

Approved: 2/21/96
Date

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairman Bill Mason at 3:30 p.m. on February 13, 1996 in Room 519-S of the Capitol.

All members were present except: Patricia Pettey (excused)
Tony Powell (excused)
Dale Swenson (excused)
Bob Tomlinson (excused)

Committee staff present: Ben Barrett, Legislative Research Department
Avis Swartzman, Revisor of Statutes
Dale Dennis, Department of Education
Beverly Renner, Committee Secretary

Conferees appearing before the committee: Liz Koch, Advisory Board Chairman, Youth Entrepreneurs of Kansas
Cynthia Kelley, Director, Youth Entrepreneurs of Kansas
Cesario Rodriguez, Youth Entrepreneur
Tram Huynh, Youth Entrepreneur
LaKesha Dailey, Youth Entrepreneur
Bill Sailors, USD 368 Superintendent of Schools, Paola
Dr. Rick Werling, Superintendent of Schools, Fort Scott
Representative Jene Vickrey
Verna Weber-Social and Rehabilitation Services Child Care

Others attending: See attached list

Liz Koch, Advisory Board Chairman gave a history of the Youth Entrepreneurs of Kansas. In 1991, the Koch's established a local National Foundation for Teaching Entrepreneurs (NFTE). after learning about Steve Mariotti's program in New York City (Attachment 1). Today the program is offered at five Wichita high schools; Heights, West, North, South and Southeast (East will be added in the Fall of 1996), Riddel Boys Ranch and the YMCA. Cynthia Kelley, Director, shared a video and explained that the program consists of 70-80 hours of comprehensive classroom instruction targeted at youths who are considered at risk. Students write business plans and go through classroom competitions to learn business skills that can help them be self sufficient, productive citizens, either seeking to advance their education, as knowledgeable employees capable of keeping pace with changing work environment or as small-business owners.

Students enrolled in the program explained their projects and how they have been helped. Cesario Rodriguez has established his own tutoring service; Tram Huynh, a foreign-language video sales outlet; and LaKesha Dailey, a recent Entrepreneur of the Year, plans to open her own accounting firm.

Chairman Mason opened the hearing on **HB 2820**-concerning school districts, child care facilities, operation limitations.

Bill Sailors, Superintendent of Schools USD 368, Paola, appeared in support of HB 2820 which would allow his school district to operate a latch key child care program before and after school without being subjected to the paperwork required by the Department of Health and Environment.

Dr. Rick Werling, Superintendent of Schools, Fort Scott testified in support of **HB 2820** as a district that has been forced to prepare all the required paperwork over the last five years.

Representative Vickrey spoke in support of **HB 2820** to avoid a duplication of bureaucracy with KDHE mandating additional requirements to school districts that operate the same facilities and work with the same students during school hours.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION, Room 519-S Statehouse, at 3:30 p.m.
on February 13, 1996.

Avis Swartzman suggested the application should be made for an Extraordinary school program to avoid involvement with KDHE.

Verna Weber, SRS Administrator of Child Care Program explained that the school districts should be legally exempt and do not need to be licensed as long as they hire and pay the employees.

Chairman Mason requested staff and Verna Weber meet to discuss the requirements and need for this legislation and report back to the committee.

Chairman Mason closed the hearing on **HB 2820**.

The meeting was adjourned at 5:10 p.m.

The next meeting is scheduled for February 14, 1996.



An Overview

Charles and Elizabeth Koch watched with interest when Steve Mariotti, a New York businessman-turned-teacher, founded the National Foundation for Teaching Entrepreneurship. The more they learned about his innovative program and its successes, the more convinced they were that it was an effective way to confront such growing problems as poverty, crime, drugs, gangs and violence. They realized the program wasn't applicable only to New York City; Wichita needed it, too.

In 1991, the Kochs began laying the groundwork for a local NFTE division: Youth Entrepreneurs of Kansas. The Charles G. Koch Charitable Foundation committed more than \$150,000 to launch the program. By April 1992, the program was being taught in four Wichita high schools and at Big Brothers/Big Sisters of Sedgwick County and Boys and Girls Club. Today, the Charles Koch Foundation contributes more than \$500,000 yearly, and the program is offered at Heights, West, North, South and Southeast High Schools, Riddel Boys Ranch, and the YMCA.

School counselors and teachers try to guide students into the class who would benefit most from it. Enrollment is open to all students, but the program is specifically targeted at youths who are considered at-risk. Indeed, the program's premise is that students who have experienced adversity often possess street smarts that — through education — can be parlayed into entrepreneurial skills.

Youth Entrepreneurs helps young people learn business skills that can help them be self-sufficient, productive citizens, either as students seeking to advance their education, knowledgeable employees capable of keeping pace with the rapidly changing work environment, or small-business owners.

The program which originally consists of 70 to 80 hours of comprehensive classroom instruction, now has curriculum that spans a full school year. Students write business plans and go through classroom competitions, with finalists giving presentation at Koch Industries. A panel of local business and community leaders judge the plans based on such criteria as viability, competitive advantage and goal-setting rationale. At an awards dinner and ceremony, winners receive venture capital grants that range from \$150 to \$1,000. Students can use their awards for business start-up, or to further their education. They are encouraged to maintain ties with the program by joining its follow-up group, The Ambassador's Club.

