

D-12

Approved: February 19, 1998  
Date

MINUTES OF THE HOUSE SELECT COMMITTEE ON HIGHER EDUCATION.

The meeting was called to order by Chairperson David Adkins at 5:00 p.m. on February 9, 1998 in Room 423-S of the Capitol.

All members were present except Henry Helgerson who was on excused absence.

Committee staff present: Alan Conroy, Legislative Research Department  
Leah Robinson, Legislative Research Department  
Carolyn Rampey, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Avis Swartzman, Revisor of Statutes  
Leona Fultz, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

The committee continued to discuss the issues pertaining to higher education in the State of Kansas. Several handouts were presented to the committee. These handouts included A Comparison of Higher Education Options for Funding Increases (Attachment 1), State General Fund Financing of Higher Education in Kansas [chart] (Attachment 2), State General Fund Financing of Higher Education in Kansas (Attachment 3), Draft Summary of Council of Higher Education (Attachment 4), Special Committee on Community College Governance (Attachment 5) report from Dale Dennis, Commissioner of Education on Community College Finance, (Attachment 6) and 1995-96 Estimated Millage Equivalency of County Out-District Tuition Billings for Community Colleges (Attachment 7). A rough draft of the initial report to be given to the House of Representatives on February 10th was handed out (Attachment 8).

After discussion, the committee reached a consensus on the financial package to be included in the initial report to the Kansas House of Representatives. Representative Garner moved the committee accept the financial package for this initial report. Representative McKechnie seconded the motion. Motion carried unanimously.

Discussion then centered on governance issues. The committee reached a consensus and Representative Kejr moved the committee adopt the recommendations concerning governance for this initial report. Representative Garner seconded the motion. The motion carried unanimously.

Representative McKechnie moved the committee accept the final draft report to be presented to the Kansas House of Representatives tomorrow, February 10, 1998. Representative Farmer seconded the motion. The motion carried unanimously.

Representative Adkins thanked everyone that had been involved in the process of getting the initial report to the Kansas House of Representatives by February 10th. This has been done within the 30 day time frame that had been given to the committee by the Speaker of the House of Representatives. Representative Adkins then reminded the committee of the travel schedule for the three day tour for the weekend of February 13, 14 and 15 to the fifteen cities within the State of Kansas to explain the new plan.

The Committee meeting adjourned and the next committee meeting was scheduled for Tuesday, February 17, 1998 at 5:00 p.m.



**A Comparison of Higher Education Options for Funding Increases  
(In Millions)**

	Option No. 1	Option No. 2	Option No. 1 Compared to Option No. 2
<b>FY 1999</b>			
	<b>Property Tax Relief:</b>	<b>Property Tax Relief:</b>	
	\$17.4 Community Colleges (15 mills)	\$7.7 Community Colleges (15 mills)	
	4.0 Johnson County Community College (mill levy reduction)	19.7 Additional Property Tax Relief	
	<u>7.5 Washburn University (mill levy reduction)</u>	<u>5.0 Washburn University (mill levy reduction)</u>	
	<u>\$28.9 Subtotal Property Tax Relief - FY 1999</u>	<u>\$32.4 Subtotal - Property Tax Relief - FY 1999</u>	(\$3.5)
	<b>Enhancements:</b>	<b>Enhancements:</b>	
	10.0 Competitive Excellence and Technology Grants (Including Eisenhower Scholarship Program)	3.1 Two-Year College Enhancements	
		6.4 Regents Excellence	
		<u>0.2 Coordinating Board Operations</u>	
	<u>\$10.0 Subtotal - Enhancements - FY 1999</u>	<u>\$9.7 Subtotal - Enhancements - FY 1999</u>	0.3
	<u><u>\$38.9 Grand Total - FY 1999</u></u>	<u><u>\$42.1 Grand Total - FY 1999</u></u>	(3.2)
<b>FY 2000</b>			
	<b>Property Tax Relief:</b>	<b>Property Tax Relief:</b>	
	12.6 Community Colleges (15 mills)	9.3 Community Colleges (15 mills)	
	3.0 Johnson County Community College (mill levy reduction)		
	<u>5.4 Washburn University</u>	<u>8.2 Washburn University (mill levy reduction)</u>	
	<u>\$21.0 Subtotal - Property Tax Relief - FY 2000</u>	<u>\$17.5 Subtotal Property Tax Relief - FY 2000</u>	3.5
	<b>Enhancements:</b>	<b>Enhancements:</b>	
	20.0 Competitive Excellence and Technology Grants (Including Eisenhower Scholarship Program)	4.3 Two-Year College Enhancements	
		15.2 Four-Year College Excellence	
		<u>0.8 Coordinating Board Operations</u>	
	<u>\$20.0 Subtotal - Enhancements FY 2000</u>	<u>\$20.3 Subtotal - Enhancements - FY 2000</u>	(0.3)
	<u><u>\$41.0 Grand Total - FY 2000</u></u>	<u><u>\$37.8 Grand Total - FY 2000</u></u>	3.2

Select Committee on Higher Education  
 February 9, 1998  
 Attachment 1

Option No. 1

Option No. 2

Option No. 1 Compared  
Option No. 2

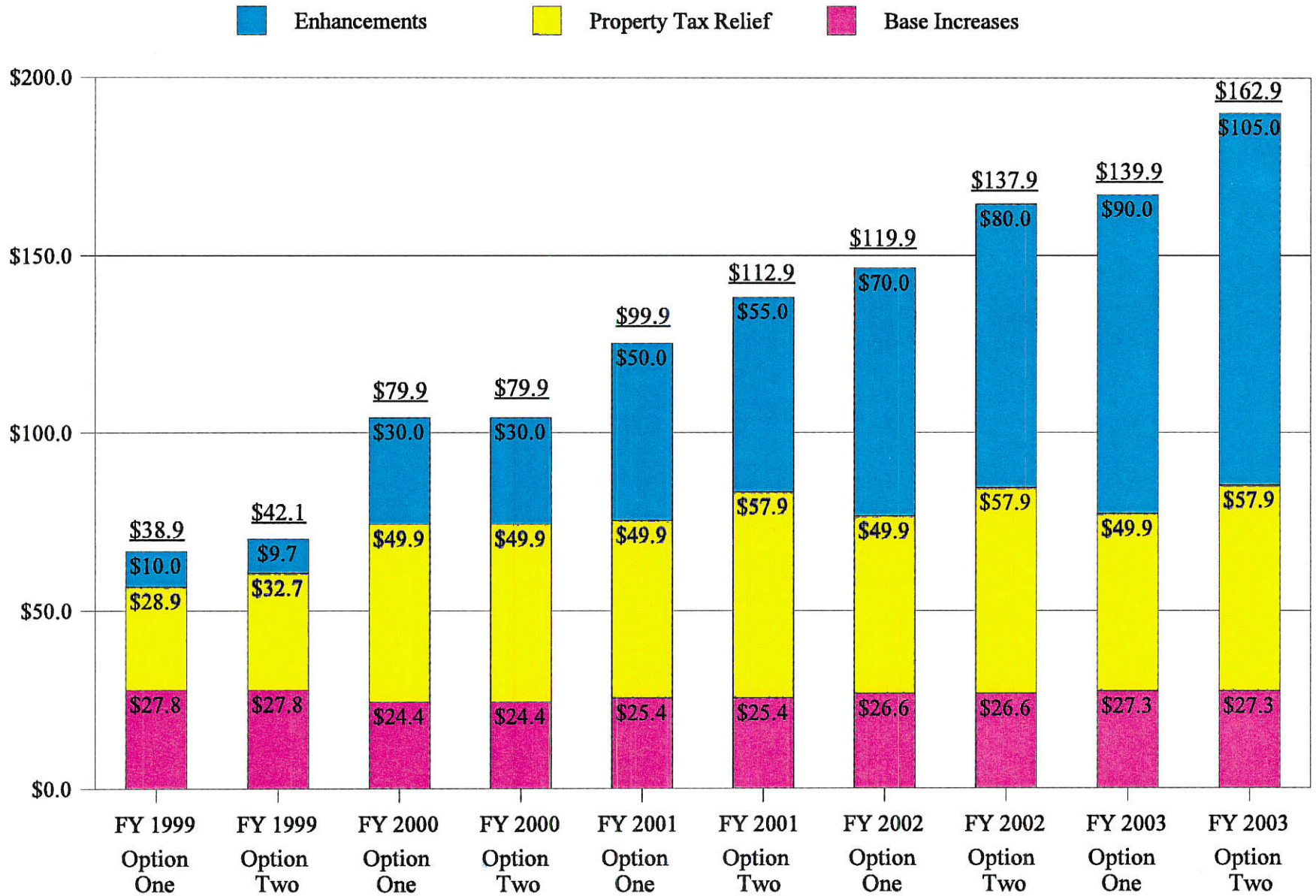
<p>FY 2001</p> <p><b>Property Tax Relief:</b></p> <p>0.0 Community Colleges (15 mills)</p> <p>0.0 Johnson County Community College (mill levy reduction)</p> <p><u>0.0</u> Washburn University</p> <p><u>\$0.0</u> Subtotal - Property Tax Relief - FY 2001</p> <p><b>Enhancements:</b></p> <p>20.0 Competitive Excellence and Technology Grants (Including Eisenhower Scholarship Program)</p> <p><u>\$20.0</u> Subtotal - Enhancements FY 2001</p> <p><u>\$20.0</u> Grand Total - FY 2001</p>	<p><b>Property Tax Relief:</b></p> <p>0.0 Community Colleges (15 mills)</p> <p>8.0 Merger/Affiliation</p> <p><u>0.0</u> Washburn University (mill levy reduction)</p> <p><u>\$8.0</u> Subtotal Property Tax Relief - FY 2001</p> <p><b>Enhancements:</b></p> <p>25.0 Two-Year College and Four-Year Enhancements and Equity</p> <p><u>\$25.0</u> Subtotal - Enhancements - FY 2001</p> <p><u>\$33.0</u> Grand Total - FY 2001</p>	<p>(8.0)</p> <p>(5.0)</p> <p>(13.0)</p>
<p>FY 2002</p> <p><b>Property Tax Relief:</b></p> <p>0.0 Community Colleges (15 mills)</p> <p>0.0 Johnson County Community College (mill levy reduction)</p> <p><u>0.0</u> Washburn University</p> <p><u>\$0.0</u> Subtotal - Property Tax Relief - FY 2002</p> <p><b>Enhancements:</b></p> <p>20.0 Competitive Excellence and Technology Grants (Including Eisenhower Scholarship Program)</p> <p><u>\$20.0</u> Subtotal - Enhancements FY 2002</p> <p><u>\$20.0</u> Grand Total - FY 2002</p>	<p><b>Property Tax Relief:</b></p> <p>0.0 Community Colleges (15 mills)</p> <p><u>0.0</u> Washburn University (mill levy reduction)</p> <p><u>\$0.0</u> Subtotal Property Tax Relief - FY 2002</p> <p><b>Enhancements:</b></p> <p>25.0 Two-Year and Four-Year Enhancements and Equity</p> <p><u>\$25.0</u> Subtotal - Enhancements - FY 2002</p> <p><u>\$25.0</u> Grand Total - FY 2002</p>	<p>0.0</p> <p>(5.0)</p> <p>(5.0)</p>
<p>_____ <u>Summary of Increases - FY 1999 - FY 2002</u> _____</p>		
<p>\$49.9 Property Tax Relief</p> <p><u>70.0</u> Enhancements</p> <p><u>\$119.90</u> Grand Total Increases - FY 1999 - FY 2002</p>	<p>\$57.9 Property Tax Relief</p> <p><u>80.0</u> Enhancements</p> <p><u>\$137.9</u> Grand Total Increases- FY 1999 - FY 2002</p>	<p>(\$8.0)</p> <p>(10.0)</p> <p>(\$18.0)</p>

