

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator August "Gus" Bogina at
Chairperson

11:00 a.m./p.m. on February 24, 1986 in room 123-S of the Capitol.

All members were present except:
Senators Harder and Johnston

Committee staff present:

Research Department: Ed Ahrens, Robin Hunn, Mary Galligan, Lyn Goering
Revisor's Office: Norman Furse
Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

Ruth Wilkin, American Association of University Professors
Professor Morris Kleiner, University of Kansas
Chris Graves, Associated Students of Kansas (ASK)

SYSTEMWIDE ISSUES - STATE BOARD OF REGENTS

Ms. Wilkin introduced Professor Kleiner, who distributed copies of his testimony (Attachment A). Following his presentation, there were questions from committee members. Senator Werts asked how the determination is made concerning salaries of professors. Professor Kleiner answered that there are a number of factors, but the demand for professors in a certain department is a major factor. He explained that those in high demand receive higher salaries. When asked by Senator Werts if the School of Business, for example, should be compared to peer universities instead of to other departments, Professor Kleiner said he felt that was true. He added that there is significantly greater turnover in areas of high demand than in other areas.

Senator Bogina asked if longevity and tenure are considered when setting salaries. Professor Kleiner agreed that this is true in certain areas. However, where there is a high demand, market forces affect salaries to a greater extent than do longevity and tenure.

Senator Winter asked how any possible increase in salaries should be distributed. Professor Kleiner stated that there is diversity among the Association of University Professors on the issue. Senior faculty would prefer that a larger percentage be used for retirement funding, and junior faculty would prefer a larger percentage for salaries.

Ms. Graves read from her prepared statement (Attachment B). Following her presentation, committee members had questions. Senator Werts asked the wage rate for off-campus employment for part-time employees. Ms. Graves indicated that the rate is probably from minimum wage to six dollars per hour. She added that this would be only a guess. She stressed that most off-campus employers grant wage increases to part-time employees; and added that her employer (McDonald's) gives increases every six months.

Answering a question from Senator Bogina, Ms. Graves said the Regents' institutions are not prohibited from granting salary increases but they have not been doing so. Senator Feleciano stated that he felt the philosophy is to employ more students with the amount of funds available.

Senator Gannon asked if the university helps students to find off-campus jobs. Ms. Graves said there is a Job Board on campus at the University of Kansas. She said she is not aware that this Board goes out and attempts to find employment for students.

When asked by Senator Winter if, in her opinion, it is better to increase salaries of present employees than to have a greater number of students working, Ms. Graves said that, in spite of the fact that it is a difficult issue, the Associated Students of Kansas have decided the time has come to use some of the funding for increased salaries.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

room 123-S, Statehouse, at 11:00 a.m./p.m. on February 24, 1986

SYSTEMWIDE ISSUES - STATE BOARD OF REGENTS - Continued

Ms. Galligan continued her review of systemwide issues (See minutes for February 20, 1986). She called the committee's attention to the section concerning Unclassified Salary Base Increases on page 2-17 of the budget memo prepared by the Legislative Research Department.

Senator Werts asked why the retirement plan contribution figured at one percent, when expressed in dollars is less than one percent of the salary base. Ms. Galligan explained that the salary base includes employees who are in the two year "wait" period, Graduate Teaching Assistants and Graduate Research Assistants.

Senator Gannon initiated a discussion concerning the Cooperative Extension Service at Kansas State University. Ms. Galligan said she has heard some estimates of overall anticipated cuts in Federal funding; and that these may be in the neighborhood of about \$500,000. Senator Gannon indicated he had read news reports stating that the entire amount may be in jeopardy. There followed a brief discussion concerning this problem.

There was an extended discussion concerning the FY 1986 Distribution of Unclassified Salary Increases: Full-Time Continuing Unclassified Staff, on page 2-19 of the memo. Ms. Galligan explained that some of the figures may be misleading because the KSU figures include Extension people.

Ms. Galligan proceeded to discuss the remainder of the memo, and answered questions from committee members asking for clarification of certain figures. Included in this discussion was a comparison of salaries at state universities and at Washburn University. It was noted that salaries at Washburn are generally above the three regional state universities, but below the three major state universities.

Members of the committee expressed concern over the disparity of appropriated amounts for student wages and amounts actually spent, particularly at the three large state universities. Following a lengthy discussion, it was noted that perhaps the Board of Regents could explain why this is happening.

Mr. von Ende suggested that Mr. Tom Rawson could get details concerning the spending of various institutions. He suggested there may be a reason for the difference between the three major institutions and the smaller ones. The committee agreed that this should be done.

During discussion of Other Operating Expenditures, Senator Bogina reminded the committee that actual expenditures in this area are larger than appropriated amounts.

Ms. Galligan completed her presentation of the systemwide issues, and agreed to provide additional information concerning several items for the meeting on February 27, when the committee will make its decisions concerning these matters.

The meeting was adjourned by the Chairman.

KANSAS STATE CONFERENCE AAUP
 c/o Department of History - 3001 Wescoe Hall
 University of Kansas
 Lawrence, KS 66045

Mr. Chairman, Members of the Ways and Means Committee:

My name is Morris Kleiner, Professor of Business at the University of Kansas and a representative of the Kansas State Conference of the American Association of University Professors. I represent the largest single organization of faculty members in the six institutions of higher education under the Board of Regents.

I appear before you today to speak as strongly as I possibly can in behalf of the Regents' budget request for fiscal 1987. In particular, I wish to state that our state organization fully supports the proposed 7% salary increase and the 1% additional contribution of the state to the retirement program for all faculty in Regents' schools. We also support with equal vigor the proposed 7% salary increase for classified personnel and the Regents' three year plan to increase the stipends for graduate teaching assistants. We depend so profoundly on the efficiency of the classified staff and on the excellence of our graduate teaching assistants that we must combine our request for improved salaries with theirs.

