for the Deaf and the Blind. It is pleasant because the work of these institutions means so much to this state and because I so firmly believe in doing everything humanly possible to strengthen and develop to the highest degree possible these important arenas in which we expect our youth to accomplish so much. It is also pleasant because I feel nothing but a cooperative attitude on the part of the members of these two committees. I feel we are all, both the committees on Ways and Means and the Board of Regents, working to the same end--providing the best possible facilities and personnel for the education of our youth.

I would certainly want to recognize at the outset the constructive help we have had from these committees and to assure you that the Board of Regents is aware of the contributions you have made to the program of higher education in the past. We particularly appreciate the appropriations which allowed us to expand our staff by the addition of Mrs. Mildred LeSuer as our Budget Officer. Her work in this capacity will be of great assistance to us in our deliberations and will result in our being better informed as we do the work of the Board. We are presently studying another plan for expansion of staff which could provide additional efficiency for the Regents' operations.

Our problems and our pleas today are not greatly different than in years past. You are as familiar with the enrollment increases as are we, and about

all we can say is that every indication points to even larger increases within the near future. One statistic that may be of interest is that were our state schools were enrolling 52% of the total number of students in higher education ten years ago, they are now enrolling 59%--these figures are for all higher education, including public and private junior colleges. All national projections predict that this percentage will increase materially within the next few years and compound the quantity problem for state supported institutions.

Quantity is the problem we have faced for years. Maintaining and improving quality is the job of prime importance to the Board of Regents, to you, and to all Kansans. The standards for quality control in education are constantly increasing, and new frontiers of knowledge can make today's standard almost obsolete tomorrow. Alert educators know that this year's curriculum must be carefully evaluated and probably changed before it can be offered as a modern educational program for next year's students. We don't dare short-change our students. If they are to be adequately prepared, it must be on the basis of modern educational programs. We just can't afford to give them warmed up left-overs in the area of curriculum and certainly we cannot in the selection and retention of personnel to serve that curriculum.

The members of the Board of Regents look at any cut in the legislative requests of the schools with great apprehension. The members of the Board spent considerable time working in committees and as a board in approving these requests. They believe each request is reasonable and is fully justified; each request was made after careful study and with full approval of the Board.

We are aware of the additional work which the Budget Department and the Governor spent in considering these requests, and we know they too were concerned with our problems.

First, let me make it clear that the 9.3 million increase in operating funds recommended by the Governor for the state schools includes 5.6 million for the addition of a new, sixth major school to the system of higher education in Kansas. The balance of the increase, or 3.8 million, is only a part of the money which is desperately

needed to increase salaries so that we may be for the first time in a position to hold valuable faculty in Kansas, and to recruit new faculty members for our schools in competition with other schools of quality.

The three-quarter million dollars cut from our request represents the difference between progress and retreat, between development and stagnation.

The Board this year is quite definite in presenting to you its major premise and proposition: greatest attention must be paid to faculty salaries. We are convinced that the future of quality higher education in this state depends upon the retention of our present faculty members and the recruitment of new, able, and vigorous colleagues for them. With this thought, the Board has stripped the legislative recommendations before you to the barest of essentials; it proposes no new programs, it proposes other operating expenditures only sufficient to insure adequate maintenance and programming. It does, however, propose definite action above recent levels of support in the area of faculty compensation.

We cannot afford either to raise talented young men and women for export nor to provide in our universities and colleges training grounds where young faculty members can grow to intellectual maturity and professional competence and stature only to be harvested by other institutions with less initiative but more money.

Faculty salary increases have been justified on many counts: because it is fair, because professors must put in countless years of costly educational preparation, because economic incentives must be increased if young people are to be attracted to this most essential profession. All these counts are adequate to justify what we propose but more basic than these is the market price for the best trained intelligence. I speak to this point as a business man, speaking for a Board of businessmen, and representing one of Kansas' important businesses, its colleges and universities.

The question of the proper level for faculty salaries has become a matter of supply and demand. The supply of university teachers is small and will become proportionately smaller; the demand for university teachers is great and will become proportionately greater. The National Education Association predicts on the basis of

coming enrollments that 350,000 new college teachers will be needed in the next ten years and in that same period only 25,000 new Ph.D's will enter college teaching. These Ph.D's will be pursued not merely by institutions such as ours, but by industry and government as well, for industry and government understand clearly the value of the educated man. They demonstrate their understanding by the salaries they offer.