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# State General Fund Financing Of Higher Education In Kansas

## (In Millions)



Select Committee on Higher Education  
 February 9, 1998  
 Attachment 2

**State General Fund Financing of Higher Education in Kansas  
In Millions**

	Actual	Actual	Actual	Actual	Gov. Rec.	Gov. Rec.	Projected	Projected	Projected	Projected	Increase	
	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 1999 - FY 2003	
											\$	Percent
Regents System (Including Board Office)	\$427.9	\$447.6	\$460.6	\$468.8	\$501.3	\$526.1	\$547.1	\$569.0	\$591.8	\$615.5	\$89.4	17.0%
Washburn University	6.4	6.8	7.0	7.2	7.5	7.9	8.2	8.5	8.9	9.2	\$1.3	16.5%
Community Colleges	50.1	50.5	53.0	53.5	56.3	57.4	59.7	62.1	64.6	67.1	\$9.7	16.9%
Area Vocational Schools	16.3	17.4	17.9	18.4	18.4	19.9	20.7	21.5	22.4	23.2	\$3.3	16.6%
<b>GRAND TOTAL</b>	<b>\$500.7</b>	<b>\$522.3</b>	<b>\$538.5</b>	<b>\$547.9</b>	<b>\$583.5</b>	<b>\$611.3</b>	<b>\$635.7</b>	<b>\$661.1</b>	<b>\$687.7</b>	<b>\$715.0</b>	<b>\$103.7</b>	<b>17.0%</b>
Dollar Change	--	\$21.6	\$16.2	\$9.4	\$35.6	\$27.8	\$24.4	\$25.4	\$26.6	\$27.3	\$103.7	
Percent Change	--	4.3%	3.1%	1.7%	6.5%	4.8%	4.0%	4.0%	4.0%	4.0%		
<b>Option #1:</b>												
Property Tax Relief						\$28.9	\$49.9	\$49.9	\$49.9	\$49.9		
Enhancements and Equity						10.0	30.0	50.0	70.0	90.0		
Subtotal - Option #1						\$38.9	\$79.9	\$99.9	\$119.9	\$139.9		
Dollar Change						\$38.9	\$41.0	\$20.0	\$20.0	\$20.0		
<b>Option #2:</b>												
Property Tax Relief						\$32.4	\$49.9	\$57.9	\$57.9	\$57.9		
Enhancements and Equity						9.7	30.0	55.0	80.0	105.0		
Subtotal - Option #2						\$42.1	\$79.9	\$112.9	\$137.9	\$162.9		
Dollar Change						\$42.1	\$37.8	\$33.0	\$25.0	\$25.0		

Select Committee on Higher Education  
 February 9, 1998  
 Attachment 3

Kansas Legislative Research Department  
 February 9, 1998

**DRAFT**  
Summary  
Council of Higher Education

**I. Educational Leadership**

**Finding:** If Kansas is to reach its economic potential, the Kansas post-secondary educational system needs to meet the challenges of access, quality, articulation, accountability and enhanced research and service. Currently there is a vacuum of leadership in the governance and coordination of post-secondary education in Kansas. The result has left institutions without the support of a single advocate to clearly articulate the needs of post-secondary education and thereby compromised post-secondary education's key role of assisting with the academic and economic development of Kansas.

**Solution:** The Select Committee on Post-Secondary Education recommends the following:

Legislature adopts a resolution consolidating leadership of post-secondary education into one new board, the Council of Higher Education, during the 1998 session.

- Submitted to voters at August primary
- Governor makes new appointments by Feb. 1, 1999
- Mission is to represent the broad interests of post-secondary education in

Kansas

- 11 members as prescribed by law
- Board has governing authority over: Emporia State University, Fort Hays State University, Kansas State University, Pittsburg State University, University of Kansas, and Wichita State University.
- Board has coordinating authority over community colleges and area vocational technical schools and Washburn University. Board may provide by contract with State Board of Education the mutual coordination of institutions (Vo-Techs) that have overlapping or predominately K-12 missions.

*(Governance of Community Colleges and AVTS's not changed, remains current law under authority of local board)*

- Board of Regents dissolved on June 30, 2000
- New board assumes responsibility on July 1, 2000

**In the enabling legislation**

• For the first board only the following nominations are made to the Governor by Nov. 9, 1998 from the following entities:

- Board of Regents nominates 10 people for five positions ( 3-3 year terms/2-6 year terms)

- State Board of Education nominates six people for three positions ( 1-3 year terms/2-6 year terms)

- Community College Association nominates two people for one position ( 1-

3 year term)

- Area Vocational Technical School Association nominates two people for one position ( 1-6 year term)

- Washburn Board of Regents nominates two people for one position ( 1-3 year term)

- Governor may request additional nominees

- Governor appoints chair

- Senate confirmation required

- Two members per congressional district

- Remainder at large

- Not more than one member per county, unless each county in a congressional district has a member of the board.

- Cannot be elected official at time of nomination, or an employee of any institution

After initial appointments, the following process begins

- 11 members

- not more than 6 from one political party

- Six year terms, only two consecutive terms, staggered at three year intervals

- Elect own chair

- Senate confirmation required

- Two members per congressional district

- Remainder at large

- Not more than one member per county, unless each county in a congressional district has a member of the board.

- Compensation tied to legislative, plus actual expenses, approved by Board

*(In the enabling legislation, the governor is directed to seek input from broad-based constituencies and consumers of education to have a cross-section of interests on the Council of Higher Education. The Senate is directed to consider the fulfillment of this representation in their confirmation process.)*

- Two divisions are created under the Council of Higher Education. The Division of Governance and the Division of Coordination

- A statutory board is created between the Council of Higher Education and the State Board of Education for the purposes of creating a seamless education model for Kansas.

#### Responsibilities of the Council of Higher Education

As a governing entity, the Council of Higher Education shall select institutional heads, establish personnel policies, approve programs and degrees, approve course locations, set fees and tuition, and approve and recommend for the institutions under its jurisdiction institutional budgets (including capital

construction priorities) for submission to the Governor and the Legislature.

As a coordinating board, the Council of Higher Education shall:

- Develop long-range plans that accommodate change and encourage innovation for a state system of post secondary education encompassing all aspects of academic, vocational and lifelong learning in Kansas.

- Determine institutional roles and missions
- Require the development of institutional master plans that, within the role and mission of each institution, address programs, facilities and other matters the Council determines.
- Develop measurable performance measures that ensure periodic evaluation of program quality, provide a means by which institutions will be held accountable, and serve as a basis for appropriating resources.
- Review and approve degree programs.
- Recommend statewide post secondary funding levels to the Governor and the Legislature.
- Encourage and oversee cooperative post secondary programs among institutions designed to improve the transferability of courses, coordinate services and offerings in shared service areas, and facilitate the sharing of resources. In doing so, the Board will guard against unnecessary duplication of courses and programs and, to the extent appropriate, take into account educational offerings of the independent colleges and universities.
- Administer statewide student financial assistance programs.
- Develop long-range plans for the utilization of television, the Internet, and other information technologies in order to make programs available to Kansas residents.
- Collect and maintain a uniform post secondary education data base.

## **II. Educational Commitment**

**Finding:** The Legislative and Executive branches have traditionally found the responsibility of community college education to be vested in communities and the student. The committee finds the missions of community colleges have evolved from the junior college concept into centers of life-long learning with a state-wide mission. This requires the state to become more of a partner in funding and coordinating the state-wide community college mission with the mission of the four-year institutions.

The committee further finds that property taxes have become too prevalent as a funding source for community colleges and Washburn University.

Furthermore the committee further finds that Washburn University is defacto an institution of the regents system. However, it is treated in a way that fails to recognize its partnership in the family of post-secondary education. This lack of appropriate recognition has led to a disparity in funding to an important municipal university in the state's capital city.

The committee also finds the current system of funding community colleges



lacks the incentives to encourage communities to respond to the evolving missions of community colleges.

The committee further finds the missions of Area Vocational Technical Schools have evolved from being institutions of training for secondary students desiring low technology employment to institutions serving lifelong learning, high technology employment, skilled work force needs with students seeking good jobs, or reentry to the work force with enhanced economic security.

**Solution:** The Select Committee on Post-Secondary Education recommends the following:

Legislature enacts a bill during the 1998 session that becomes effective January 1, 1999, and upon certification of approval of the Secretary of State, that the educational leadership resolution has been adopted by the voters. Components include:

- Current governance and coordination stay in place at Board of Regents and State Board of Education until the transfer date of July 1, 2000. Boards may provide by contract transfer of programs and policies before that date to allow for an appropriate transition.

- Transition staff, support, structure and funding in place
- Secretary of Administration serves as secretary and provides needed staff support from the Department of Administration to the new council until staff is in place.

- Closure procedures of the Board of Regents, effective July 1, 2000, for a period not to exceed Dec. 31, 2000.

- Funding for community colleges -- *(For all funding in this bill, dollars are appropriated during 1998 session for FY99, 00, 01 and 02, to multi-year appropriations, in FY03)*

- \* Minimum state participation of 30 percent

- \* Mill levy capped at 15 mills

- \* Increase credit hour and general aid accordingly

- \* Eliminate out-district tuition

- \* 2 for 1 funding on vocational courses, provides equity funding for five AVTS's attached to community colleges

- In order to provide for the evolving role of community colleges, a provision will allow a community college or area vocational technical school to become an affiliate of any four-year state institution.

- \* Board of Trustees initiates request and it is submitted to Council of Higher Education for approval.

- \* Operating mill levy would be eliminated and the only mill levy by a local board would be for facilities and debt retirement. No mill levy for operation, state assumes funding of community effort.

- \* Local board would continue to govern economic development (non-credit hour) courses and community identity activities.

- \* CEO would be hired by CEO of affiliated four-year institution.