House Education
2/13/96
Attachment 1



Fact Sheet

Mission Statement

To provide young people with business and entrepreneurial training that helps them prosper and become contributing members of society.

Contacts:

Youth Entrepreneurs of Kansas

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Wichita, KS 67218

Phone: (316) 684-8206 Fax: (316) 684-8464

Cynthia Kelley, Director

Beth Park, Assistant Director

Advisory Board Executive Committee:

Elizabeth Koch, Chairman

Janet Lloyd, President

Connie Neeley, Gossen Livingston

Paul Attwater III, Smith Barney

Anita Oberwortmann, Wilson Building Maintenance

National Foundation for Teaching Entrepreneurship:

Steve Mariotti, President

Established by:

Charles G. Koch Charitable Foundation

Program Sites:

Heights High School

North High School

South High School

Southeast High School

Riddel Boys Ranch

YMCA - Central Branch

Cities In School, West High



People Who Make it Work

Charles Koch

As chairman and chief executive officer of the second-largest privately owned firm in the United States, Charles Koch knows something of entrepreneurship. Under his leadership, Koch Industries grew from sales of \$250 million in 1968 to more than \$20 billion in 1993. The Wichita-based company is involved in virtually all phases of the oil and gas industry, as well as in chemicals, chemical technology products, agriculture, hard minerals, real estate, and financial investments.

Charles Koch continues his family's legacy of community involvement through his support of Youth Entrepreneurus of Kansas, Big Brothers/Big Sisters, Boys Clubs and Girls Clubs, Salvation Army, Goodwill, Special Olympics, National Conference of Christians and Jews, and the Midwest Cancer Foundation. Mr. Koch also serves, or has served, on a number of local boards, including the Coleman Company, INTRUST Bank, Kansas Health Foundation, the Charles G. Koch Charitable Foundation and the Claude R. Lambe Charitable Foundation.

Elizabeth Koch

Like her husband, Liz Koch believes that one of the best ways to help young people is to teach them entrepreneurial skills. To this end, she provides leadership and assistance to the National Foundation for Teaching Entrepreneurship. Mrs. Koch serves as a member of its national board of directors and as chairman of Youth Entrepreneurs of Kansas advisory board. Mrs. Koch works directly with Youth Entrepreneurs by participating in classroom sessions, accompanying students to presentations, and judging students' business plans.

Mrs. Koch's other philanthropic and community involvement includes serving as president of the Fred C. and Mary R. Koch Foundation, chairman of the board of the Kansas Cultural Trust, chairman of the advisory board of the Wichita division of the Salvation Army, and as a member on boards for the Wichita Area Chamber of Commerce, HCA Wesley Medical Center, Wichita Independent Center for Research, and the Wichita Center for the Arts.

Cynthia Kelley

Cynthia Kelley brings enthusiasm, commitment — and an extensive business background — to her position as director of Youth Entrepreneurs of Kansas. Prior to joining the Youth Entrepreneurs' program in 1993, Ms. Kelley worked in a full range of sales, advertising, and marketing positions. Most recently, she was director of marketing for Coopers & Lybrand in San Jose, Calif. Ms. Kelley holds a bachelor's degree in education and a master's in administration.



Program

Experiential Learning

During the 10-18 weeks, students participate in hands-on activities such as:

- *Reading the Wall Street Journal*
- *Calculating return on investment (ROI)*
- *Keeping good records*
- *Selecting a viable business*
- *Calculating start-up and operating costs*
- *Preparing a marketing plan*
- *Visiting a local wholesaler*
- *Writing a business plan*

Benefits

- *Reinforces math, reading and writing skills*
- *Builds self-respect*
- *Hones decision-making and problem-solving skills*
- *Encourages goal setting and an optimistic attitude*
- *Teaches free enterprise fundamentals through hands-on experience*
- *De-mystifies business formation and operation*
- *Fosters initiative, mental toughness and salesmanship*
- *Develops independence and personal responsibility*
- *Teaches courtesy and interpersonal skills*
- *Provides discipline and structure*



Advisory Board Members

*Elizabeth Koch
Chairman*

*Paul Attwater, III
Financial Consultant
Smith Barney, Inc.*

*Judge James Burgess
District Court Juvenile Department*

*Johnnie Cartledge
Plant Manager
Cessna Aircraft Facility*

*Dr. Othello Curry
Veterinarian and Owner
Curry Animal Hospital
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*Gwin Ferguson
Franchisee
McDonald's*

*Reverend Tyrone Gordon
St. Mark United Methodist Church*

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KPMG Peat Marwick*

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President, Advisory Board
Vice President,
Community Development
INTRUST Bank*

*Beverly Moore
Director of Corporate Development
Standard Beverage Corporation*

*Connie Neeley
Vice President, Marketing
Gossen Livingston Architects*

*Anita Oberwortmann
Owner
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*Giselle Roy
Personnel Director
Wilson Building Maintenance*

*Gina-Lynne Scharoun
Development
Candlewood Hotel Corporation*

*Glenn Young, Jr.
President
Young, Bogle, McCausland*