While we recognize that these are difficult economic times for the state of Kansas, we also believe that the state's most precious resource, its six Regents' institutions, must be sustained and improved. We note that Iowa and Michigan have unfortunately already been through revenue crises of the kind that now confronts Kansas. In those states their courageous legislators raised taxes and with the increased income increased appropriations for higher education. They understood, as you will surely understand, that in the quest for greater economic development their colleges and universities were their most valuable asset. With an increased resource base which will attract and retain an outstanding faculty, the Regents' institutions in Kansas will be at the forefront of our economic development effort. Favorable action by your committee on the Regents' budget will assure that result. Thank you very much.

S. W. M
 2/24/86

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KANSAS STATE CONFERENCE AAUP
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Table 1
Average Full-Time Faculty Salaries
Regents Universities and their Peers
Fiscal Year 1985

	Professor	Associate Professor	Assistant Professor	Instructor	All Ranks
Peer Universities	\$39,200	\$30,400	\$25,500	\$20,000	\$32,100
Regents Universities	\$37,500	\$28,500	\$24,600	\$19,200	\$30,500
Difference	\$1,700	\$1,900	\$900	\$800	1,600

Table 2
Average Full-Time Faculty Fringe Benefits
Regents Universities and their Peers
All Ranks in Fiscal Year 1985

	All Ranks
Peer Universities	\$7,100
Regents Universities	\$5,100
Difference	\$2,000



ASSOCIATED STUDENTS OF KANSAS

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STATEMENT BY
CHRIS GRAVES

ASSOCIATED STUDENTS OF KANSAS
(ASK)

ON

SYSTEMWIDE ISSUES
STATE BOARD OF REGENTS INSTITUTIONS

SENATE WAYS AND MEANS COMMITTEE
FEBRUARY 24, 1986

Thank you Mr. Chairman and members of the Committee. My name is Chris Graves. I am the executive director of the Associated Students of Kansas (ASK) representing the student government associations of the seven public universities. I know Mr. John Allen, Director of Legislative Affairs for the Association, has already reviewed with you our interests and concerns as they relate to the Regents' systemwide budget requests. I would like to briefly reiterate our position on a couple of issues.

STUDENT TUITION - FEE/COST RATIO

As Mary reviewed for you last week, in 1966 the Legislative Council recommended the general policy that "resident and nonresident basic fees be fixed at a level so that total basic fee income would provide on the average, 25% of the cost of the general educational program." It has only been within the last three years that the student government associations of ASK have "bought into" the concept of the 25% fee/cost ratio. Prior to that time, it was the practice of the Association to oppose any and all tuition increases; however, realizing that such a position was, at best, unrealistic, and at worse, increasingly difficult to advocate to the Regents and to the Legislature and to work within the system, ASK adopted the 25% fee/cost ratio as reasonable and fair. While we recognize that such a policy virtually assures the students of regular tuition increase, it also offers the students protection in the sense that they know their tuition will not have to bear an unfair share of the costs associated with delivering educational services.

Frankly, we have been disturbed by the suggestions being made over the past several months to increase the fee/cost ratio to perhaps 30% or higher. ASK

stands unalterably opposed to such a change.

STUDENT SALARIES

ASK fully supports the Board of Regents' request of a 7% increase in the student salary base. This year again, ASK is requesting that the legislature make the allocation in two parts - one part that would increase the number of hours at minimum wage which could be paid a student worker (as currently is the practice in most cases) - and a second part that would create an incentive pay pool to recognize and reward a student's outstanding performance and continuity in a position.

As you know, college costs in Kansas have increased over 50% during the past five years. Students employed on campuses receive, in most cases, minimum wage and are allowed to work a limited number of hours (15 to 20 hours per week). Obviously, as college costs go up and minimum wage does not, an ever-widening gap between a student's earnings and total costs develop.

To close this gap and make attending a university a real possibility, students have been relying for the most part on students loans. With the first cuts to go into place in less than a week because of the Gramm/Rudman/Hollings amendment, hundreds, perhaps even thousands of students in Kansas will lose a portion or all of their aid. On one campus alone, it has been estimated that up to 20% of the students currently participating in the GSL Program will lose a portion or all of their aid. It would be my guess that these students will first turn to campus jobs to make up that shortfall.

But we must not forget the student worker already in the system. The student worker who has been in the same position for 1 or 2 or 3 years and is actually an important part of a department's staff. The longer a student worker

is in the same position, the more knowledgeable, the more efficient that person usually is - the less that has to be spent retraining new persons each year, the less lost on waste or spoilage which inevitably result in training a new worker. The state should offer some incentive and reward for outstanding performances by student employees.

OFF-CAMPUS WORK-STUDY PROGRAM

Increased state support for this Program is ASK's top priority this legislative session. Begun in 1983, this Program created a partnership between the state and private industry in employing students in their chosen fields of study. Although slow in developing and catching on in some university communities, the Program now is established, now is experiencing great success.

The financial aid directors on the campuses are responsible for the administration of this Program. In our discussions with them, all indicate they could spend more than they presently have allocated. Some financial aid directors indicate they could spend much more than they are presently allocated.

Our request is that the legislature allocate new appropriations (preferably \$200,000 to restore the program to the level the Governor originally recommended for FY'84) to campuses based on projected needs. In this way, monies could be targeted to campuses where they would be fully utilized.

In addition, we request that a small allocation be made to the Regents' office to assist them in promoting the Program throughout the state.

Thank you for this opportunity to be here today. I would be happy to answer any questions.