- \* Budget request would be made as part of four-year institution's request

\* Two year institutions could also choose to merge with other community colleges or area vocational technical schools, or create a community college system or area vocational technical school systems.

\*Petition of one of the boards of trustees, adopted by other participating school and then approved by the Council of Higher Education.

\*New joint county mill levy capped at 10 mills.

- Washburn University becomes a state institution under the coordination of the Council of Higher Education. Mill levy only for the purpose of maintaining facilities. Local board maintained for mill levy authority, complete governance shifts to Council of Higher Education.

- Mill levy replaced in two years.

### III. Educational Excellence

**Finding:** The Legislative and Executive Branches of government have failed to insist upon and meet the needs of post-secondary education to attain and continue world-class standards. In order to meet the evolving needs of consumers of higher education in Kansas, there should be a commitment by the Legislative and Executive branches of government to sharpen the distinct areas of excellence at Emporia State University, Fort Hays State University, Kansas State University, Pittsburg State University, University of Kansas, and Wichita State University.

The committee further finds that Kansas State University, the University of Kansas and Wichita State University should seek to increase their national ranking as research institutions within their missions and with relevance to Kansas educational consumers.

**Solution:** The Select Committee on Post-Secondary Education recommends the following:

Each of the current Regents institutions will refine areas of national and world excellence that have relevant economic/employment benefit for Kansas. In addition to increased expectations from Kansans will follow the financial resources to enable excellence to be achieved. *(For all funding in this bill, dollars are appropriated during 1998 session for FY99, 00, 01 and 02, to multi-year appropriations, in FY03)*

- For world class relevant academic excellence at: Emporia State University, Fort Hays State University, Kansas State University, Pittsburg State University, University of Kansas, and Wichita State University, an enhancement to allow expansion, improvement and refinement of institutional missions. This includes national and world-wide recognition of areas of distinction in at least one area of each of the four-year institutions.

- Additionally, Kansas State University, the University of Kansas and Wichita State University will improve their national ranking and attain distinct recognition for relevant academic research.

- To provide for world class access, an enhancement for technology acquisitions.

- In order to respond to initial post-secondary education and life-long

learning skills, community colleges and Area Vocational Technical Schools will be challenged to provide areas of world-class distinction.

- In order to respond to the economic needs of Kansas, community colleges and Area Vocational Technical Schools will develop the capacity to meet the peak demands of business, industry and consumers.

- The Council of Higher Education will develop a program review and audit function for all governed or coordinated institutions. This will include the development and implementation of performance standards.

- Need a funding commitment for Area Vocational Technical Schools

#### **IV. Educational Access**

**Finding:** There are continued Legislative concerns over the access of post-secondary education to the citizens of this state. Recognizing the historical changes since the creation of our current system of governance and coordination, specific attention should be given to the concept of a virtual university and a commitment to assist students in graduating and entering the work force in four years.

In order to provide continued access for Kansans seeking academic excellence, included in the bill: *(For all funding in this bill, dollars are appropriated during 1998 session for FY99, 00, 01 and 02, to multi-year appropriations, in FY03)*

- Creation of the virtual campus, a coordinated effort to provide education access throughout Kansas of programs offered by public post-secondary institutions by technology

- \* The Joint Committee on Post Secondary Education will submit a report to the 1999 Legislature on the feasibility and needs to provide for the virtual campus

- A waiver for eight semesters for any Kansas resident who is a national merit scholar to attend an undergraduate program at any public university in Kansas. Such students shall be designated Eisenhower scholars by the State of Kansas.

#### **V. Educational Guidance**

**Finding:** The Legislative and Executive Branches have failed to provide the guidance and support necessary in order for institutions of the Board of Regents and the State Board of Education to attain world-class standards.

**Solution:** The Select Committee on Post-Secondary Education recommends the following:

In order for post-secondary education to develop a critical link with elected policy makers and general consumers of post-secondary education, the bill will include provisions to:

- Abolish the Legislative Educational Planning Committee.
- Replace it with a 12 member committee, eight from House, four from Senate, Joint Committee on Post-Secondary Education.
- Committee can meet anywhere in the state upon the call of the chair
- Committee elects chair, vice chair and ranking minority member. Positions rotate from each chamber each year.

- Compulsory process for any agency or institution under governance or coordination of Kansas Council of Higher Education

- The Council of Higher Education will assume responsibility for strategic planning and report to the committee on an annual basis.

- The Council shall develop a planning process for a master plan and include broad representation of post-secondary education consumers, including members of the Legislature and other elected policy makers in Kansas.

- The committee will assist in the development and monitoring of performance measures to insure the fiscal and academic integrity of the post-secondary education system.

# SPECIAL COMMITTEE ON COMMUNITY COLLEGE GOVERNANCE

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## ***Structure and Funding of Postsecondary Education\****

**SUMMARY:** The Committee examined postsecondary topics in two general areas: governance and finance. Information about previous efforts to restructure postsecondary education was presented. Detailed information about community college and Washburn University finance also was presented. The Committee recommends legislation be introduced that provides for an increase of over \$33 million in state aid for community colleges and Washburn University; for an elector initiative to require local boards to consider mergers of community colleges and area schools; for greater coordination and oversight of postsecondary education activities; and for enhanced accountability in postsecondary education.

## **BACKGROUND**

The Committee was authorized by the Legislative Coordinating Council (LCC) to meet during the 1997 interim after an informal meeting was held on May 27, 1997, in conjunction with sine die of the 1997 Legislature. The Committee met on June 24, July 24-25, August 13-14, September 22-23, October 9-10, November 20-21, and December 2, 1997. Copies of the Committee minutes and attachments are filed with the Division of Legislative Administrative Services.

**Past Studies and Recommendations to Reorganize Postsecondary Education.** Beginning in 1972 with the Master Planning Commission, there have been numerous entities over the past 25 years studying postsecondary education in Kansas and offering alternative recom-

mendations about how to restructure the system. Some of the groups were charged by the Legislature with that task, some were authorized by the Governor, some were established by the State Board of Education, and some other groups or individuals assumed that responsibility on their own initiative.

Most studies dealt with restructuring, primarily considering the governance arrangements, and secondarily, considering the finance arrangements of the postsecondary education system in Kansas. Reengineering the postsecondary system has been the main focus of these studies and recommendations of the past 25 years. Lack of consensus on exactly what changes were needed in restructuring governance mechanisms, in the absence of an acute financial crisis, mitigated against adoption of most restructuring recommendations. Other states which have reorganized governance, in general, were either responding to financial crises or reacting to perceived, severe financial problems.

Over the 25 years since the Master Planning Commission made its recommendations, few of the initiatives from that study or any subsequent study have been implemented. However, given the number of studies and recommendations produced over the past quarter century, it may be concluded that not everyone has been satisfied with the Kansas postsecondary education system. Since 1986, there have been a number of reviewers focusing on the numerous studies and recommendations about reorganizing postsecondary education in Kansas. In fact, some of the reviewers became enmeshed in their studies and concluded with recommendations for changes. Edward Flentje (1986) prepared a report on the governance of postsecondary education for the 1986 Task Force on Higher Education (a work group of the Legislative Commission on Economic Development). He cites a November 1962 publication,

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\* \_\_\_\_ B. \_\_\_\_ and \_\_\_\_ B. \_\_\_\_\_ accompany this report.



*Kansas Plans for the Next Generation*, published by the Kansas Board of Regents, which states:

"For forty years, therefore, the Board and other agencies concerned with higher education in Kansas have been 'studying' the problems of the State's universities and colleges. No fewer than nine major statewide reports have been prepared since 1922. Literally hundreds of recommendations have been made on how to improve higher education in Kansas or at least how to coordinate it better. But a reading of Kansas educational history leads to the conclusion that nothing much has happened as a result of these reports. The studies were made, the reports were accepted, the material was read, then it was filed. Higher education in Kansas continued to march on much as before."

A few recommendations from the various studies have been adopted. Among the more recent changes, which were recommended usually in several different studies, are the following developments. There have been mergers of community colleges with area vocational schools and the development of regional consortia by schools. Other potential mergers have been considered, including Fort Hays State University and Barton County Community College, and Pittsburg State University and Labette County Community College. Legislation was passed in 1994 which allows area vocational schools to become technical colleges. Four schools have made the conversion.

Aims C. McGuinness, Jr., told the LEPC during the 1994 interim that, in his opinion as a consultant for the National Center for Higher Education Management Systems:

"How to shape the structures and policies for a constructive relationship between the state and higher education will be one of the most important challenges of the next decade. It is time for states to step back and examine the relevance for the next century of structures formed for an earlier time."

Since 1972, at least 22 studies have reported recommendations from entities that sought to bring about changes in the Kansas postsecondary education system. In recent

years since 1993, legislators began to complain that there had been enough studies and enough action to implement recommendations. The 1995 Legislature, acting on this complaint and the initiative of the House Select Committee on Postsecondary Education, enacted H.B. 2553 creating the Kansas Council on the Future of Postsecondary Education. Its primary responsibility was to develop a comprehensive state plan for postsecondary education in Kansas.

Two years later in March of 1997, the Council submitted a summary of its conclusions and recommendations to the Legislature, with the statement that "The Council has no plans for any additional meetings." Rather than developing a plan, the Council became another study group which produced a vision statement and three different governance and coordination options. Since no consensus developed among Council members, its recommendations embraced all three options, together with a listing of positive and negative implications of each option.

**Community College and Washburn University Sources of Revenue.** The major sources of revenue for community colleges are local property taxes, state aid, and student tuition. These three sources account for about 90 percent of the total received by the institutions. The following table for community colleges shows, for the 1995-96 school year, total revenues received for the state as a whole.

**COMMUNITY COLLEGE REVENUES SCHOOL YEAR  
1995-96<sup>(1)</sup>**

Source	Revenue	Percent of Total
State <sup>(2)</sup>	\$ 59,036,120	26.8%
Local <sup>(3)</sup>	98,260,803	44.5
Student <sup>(4)</sup>	41,026,117	18.6
County Out-District Tuition	9,649,649	4.4
Federal	2,464,251	1.1
Other <sup>(5)</sup>	10,236,127	4.6
<b>TOTAL</b>	<b>\$ 220,673,067</b>	<b>100.0%</b>

- 1) Includes revenues to the community college general, vocational education, employee benefit, adult education, and adult supplemental education funds.
- 2) Includes credit hour, out-district, and general state aid; receipts from the Local Ad Valorem Tax Reduction Fund; state grants and contracts; and any other state aid.
- 3) Includes local ad valorem property taxes, motor vehicle property taxes, recreational vehicle taxes, and miscellaneous local income.
- 4) Includes in- and out-of-state student tuition and fees.
- 5) Includes gifts, interest earnings, and miscellaneous income.