Kansas must pay the market price in this free economy. We have looked at the market price realistically after consultation with the executives of our institutions. We have not settled upon a vague and unrealistic percentage of increase; we have not produced a generalized formula. We have, instead, studied and analyzed the market place and its going price.

In so doing we utilized the only national study of faculty salaries that includes all the details of faculty compensation, the American Association of University Professors report. That report, representing the majority of institutions in the nation, establishes ranges of compensation by rank of faculty member. Its ratings of ranges encompass a scale from AA to E. There are very few universities in grade AA, and no colleges. There are many of each in grade B. The less adequate institutions are represented in grades C through E. These latter institutions cause no concern for us; they are not our competitors; they could not attract our faculty members.

The record for Kansas is not a good one. If we select just one of our institutions, the University of Kansas, this is what the record reveals: for professors, grade C; for associate professors, grade C; for assistant professors, grade B; for instructors, grade B. Our competition, however, the schools of the East and the West, and of the states to the north of us, rank high in grade B or even at A. I emphasize this point because we deal here with a matter that is not a regional one; our competition is national. If you care for regional evaluations, let me say briefly and with embarrassment that our neighbors in Colorado, Nebraska, Missouri, Iowa, and New Mexico rank ahead of us.

The Board has concluded that its goal should be twofold; to at least reach grade B for professors and associate professors and to hold that grade for assistant professors and instructors. We feel this to be a position somewhat short of the middle but one that is realistic and proper.

For that reason we propose an increase in salaries for professors and associate professors of 12%; this will allow us in most instances to reach the bottom level of the range of grade B. For the salaries of assistant professors and instructors we propose an increase of 5% - a figure that will allow us to maintain our present position.

We face a similar problem in another important area, relating primarily to the universities, the area of graduate teaching assistants. For these personnel the competition is intense and for the logical reason that they represent the Ph.D's who will be full faculty members tomorrow. If we are to insure for ourselves a ready supply for the future we must meet our competition now. We recommend, therefore, a 10% increase for that area of the salary budget.

For the first time we present you with a recommendation based not on general faculty salary levels, but on a detailed analysis of salary levels at each rank. The total increase lies well within the state's capabilities. The overall increase requested approximates 7.5% of the salary budget.

The Board last fall had the opportunity of studying the budget for Wichita State University, which will enter the state system on July 1, 1964. For Wichita, the Board made the same detailed analysis. The Board, in assuming the responsibility for another major institution, has the problem of phasing this institution into the framework of higher education in this state in such a way that each institution under its jurisdiction can have the feeling that it is being treated fairly. Certainly salary level is a major concern in faculty morale and one the Board must carefully assess. No increases over present salaries at Wichita are recommended,

since salaries at Wichita are presently approximately at the level which we must reach for our two present universities. Salaries there have increased by 15% over the past two years, whereas salaries at K. U. and K-State have increased by 8% in the same period. Salary adjustments can be made in the framework of the budget presented.

A last word, but an important one, is this: that the Board still insists upon the increases suggested being applied on the basis of merit. There is no implication here that across-the-board adjustments will be made.

This is our preliminary and our general story. We are firm in our conviction that we are recommending that which must be done.

This year the State of Kansas will have an opportunity to make a bold statement of commitment to the future, a statement that will be heard all across this nation - by industrial leaders, by gifted professors and research scientists within our institutions now or available at other universities, by talented students, by Federal agencies and philanthropic foundations which have provided the impetus behind our rocketing technology, fueled by research and blasting off from a solid base of education. The chance to make such a statement may not come again; such words at a later time might fall like cliches on ears that have heard them too often to be influenced by them. Such an effort later would cost far more; it always costs more to catch up than to keep up.

Knowing of the legislators' vigorous support of higher education in the past, remembering the continuing commitment of Kansas to education at all levels, we present this proposal to you for your discussion. We have no doubt that you will support it. When you do, the Board of Regents will not have won a victory, nor I, nor you, nor the faculty members who still could get salaries as good or better somewhere else, but Kansas and every citizen, young and old, in it.