*Source: Statistical and Financial Information of Kansas Community Colleges, Kansas State Department of Education, April 1997.*

State sources of revenue, which account for about 27 percent of revenues statewide, range from a low of 17 percent at Seward County Community College to a high of 40 percent at Highland Community College. For institutions with stable or declining enrollments, a dependence on an enrollment-driven state aid formula for a large proportion of financing is problematic unless inflationary increases or other adjustments to state aid is made. Other institutions that derive a third or more of their revenues from the state include Allen, Barton, Cloud, Cowley, Fort Scott, and Labette Community Colleges.

Local revenues (excluding county out-district tuition) account for about 45 percent of community college revenues statewide, but for individual institutions the range is from a low of 21 percent at Highland to 62 percent at Seward. Seven community colleges receive more than half of their revenues from local sources: Coffeyville, Garden City, Independence, Johnson, Kansas City, Pratt, and Seward.

Student tuition and fees, which comprise about 19 percent of the total statewide, range from a low of 10 percent of total revenues at Independence Community College to a high of

almost 29 percent at Colby Community College.

Payments by counties for out-district tuition are less than 5 percent of total resources statewide, but, for some institutions, represent an important source of revenue. Examples include Cloud and Highland Community Colleges, each of which derives more than 10 percent of total revenues from county tuition payments. At the other extreme are Coffeyville and Johnson County Community Colleges, whose income from county out-district tuition payments is less than 2 percent of their total revenues.

Community colleges statewide received less than \$2.5 million in federal funds, which represents approximately 1 percent of total revenues. In the 1995-96 school year, all community colleges received federal funding (mainly for vocational education and adult basic education programs), but no institution received less than \$50,000.

Other sources of revenue which comprise less than 5 percent of total income statewide include such things as interest earnings, gifts, and miscellaneous income.

For purposes of comparison, similar revenue information for Washburn University is shown below:

**WASHBURN UNIVERSITY EDUCATION AND  
GENERAL REVENUES TO GENERAL  
FUND SCHOOL YEAR 1995-96**

<u>Source</u>	<u>Revenue</u>	<u>Percent of Total</u>
State <sup>1)</sup>	\$ 7,427,047	20.7%
Local <sup>2)</sup>	9,479,049	26.4
Student	14,659,980	40.8
Out-District Tuition <sup>3)</sup>	487,816	1.4
Federal	596,369	1.7
Other <sup>4)</sup>	3,265,833	9.1
<b>TOTAL</b>	<b>\$ 35,916,094</b>	<b>100.0%</b>

- 1) Includes Washburn University operating grant, receipts from the Local Ad Valorem Tax Reduction Fund, and state aid for KTWU public television.
- 2) Includes local ad valorem property tax revenues to the general and employee benefit funds based on property in the city of Topeka.
- 3) Includes county out-district tuition payments and payments from townships in Shawnee County outside Topeka.
- 4) A large portion consists of gifts to KTWU public television.

**COMMITTEE ACTIVITIES**

The Committee conducted a number of informational reviews and hearings on the subjects of postsecondary education governance and finance as its two main themes of interim study. The June meeting was devoted to governing and coordinating postsecondary education. Research about other states was considered, especially a recent report calling for strong state coordination of public colleges. The work of the Kansas Council on the Future of Postsecondary Education was summarized. It was noted that the Council had ceased meeting in early 1997 without completing a master plan for Kansas postsecondary education. The Council has a statutory charge to prepare a master plan for postsecondary education and submit it to the Governor and Legislature.

Representatives of the Board of Education and Board of Regents presented information about the overlapping responsibilities of each Board and how they cooperate in trying to solve problems. Regular meetings of an informal group of three members from each board, known as the Joint Advisory Committee on

Governance, have been held since the Court suspended meetings. Representatives of both the Board of Regents and Board of Education pledged to continue these informal meetings since the Council has no plans for any additional sessions. Board members had participated in the informal sessions of the Joint Advisory Committee which predates the statutory Council, but had suspended the meetings while the Council was functioning.

The July meeting addressed finance of community colleges. Topics included tuition and out-district tuition, local mill levies, vocational program funding, course approval, types of appropriations and funding methods, projected enrollments, state funding for postsecondary education, and administrative salaries.

Information was presented at the August meeting about proposed 1997 legislation (H.B. 2119) that would have transferred supervision of the community colleges to the Board of Regents and changed the manner in which community colleges are funded. Testimony was heard about current barriers to providing educational services and cooperating with Regents institutions, as well as about successes in delivering services. Consolidations of community colleges and area schools were reviewed. Several different plans for changing governance and finance arrangements were discussed.

Testimony was heard at the September meeting from representatives of community colleges and Regents institutions. Coordination and cooperation between community colleges and Regents institutions was described. Mergers of community colleges and area schools also were portrayed. Different proposals by members of the Committee were reviewed by staff and the fiscal impact was assessed. A list of items common to all proposals was developed and the Committee endorsed part of the listing as a basis for further consideration of proposals. Since many of the items have relevance for Washburn University, the Committee decided to incorporate the institution into future deliberations about community college finance.

Testimony was heard in October from a representative of Washburn University. The Committee reviewed options for funding community colleges. A bill draft was requested

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during the October meeting that incorporates many of the options for changes in financing that would impact both community colleges and Washburn University. A second bill draft also was requested that includes additional funds for Washburn University. The Committee discussed the need for a coordinating agency to monitor postsecondary education. Consideration was given to changing the merger statutes for community colleges and area schools, with a new provision allowing voters to petition for an election.

Two draft bills were reviewed during the November meeting. Additional Committee discussion focused on state coordination of community colleges and a proposal offered by staff of the Board of Regents. A response from the Board of Education in the form of its proposal was requested. Other means of coordinating postsecondary education were considered, including use of the LEPC and the need for a master plan. The issue of mergers also was a subject of Committee discussion. Testimony was received from the State Board of Education, the Kansas Area Vocational Technical School Association, a group from Seward County, a group affiliated with community college associations, and a representative of the Kansas National Education Association. The Committee agreed on additional items to include in its proposed legislation that changes financing of community colleges. The Committee also included a provision enhancing the authority of the LEPC to meet any time on the call of its chairperson.

The December meeting finalized the Committee's conclusions and recommendations to be submitted to the 1998 Legislature. A new proposed state aid plan was reviewed for the Committee that was developed after the last meeting and designed to correct some of the deficiencies in an earlier plan that were pointed out in testimony by conferees at the November meeting. Documents about performance indicators were considered, along with a response from the Commissioner of Education to an earlier coordination proposal made by the Executive Director of the Board of Regents. It was pointed out that the Joint Advisory Committee on Governance would consider distance learning issues involving Regents institutions

and community colleges at its next meeting. The Committee discussed additional roles of the LEPC. A number of proposals and recommendations for inclusion in the final report were discussed. Several recommendations for legislation were adopted.

The Committee notes in its final report that the issue of residency should be studied by the Joint Advisory Committee on Governance and a report made to the LEPC. The Committee also notes that there has been considerable cooperation and collaboration between Regents institutions and community colleges, notably through regional consortia and the Joint Advisory Committee efforts. The Committee asked that its commendation be added to the final report and that further activities relative to cooperation and collaboration should be encouraged by the Board of Regents and the Board of Education.

## CONCLUSIONS AND RECOMMENDATIONS

The Committee adopts a number of recommendations concerning both statutory and procedural changes relative to postsecondary education and coordination, while other recommendations address changes in how community colleges and Washburn University are funded. Items 1-9 pertain to governance, while items 10-19 pertain to finance. Item 20 identifies the two recommended bills.

### Postsecondary Coordination and Governance

1. **Authorize Elector Petitions for Mergers.** The Committee recommends a statutory amendment to permit electors to initiate the process of merging postsecondary institutions. Currently, state law requires that the consolidation process be initiated by governing boards of community colleges and area vocational technical schools. The proposed change in law would require, upon petition by 10 percent of the registered voters in each district, for governing boards to place the matter of consolidation on the agenda at the next regular board meeting. The proposal would apply to



registered voters and governing boards in all districts affected by proposed consolidation of community college districts and area vocational technical school districts as defined by the bill. Opportunity for testimony on the matter must be provided at all governing board meetings. Action by the boards is required within 60 days of the hearing, with either a rejection of the citizen petition or agreement to proceed under provisions of K.S.A. 71-1301 et seq., or K.S.A. 71-1701 which allow consolidations of institutions.

2. **Enhance Noninstitutional Mergers.** The Committee recommends the State Board of Education to develop and implement guidelines for mergers (coordination) of educational effort. It is understood that a merger of effort can be accomplished without institutional merger. The process should include interaction between instructors, administrators, and governing board members. The objective is to create the most customer-friendly, taxpayer-friendly, and effective system possible. In accord with this recommendation, the State Board of Education would issue an annual report detailing specific measures which have been taken to meet the objective. Examples of such measures should include curriculum, administration, technology, counseling, purchasing, staffing, library services, enrollment procedures, and office processes. The annual report would be submitted to the LEPC on or before September 1 of each year, beginning in 1999.
3. **Institute a Five-Year Planning Cycle and Annual Reporting Procedures.** The Committee recommends the State Board of Education to develop a five-year plan for community colleges and that the plan should be updated periodically—at least once every five years. In addition, the State Board should report annually to the Governor and Legislature regarding progress in achieving goals established in the plan and the results as measured by performance indicators. A set of performance indicators should include information that currently is collected as well as new information to be added in support of the performance indicators. The Committee recognizes that the State Board adopted a new plan in November of 1997 that is required by K.S.A. 71-1001 et seq.
4. **Compile State-Level Performance Indicators.** The Committee recommends legislation requiring the State Board of Education in the case of community colleges to identify core indicators of performance, establish a data management system, and maintain uniform information about common and institutional specific performance indicators that document the effectiveness of the colleges. The Committee also reviewed the work of the State Board of Regents, as well as that of the State Board of Education, regarding development and implementation of core performance indicators designed to measure effectiveness and efficiency in delivering postsecondary education. The Committee expresses its support for continuing these efforts and for enhancing accountability in postsecondary education. The Committee believes when providing additional financial resources, such as its recommendations would provide for community colleges, there must be new data provided to allow evaluating the results produced by increased state funds.
5. **Monitor Development of Performance Indicators.** The Committee requests the Board of Regents and the Board of Education to keep the LEPC informed as each board develops core indicators and performance measures. The Committee emphasizes that this monitoring should be a function of the LEPC. It is strongly felt that, concurrent to increases in financing for postsecondary education, legislative empowerment to monitor developments and assure accountability could be achieved by increasing the LEPC authority.
6. **Review Institutional Missions.** The Committee recommends the State Board of Education to include a review of institutional missions in the process of developing a five-year plan for community colleges.
7. **Review Instructional Programs.** The Committee recommends the State Board of Education to develop state-level procedures



- and uniform guidelines to ensure that periodic review is conducted by each community college of all academic and vocational programs, and that the results of the local reviews are reported to the State Board of Education for its consideration.
8. **Coordinate Distance Learning.** The Committee urges the State Board of Education and the State Board of Regents to cooperate in matters relative to distance learning and to coordinate programs in order to provide access for all citizens. The Committee understands that the Joint Advisory Committee on Governance is considering a definition of "close proximity" to ensure the process of institutional cooperation continue between Regents institutions and community colleges, and encourages that entity to continued its coordination efforts.
  9. **Increase the Authority of the LEPC.** The Committee recommends amending the LEPC statute to authorize it meet any time and any place in the state upon call of the Chairperson. The Committee was concerned that during the 1997 interim, the LCC had limited the LEPC to only four meeting days, including two for its annual conference, and that the limitation had restricted the LEPC's ability to monitor postsecondary activities during the 1997 interim. The amendment is intended to remove the LEPC from LCC control over the number of meetings that the LEPC can hold. The Committee wants the LEPC to serve as an oversight entity and recommends clarifying that the LEPC is required to review certain issues. The issues include governance, coordination among institutions, accessibility, articulation and transfer, finance, and program offerings. The LEPC would be authorized to recommend measures for enhancing accountability of the postsecondary education system. The proposed changes would allow the LEPC to develop a policy agenda for postsecondary education and to develop a schedule for implementation.
  10. **Increase Credit Hour and Out-district State Aid.** The Committee recommends increasing credit hour aid from \$30.50 to \$38.00 and increasing out-district state aid from \$24.00 to \$36.00. Cost of increasing credit hour aid is almost \$13.3 million in FY 1999 and out-district state aid is slightly over \$7.7 million. During the interim, the Committee reviewed a proposal that would have allocated all state aid to community colleges on the basis of an operating grant (1997 H.B. 2119), but became concerned that, without providing some incentives for institutions to offer courses based on credit hours generated, community colleges would be less likely to offer outreach programs. Instead, the Committee decided to recommend an increase in both credit hour and out-district state aid to help buy down the local mill levies. The Committee notes several other options that would have combined the existing credit hour and out-district state aid programs with a new operating grant. Under one proposal, the grant would have replaced county out-district tuition, the general state aid program, and the amount needed to replace local property tax support as the result of a proposed 15-mill cap. The operating grant concept is preserved in another item below for a more limited purpose.
  11. **Increase General State Aid.** The Committee recommends increasing funds by \$8.0 million in FY 1999. The general state aid program is based upon the assessed valuation of the community college district, the enrollment of the community college, and the median assessed valuation per student. It is the only community college program that takes into account the relative property wealth of districts and is not entirely enrollment driven. In recognition of the fact that increasing general state aid has the potential impact of reducing mill levies, the Committee considered several alternatives

- for funding levels of this approach. Currently, only \$2.6 million of state funding is distributed through general state aid.
12. **Provide an Operating Grant in Order to Buy Down Local Levies to 20 Mills.** The Committee recommends operating grants estimated at \$2.74 million in FY 1999. After taking into account increases recommended for state credit hour aid, out-district state aid, and general state aid, it is estimated that four community colleges still would need to levy in 1998-99 more than 20 mills to maintain current expenditure levels, assuming no changes in enrollments or tuition. State operating grants, based on current estimates, would be provided for four institutions: Coffeyville, Independence, Neosho County, and Pratt. The operating grant amount would be frozen at the FY 1999 dollar amount computed. The presumption is that for subsequent fiscal years, the operating grant will be subjected to review during the appropriations process and to adjustment, if necessary. One example reviewed by the Committee illustrated the effect that could result from a major variation in a district's property tax base. The effect of a decline in valuations and subsequent loss of expected tax revenue needed to fund a community college's continued operation might warrant an adjustment in the operating grant.
  13. **Cap Community College Levies for Operating Expenses (General, Vocational, and Employee Benefit Funds) at 20 Mills.** The Committee recommends legislation to impose a 20 mill cap for operating revenues. Mill levies for the general, vocational, and employee benefit funds would be included in the cap at 20 mills. The recommended legislation also provides an exemption from the current tax lid. Community colleges with lower aggregate levies of less than 20 mills in 1998-99 would be unaffected. Four community colleges are estimated to have mill levies of more than 20 mills after taking into account other state aid increases designed to reduce ad valorem property taxes. Because of the increased state aid
  - in this community college funding program, the Committee understands that property tax relief will be achieved. Approximately two-thirds (\$20 million) of the additional state funding could be applied to tax relief at the local level.
  14. **Eliminate County Out-District Tuition.** The Committee recommends legislation repealing out-district tuition paid by counties. Payments by counties for out-district tuition are less than 5 percent of total community college resources statewide, but, for some institutions, represent an important source of revenue. For the counties, the payments long have represented an annual expense over which commissioners could exercise little control, except to pay the bill when presented by the community colleges. Budgeting for this purpose from year to year is problematical. The State Department of Education estimates that state funding to replace county out-district tuition currently is \$10 million. For FY 1999, the estimated cost is slightly more than \$12.2 million. Financing for this change is included in the recommended state funding increases for state aid.
  15. **Eliminate the 64/72-Hour Limit on Academic Out-district State Aid and Out-district Tuition.** The Committee recommends eliminating this current statutory limitation. At one time, no state aid was paid for community college courses taken by students who had more than 64 credit hours (or 72 hours in the case of pre-engineering and pre-nursing programs). However, the limit was first removed in the case of the credit hour aid program and then for vocational out-district state aid and county tuition. The rationale was that many community college students are adults who have baccalaureate degrees but need job training or retraining. Because it is deemed to be in the state's interest to have a well trained workforce, the 64-hour limit was removed for vocational courses so that it would not be a barrier to community colleges providing job training and retraining. The State Department of Education estimates that removing the limit on

- academic out-district tuition would require an additional \$1.5 million in state aid. Financing for this change is included in the recommended state funding increases.
16. **Fund All Vocational Education Courses at Two Times the Academic Hour Rate.** The Committee recommends changing current law that pays two different rates for community colleges vocational courses. Presently, the higher rate of 2.0 times the academic rate for vocational education courses applies to five community colleges that are designated area vocational schools. The other 14 community colleges are paid at a rate of 1.5 times the academic rate for the same vocational education courses. The State Department of Education estimates paying all the community colleges vocational credit hour aid at the higher rate would cost an additional \$3.0 million. Generally, vocational education courses are more expensive for institutions to offer, which is the reason for the higher reimbursement rate. There is no programmatic basis for two levels of vocational course reimbursement, and the Committee felt that this is the appropriate time to establish equity in financing vocational education courses at the same rate for all community colleges. Financing for this change is included in the recommended state funding increases.
  17. **Change the Credit Hour Definition in K.S.A. 71-601.** The Committee recommends a revision in state law to authorize the State Board of Education to determine the length of a community college semester. Part of the rationale is that the Regents institutions have operated on a 15-week semester for many years. Currently, statutes require that community colleges offer an 18-week semester, and that equates to 900 minutes of instruction for one credit hour, the basis for state aid payments on approved courses. This change was requested by the community colleges and it will allow the State Board of Education to reduce the community college term for a semester to 15 weeks, and that equates to 750 minutes of instruction for one credit hour. This revised definition for credit hour is the basis accreditation and constitutes 50 minute instruction per class period. No fiscal impact is anticipated in the first year after the change becomes law. The State Board of Education would supervise the transition from 18 to 15 weeks in administering the new provisions in law, and the change should take at least one year to complete.
  18. **Increase the Operating Grant to Washburn University.** The Committee's recommendation to eliminate out-district tuition for community colleges also applies to out-district tuition for Washburn University. An increase in the amount of state money to replace the lost income is recommended by the Committee, increasing the current operating grant. The estimate for increased cost is \$503,890.
  19. **Add an Equity Grant for Washburn University.** The Committee also recommends a second funding enhancement, or equity grant, to address a parity issue. During the Committee's review of funding issues, it was pointed out that Washburn University receives state support that averages \$1,630 per FTE student, while the average is \$1,740 per FTE student for community colleges. The gap in funding is what the equity grant attempts to address by reducing 20 percent of the difference during the first year. The estimated cost of the equity grant is \$861,003 in FY 1999. The equity grant represents one-fifth of the amount needed to fully finance the grant which is anticipated to be phased-in over five years by one-fifth each subsequent year.

### Recommended Legislation

20. **Introduce Two Committee Bills.** The Committee recommends introduction of two bills for consideration by the 1998 Legislature. The first bill contains the statutory changes needed to implement the Committee's recommendations, except the funding of Washburn University's enhancements. The second bill is an appropriations measure providing line items for an

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increased operating grant and an equity grant.

### Proposed Community College State Aid Plan

This proposed community college state aid plan includes the following provisions:

- repeals out-district tuition;
- increases out-district state aid from \$24.00 to \$36.00 per credit hour;
- increases credit hour state aid from \$30.50 to \$38.00 per credit hour;
- increases general state aid from \$2,642,771 to \$10,642,845;
- increases vocational education weighting from 1.5 to 1 to 2 to 1 for the 14 community colleges that do not have area vocational school designation;
- repeals the academic out-district credit hour state aid limitation for students with over 64/72 credit hours;
- provides for an operating grant to the community colleges when state aid increase results in a mill levy of more than 20 mills; and
- provides an exemption from the current tax lid and places a 20-mill limitation on the general, vocational, and employee benefit funds.

### Proposed Washburn University Funding Plan

This Washburn University state aid plan includes the following provisions:

- repeals out-district tuition and increases the state operating grant to offset any revenue; and
- establishes an equity grant program and funds one-fifth of the calculated cost in the first year, with annual increases of one-fifth anticipated in each subsequent year until full equity funding is achieved. Equity funding is based initially on a 1997 calculation.

### Estimated Cost of Proposed State Funding Plans

The following table summarizes the estimated costs of this state plan for community colleges and Washburn University.

<u>State Support</u>	<u>FY 1999</u>	<u>FY 1998</u>	<u>Difference</u>
<u>Community Colleges</u>			
Credit Hour Aid	\$ 54,739,631	\$ 41,457,678	\$ 13,281,953
Out-District Aid	19,933,210	12,225,973	7,707,237
General State Aid	10,642,845	2,642,795	8,000,000
Operating Grant	<u>2,741,630</u>	<u>0</u>	<u>2,741,630</u>
Subtotals	\$ 88,057,316	\$ 56,326,446	\$ 31,730,870
<u>Washburn Uni.</u>			
Operating Grant	\$ 7,958,766	\$ 7,454,876	\$ 503,890
Equity Grant	<u>861,003</u>	<u>0</u>	<u>861,003</u>
Subtotals	\$ 8,819,769	\$ 7,454,876	\$ 1,364,893
Grand Total	<u>\$ 96,877,085</u>	<u>\$ 63,781,322</u>	<u>\$ 33,095,763</u>



**Kansas State Department of Education**

120 S.E. 10th Avenue  
Topeka, Kansas 66612-1182

February 9, 1998

TO: Legislative Research Department

FROM: Dale M. Dennis, Deputy  
Commissioner of Education

SUBJECT: Community College Finance

Attached is a table which shows the dollars raised from a one-mill levy from each community college.

The valuation is based upon the 1997 assessed valuation taken from the community college budgets.

**Division of Fiscal & Administrative Services**

785-296-3871 (phone)

785-296-0459 (fax)

785-296-6338 (TTY)

[www.ksbe.state.ks.us](http://www.ksbe.state.ks.us)

Select Committee on Higher Education

February 9, 1998

Attachment 6



1	2
ESTIMATED 97 ASSD VAL	1 mill - REVENUE

Allen Co	60,489,096	60,489
Barton Co	150,257,446	150,257
Butler Co	277,722,770	277,723
Cloud Co	49,724,326	49,724
Coffeyville	83,263,142	83,263
Colby	66,739,849	66,740
Cowley Co	162,091,694	162,092
Dodge City	171,757,793	171,758
Fort Scott	60,312,714	60,313
Garden City	363,266,576	363,267
Highland	44,526,596	44,527
Hutchinson	353,019,446	353,019
Independence	87,004,017	87,004
Johnson Co	3,812,651,628	3,812,652
Kansas City	657,510,137	657,510
Labette	86,809,251	86,809
Neosho Co	67,334,963	67,335
Pratt	72,561,051	72,561
Seward Co	206,794,728	206,795
	6,833,837,223	6,833,838



February 9, 1998

TO: Legislative Research Department

FROM: Dale M. Dennis, Deputy  
Commissioner of Education

SUBJECT: Community College Finance

Attached is a table which shows the 1997 community college mill rates for operating expenses taken from the community college budgets.

Column 2 reflects the increase in credit hour state aid, out-district state aid, general state aid, less out-district tuition, plus general operating grant, less student tuition, plus the state aid necessary to provide a 30 percent state aid guarantee. These mill levies are based upon the assumption that all state aid increase, less out-district tuition, will be used for property tax relief. Some boards of trustees will choose to increase their operating budget above the computed amount for enhancement of programs particularly in the technology area.

Column 3 shows the estimated mill rate assuming all state aid is used for lowering the budget and the operating budget is increased five percentage points over the 1996-97 school year.

1	2	3
97 MILL RATES*	MILLAGE EQUIVALENCY OF STATE AID INCREASE	DIFFERENCE

Allen Co	20.176	9.795	10.381
Barton Co	32.096	15.000	17.096
Butler Co	21.261	11.977	9.284
Cloud Co	30.066	4.722	25.344
Coffeyville	37.191	15.000	22.191
Colby	23.434	11.257	12.177
Cowley Co	19.237	12.991	6.246
Dodge City	23.310	15.000	8.310
Fort Scott	20.507	5.658	14.849
Garden City	15.790	13.054	2.736
Highland	22.166	2.361	19.805
Hutchinson	18.430	15.000	3.430
Independence	33.033	15.000	18.033
Johnson Co	8.527	6.268	2.259
Kansas City	16.677	14.014	2.663
Labette	23.961	12.453	11.508
Neosho Co	30.599	15.000	15.599
Pratt	38.861	15.000	23.861
Seward Co	21.720	15.000	6.720

\* General, Vocational, and Employee Benefits Funds.

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## Kansas State Department of Education

120 S.E. 10th Avenue  
Topeka, Kansas 66612-1182

February 9, 1998

TO: Legislative Research Department

FROM: Dale M. Dennis, Deputy  
Commissioner of Education

SUBJECT: Community College Finance

Attached is a memorandum which shows the 1996-97 operating budget, the student tuition, and the percentage student tuition is of the operating budget.

We have compared the actual percentage of student tuition for 1996-97 to 20 percent of the budget. The additional money shown indicates the student tuition increase that would be required to bring the student tuition up to 20 percent of the operating budget

The last column shows the percentage increase in student tuition over the current tuition collected.

	96-97 OPERATING BUDGET*	96-97 TUITION	96-97 PERCENTAGE	PERCENTAGE BELOW 20%	ADDITIONAL DOLLARS REQUIRED	PERCENTAGE INCREASE
Allen Co	4,267,615	899,918	21.09%	0.00%	0	0.00%
Barton Co	13,611,521	2,033,880	14.94%	5.06%	688,424	33.85%
Butler Co	21,699,946	4,086,355	18.83%	1.17%	253,634	6.21%
Cloud Co	6,400,523	1,335,023	20.86%	0.00%	0	0.00%
Coffeyville	6,631,206	1,042,563	15.72%	4.28%	283,678	27.21%
Colby	6,498,444	1,398,128	21.51%	0.00%	0	0.00%
Cowley Co	10,006,802	1,766,827	17.66%	2.34%	234,533	13.27%
Dodge City	10,480,475	2,294,812	21.90%	0.00%	0	0.00%
Fort Scott	4,893,007	1,208,300	24.69%	0.00%	0	0.00%
Garden City	9,462,109	1,303,765	13.78%	6.22%	588,657	45.15%
Highland	5,682,774	1,199,358	21.11%	0.00%	0	0.00%
Hutchinson	14,122,052	2,259,665	16.00%	4.00%	564,746	24.99%
Independence	5,988,696	716,785	11.97%	8.03%	480,954	67.10%
Johnson Co	61,325,767	11,658,854	19.01%	0.99%	606,299	5.20%
Kansas City	19,165,228	2,792,743	14.57%	5.43%	1,040,303	37.25%
Labette	5,837,289	812,597	13.92%	6.08%	354,861	43.67%
Neosho Co	4,239,883	583,458	13.76%	6.24%	264,519	45.34%
Pratt	5,348,349	672,666	12.58%	7.42%	397,004	59.02%
Seward Co	6,657,811	794,746	11.94%	8.06%	536,816	67.55%
<b>TOTALS</b>	<b>222,319,496</b>	<b>38,860,443</b>			<b>6,294,428</b>	

\*GENERAL, VOCATIONAL, AND EMPLOYEE BENEFIT FUNDS

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KANSAS COMMUNITY COLLEGE  
1996-97 TUITION & FEE SCHEDULE

COLLEGE	RESIDENCE	TUITION per credit hour	FEES per credit hour
ALLEN COUNTY	RESIDENT	28.00	8.00
	NON-RESIDENT	28.00	8.00
	INTERNATIONAL	53.00	8.00
BARTON COUNTY	RESIDENT	25.00	12.00
	NON-RESIDENT	50.00	12.00
BUTLER COUNTY	RESIDENT	27.50	13.50
	NON-RESIDENT	65.00	13.50
CLOUD COUNTY	RESIDENT	29.00	12.50
	NON-RESIDENT	80.00	7.50
COFFEYVILLE	RESIDENT	26.00	11.00
	NON-RESIDENT	69.00	11.00
COLBY	RESIDENT	28.00	9.00
	NON-RESIDENT	70.00	9.00
COWLEY COUNTY	RESIDENT	27.00	13.00
	NON-RESIDENT	81.00	13.00
	OKLA (6 Counties)	60.00	13.00
DODGE CITY	RESIDENT	30.00	12.00
	NON-RESIDENT	45.00	12.00
FORT SCOTT	RESIDENT	28.00	12.00
	NON-RESIDENT	84.00	12.00
GARDEN CITY	RESIDENT	28.00	7.00
	NON-RESIDENT	65.00	7.00
HIGHLAND	RESIDENT	29.00	10.00
	NON-RESIDENT	87.00	10.00
HUTCHINSON	RESIDENT	30.00	10.00
	NON-RESIDENT	87.00	10.00
INDEPENDENCE	RESIDENT	25.00	10.00
	NON-RESIDENT	75.50	10.00
	INTERNATIONAL	95.00	10.00
JOHNSON COUNTY	RESIDENT	46.00	Fees included in tuition
	NON-RESIDENT	122.00	
KANSAS CITY	RESIDENT	30.00	6.00
	NON-RESIDENT	90.00	6.00
LABETTE	RESIDENT	27.00	10.00
	NON-RESIDENT	82.00	10.00
NEOSHO COUNTY	RESIDENT	26.00	11.00
	NON-RESIDENT	78.00	11.00
PRATT	RESIDENT	27.00	12.00
	NON-RESIDENT	56.00	12.00
SEWARD COUNTY	RESIDENT	27.00	10.00
	NON-RESIDENT	50.00	10.00
	INTERNATIONAL	81.00	10.00

# KANSAS COMMUNITY COLLEGE

## 1997-98 TUITION & FEE SCHEDULE

(Revised 10/01/97)

COLLEGE	RESIDENCE	TUITION per credit hour	FEES per credit hour
ALLEN COUNTY	RESIDENT	29.00	9.00
	NON-RESIDENT	29.00	9.00
	INTERNATIONAL	83.00	9.00
BARTON COUNTY	RESIDENT	26.00	18.00
	NON-RESIDENT	52.00	18.00
BUTLER COUNTY	RESIDENT	28.50	14.00
	NON-RESIDENT	69.50	14.00
	INTERNATIONAL	90.50	44.00
CLOUD COUNTY	RESIDENT	30.00	12.50
	NON-RESIDENT	77.50	7.50
COFFEYVILLE	RESIDENT	26.00	13.00
	NON-RESIDENT	71.00	13.00
COLBY	RESIDENT	28.00	11.00
	NON-RESIDENT	70.00	11.00
COWLEY COUNTY	RESIDENT	27.00	13.00
	NON-RESIDENT	81.00	13.00
	OKLAHOMA	60.00	13.00
DODGE CITY	RESIDENT	30.00	12.00
	NON-RESIDENT	50.00	12.00
FORT SCOTT	RESIDENT	28.00	12.00
	NON-RESIDENT	84.00	12.00
GARDEN CITY	RESIDENT	28.00	10.00
	NON-RESIDENT	65.00	10.00
HIGHLAND	RESIDENT	29.00	12.00
	NON-RESIDENT	87.00	12.00
HUTCHINSON	RESIDENT	31.00	10.00
	NON-RESIDENT	87.00	10.00
INDEPENDENCE	RESIDENT	25.00	12.00
	NON-RESIDENT	75.00	12.00
	INTERNATIONAL	95.00	12.00
JOHNSON COUNTY	RESIDENT	46.00	Fees included in tuition
	NON-RESIDENT	122.00	
KANSAS CITY KS	RESIDENT	32.00	6.00
	NON-RESIDENT	96.00	6.00
LABETTE	RESIDENT	29.00	10.00
	NON-RESIDENT	84.00	10.00
NEOSHO COUNTY	RESIDENT	29.00	12.00
	NON-RESIDENT	87.00	12.00
PRATT	RESIDENT	27.00	13.00
	NON-RESIDENT	56.00	13.00
SEWARD COUNTY	RESIDENT	28.00	10.00
	NON-RESIDENT	51.00	10.00
	INTERNATIONAL	82.00	10.00

### 1995-96 Estimated Millage Equivalency of County Out-District Tuition Billings for Community Colleges

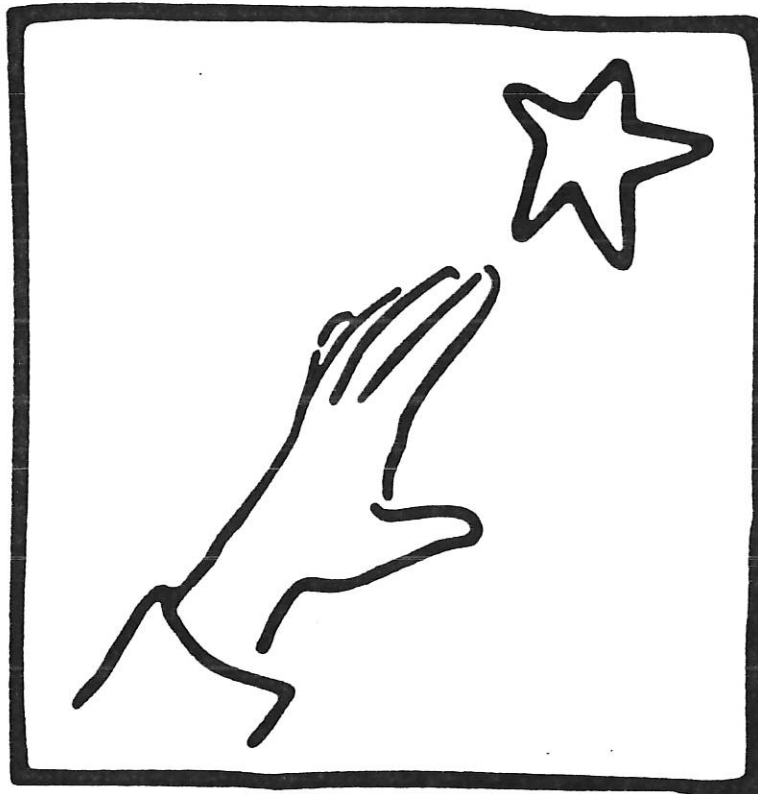
County	Amount Paid to Community Colleges	Community College Millage Equivalency	County	Amount Paid to Community Colleges	Community College Millage Equivalency
Allen*	\$ 22,704	0.39	Linn	\$ 93,456	0.64
Anderson	97,488	2.34	Logan	45,156	1.75
Atchison	86,328	1.31	Lyon	63,624	0.44
Barber	70,596	1.45	Marion	82,788	1.32
Barton*	4,536	0.03	Marshall	79,392	1.34
Bourbon*	10,404	0.19	McPherson	196,145	1.09
Brown	109,267	2.03	Meade	59,772	0.86
Butler*	18,504	0.07	Miami	267,408	1.96
Chase	16,512	0.68	Mitchell	79,488	2.16
Chautauqua	50,232	2.38	Montgomery*	59,172	0.40
Cherokee	158,352	1.76	Morris	40,584	1.15
Cheyenne	39,132	1.41	Morton	23,226	0.17
Clark	39,582	1.36	Nemaha	78,048	1.38
Clay	71,868	1.66	Neosho*	19,008	0.31
Cloud*	3,336	0.07	Ness	50,760	1.25
Coffey	55,386	0.10	Norton	46,140	1.63
Comanche	25,452	0.97	Osage	148,320	2.30
Cowley*	22,060	0.14	Osborne	36,960	1.44
Crawford	231,816	1.74	Ottawa	45,696	1.34
Decatur	32,436	1.22	Pawnee	82,740	1.81
Dickinson	114,000	1.25	Phillips	57,924	1.54
Doniphan*	1,440	0.03	Pottawatomie	89,664	0.30
Douglas	469,188	0.97	Pratt*	5,880	0.08
Edwards	55,896	1.59	Rawlins	29,628	1.08
Elk	44,256	2.29	Reno*	6,504	0.02
Ellis	92,076	0.63	Republic	79,716	2.24
Ellsworth	76,968	1.34	Rice	119,256	1.68
Finney*	3,288	0.01	Riley	129,480	0.68
Ford*	3,264	0.02	Rooks	38,328	0.96
Franklin	182,640	1.79	Rush	38,124	1.18
Geary	170,868	1.87	Russell	63,168	1.17
Gove	31,166	1.04	Saline	123,816	0.44
Graham	37,332	1.25	Scott	53,568	1.14
Grant	77,448	0.25	Sedgwick	2,059,356	0.97
Gray	82,728	1.83	Seward*	1,848	0.01
Greeley	15,180	0.58	Shawnee	34,584	0.04
Greenwood	83,100	1.84	Sheridan	39,720	1.49
Hamilton	22,194	0.47	Sherman	64,212	1.42
Harper	71,448	1.50	Smith	36,456	1.25
Harvey	246,696	1.72	Stafford	71,796	1.43
Haskell	60,960	0.46	Stanton	25,686	0.27
Hodgeman	31,680	1.40	Stevens	57,972	0.17
Jackson	82,392	1.68	Sumner	300,726	2.67
Jefferson	112,841	1.46	Thomas*	384	0.01
Jewell	42,552	1.58	Trego	21,180	0.75
Johnson*	53,304	0.02	Wabaunsee	27,072	0.75
Kearny	63,846	0.29	Wallace	22,908	1.09
Kingman	95,070	1.40	Washington	75,480	1.74
Kiowa	53,076	1.06	Wichita	30,720	1.24
Labette*	10,128	0.13	Wilson	129,372	2.83
Lane	25,296	1.09	Woodson	33,216	1.41
Leavenworth	558,288	2.55	Wyandotte*	22,920	0.04
Lincoln	28,620	1.26			
			TOTAL	\$ 9,753,717	

\* County with a community college.

Source: Statistical and Financial Information of Kansas Community Colleges, Kansas State Board of Education, April 1997.

Select Committee on Higher Education  
February 9, 1998  
Attachment 7

# Bridging the Gap: Higher Education for a New Century



**Initial Report to  
The Kansas House of Representatives  
from the Select Committee on Higher Education**



**David Adkins, Chair  
Joe Kejr, Vice-Chair  
Ed McKechnie, Ranking Minority Member  
Mike Farmer • Jim Garner • Henry Helgerson  
Andrew Howell • Jan Pauls • Shari Weber**

## BRIDGING THE GAP: HIGHER EDUCATION FOR A NEW CENTURY

### Prior Postsecondary Studies

Since 1972 and the work of the Master Planning Commission, there have been numerous other entities over the past 25 years studying postsecondary education in Kansas and offering alternative recommendations about how to restructure the system. Some of the groups were charged by the Legislature with that task, while others were authorized by the Governor, the State Board of Regents, or the State Board of Education. In other cases, groups or individuals assumed that responsibility on their own initiative. No fewer than 25 studies have been completed in the past quarter century. The number of studies alone may be one indicator of a perception that something may be "broken" in the postsecondary system and that different parts or even then entire system may need to be "fixed" based on the recommendations produced by the studies.

Although few recommendations from various studies have been implemented, change has taken place. There have been mergers of community colleges with area vocational schools and the development of regional consortia by groups of institutions. Other potential mergers have been considered, including Fort Hays State University and Barton County Community College, and Pittsburg State University and Labette County Community College. Legislation passed in 1994 allows area vocational schools to become technical colleges. Four schools have made that conversion to degree-granting institutions. An attempt at statewide coordination was undertaken in the 1990s as a result of the Legislative Educational Planning Committee (LEPC) directive that brought the State Board of Regents and the State Board of Education into joint meetings.

Since 1993, however, legislative complaints have grown more persistent that there had been enough studies and not enough action. The 1995 Legislature, in response to this complaint and at the initiative of the House Select Committee on Postsecondary Education, enacted H.B. 2553 creating the Kansas Council on the Future of Postsecondary Education. Its primary responsibility was to develop a comprehensive state plan for postsecondary education in Kansas.

Two years later in March of 1997, the Council submitted a summary of its conclusions and recommendations to the Legislature. Included was the statement that "The Council has no plans for any additional meetings." Rather than developing a plan, the Council became another study group which produced a vision statement and three different governance and coordination options.

Most recently, a proposal was introduced during the 1997 Session to reorganize postsecondary education under a Commissioner of Higher Education. The 1997 interim produced another study that recommends enhancements and changes in the way the state finances community colleges and Washburn University.

The issue of whether the Kansas postsecondary education system needs to be restructured is being addressed by the 1998 Legislature and specifically by the House Select Committee on Higher Education. Aims C. McGuinness, Jr., told the LEPC during the 1994 interim that, in his opinion as a consultant for the National Center for Higher Education Management Systems:



*How to shape the structures and policies for a constructive relationship between the state and higher education will be one of the most important challenges of the next decade. It is time for states to step back and examine the relevance for the next century of structures formed for an earlier time.*

Also being considered this session is financing for the Kansas postsecondary system.

### **House Select Higher Education Committee**

The members of the Committee are:

David Adkins, Chairperson	Jim Garner
Joe Kejr, Vice-Chairperson	Henry Helgerson
Ed McKechnie, Ranking Minority	Andrew Howell
Member	Jan Pauls
Mike Farmer	Shari Weber

The Committee goals are to:

- review the several studies of postsecondary education funding, coordination, and governance over the years, in particular the report of the Joint Committee from the 1997 interim session;
- determine the most effective and cost-efficient method of governance or coordination or public postsecondary institutions within Kansas;
- examine the goals and missions of Kansas postsecondary institutions to determine if Kansas' institutions have world class attributes and if targeted excellence funds would help institutions meet those goals;
- review the current use of technology and examine the potential for greater use of technology in preparing Kansas students for the next century;
- review the equity of faculty salaries in Kansas to determine if Kansas is competitive in attracting and retaining world class faculty;
- review the current funding mechanism of Kansas higher education institutions to determine the potential for a more economic use of Kansas' resources in serving the needs of Kansas' students, business, industry, and our population; and
- determine if property taxes currently used to fund some functions can be replaced by other revenue sources.

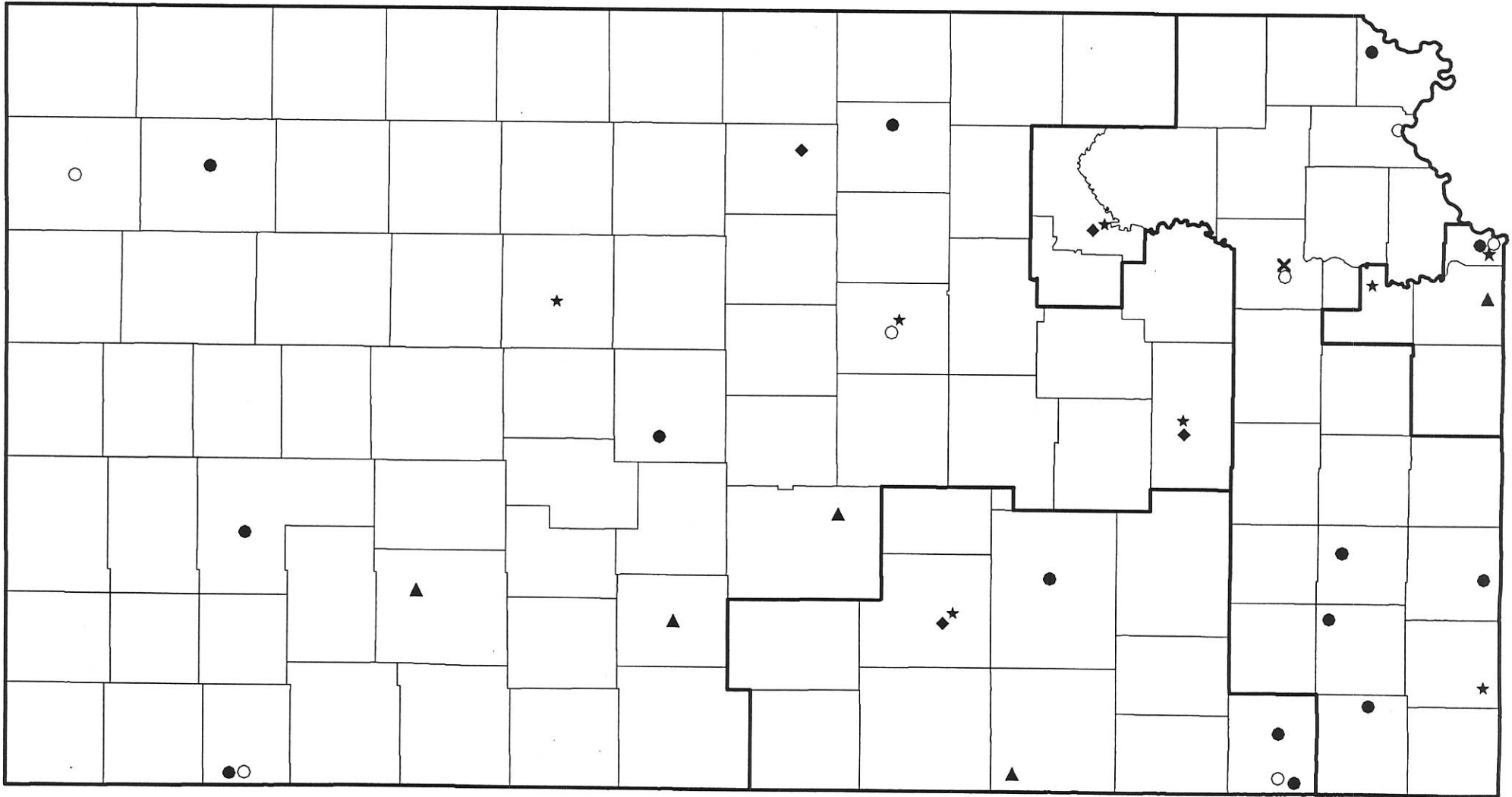
The schedule for the Committee:

- initial report by 30<sup>th</sup> day of the session (February 10, 1998); and
- final report prior to *sine die* of the 1998 Legislature (May or June).

## **Profile of Kansas**

Residents of Kansas are high users of the state's postsecondary education system—78 percent of the state's high school graduates attend a postsecondary institution. Kansas also has a large number of institutions per capita, making access to an institution for a lifetime of learning relatively easy for most residents.

# Kansas Public Postsecondary Institutions

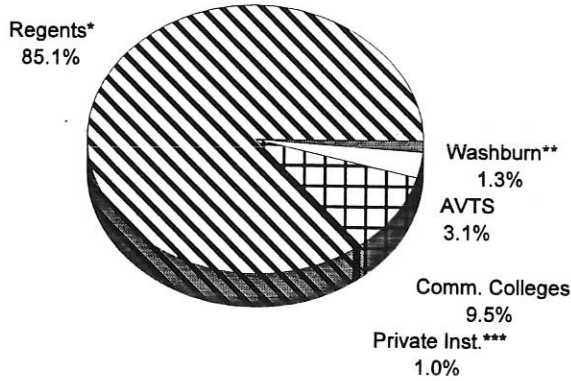


- |  |   |  |
|--|---|--|
| <p>★ Regents Institution – Six universities and a medical center under the governance of the Kansas Board of Regents</p> | <p>● Community College – Fourteen under the control of local boards of trustees, supervised by the State Board of Education</p>   | <p>◆ Technical Colleges--Four under the control of a single district board of education or a multi-board, supervised by the State Board of Education</p>       |
| <p>✕ Municipal University – One under the control of a local governing board</p>   | <p>▲ Community College/Area Vocational School – Five community colleges that are designated area vocational schools under the control of local boards of trustees, supervised by the State Board of Education</p> | <p>○ Area Vocational School – Seven under the control of a single district board of education or a multi-board, supervised by the State Board of Education</p> |

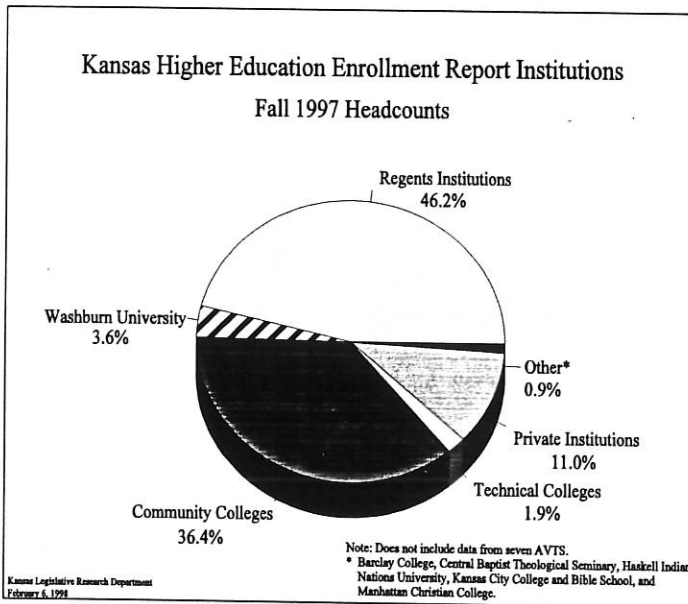
8-5

The state provides a high level of state support for its postsecondary institutions and has traditionally kept student tuition low in order to make an education affordable. Of total State General Fund expenditures, 15 percent are for postsecondary education. The charts below show how the state postsecondary education dollars and headcount enrollments are spread among the sectors:

### State General Fund Postsecondary Expenditures by Type FY 1999 Governor's Recommendation



- \* Excludes Comprehensive Grant Program and Washburn Operating Grant
- \*\* Includes Operating Grant, Public TV grant, and Proportionate Share of Comprehensive Grant Program funding
- \*\*\* Includes Proportionate Share of Comprehensive Grant Program Funding



The state's institutions are diverse and represent a public and private mix that serves different clientele and offers everything from community services to high-level graduate, professional, and research programs. Kansans value education and think of postsecondary institutions as partners with the private sector in the economic development of the state. The public postsecondary education system consists of institutions that are under the jurisdiction of two constitutionally-created boards, one of which is responsible for elementary-secondary education, and a municipal university under the governance of a local board. Community colleges, technical colleges, and area vocational schools also have local governing boards.

## **IDENTIFIED STRENGTHS AND WEAKNESSES OF THE PRESENT SYSTEM**

The Committee spent significant time in identifying the strengths of the current postsecondary education system, and identifying the weaknesses (along with the barriers to change) inherent in the current system.

### **Strengths**

#### **Four-Year Institutions**

- **Distinct Missions of Each Institution** provide a diversity of offerings and allow the institutions to be responsive to those established missions.
- **Strong Public Support for Institutions** has allowed the institutions to become quite adept at raising funds from private sources.
- **Research Support** for government and business in Kansas is strong.
- **Low Tuition Rates** provide good value for students.
- **Institutional Leadership** is strong.
- **High Ability Scholars** are attracted to the institutions.

#### **Community Colleges, Technical Colleges, and Area Vocational Schools**

- **Responsive to Student Needs** in regard to service areas, access, and flexibility of course offerings.
- **Public/Private Partnerships in Place** provide business support, job training and retraining services and foster economic development in the state.
- **Established Missions** are relevant to the concepts of lifelong learning and the educational needs of the 21st century.
- **Low Tuition Rates** provide good value for students.



- **Local Support/Control** makes institutions responsive to the needs of the community.

### **Systemic Weaknesses/Barriers to Change**

- **Lack of a Focal Point** gives the perception that no one is "in charge" of postsecondary education in Kansas, and hinders any kind of systemic coordinated strategic planning.
- **Perceptions of Unnecessary Duplication of Course and Program Offerings** lead to confusion regarding the relative missions of the various institutions.
- **Mutual Mistrust of the Parties Involved** (Legislature vs. Institutions, Institutions vs. Institutions, Community Colleges vs. Universities) leads to low confidence that parties will follow through on commitments made, to perceived inequities in funding and defensive posturing.
- **Legislative Leadership** (Legislative Education Planning Committee) has failed to achieve its intended purpose to plan for postsecondary education.
- **Current Funding Mechanisms** often encourage negative competition for students; and reward institutions for "bodies" only, with little regard for quality or respect for service area boundaries.
- **Lack of a Central Data Resource** weakens the Legislature's oversight ability and hinders the institutions in demonstrating their accountability in providing accessible, affordable educational opportunities.
- **Current Constitutional Structure** impairs Executive Branch involvement in postsecondary education policy.

### **Committee Findings**

The Committee finds many strengths in higher education in Kansas and believes that the state has a good system, but it can be better. It should be excellent. The quality of our programs can be improved and the system can become more equitable. Based on its review, the Committee makes the following findings:

#### **I. Educational Leadership**

If Kansas is to reach its economic potential, the Kansas postsecondary education system needs to meet the challenges of access, quality, articulation, accountability and enhanced research and service. Currently, there is a vacuum of leadership in the governance and coordination of postsecondary education in Kansas. Institutions have been left without the support of a single advocate to clearly articulate their needs. This has compromised postsecondary education's ability to contribute to the academic and economic development of Kansas.

## II. Educational Commitment

The responsibility of community college education traditionally has been vested in communities. The committee finds that community colleges have evolved from local institutions into centers of lifelong learning with statewide missions. This requires the state to become more of a partner to fund and coordinate community colleges with four-year institutions.

Specifically, the Committee finds:

### *Community Colleges*

- ▶ Local property taxes have been relied on too heavily as a funding source and such reliance is inappropriate for institutions with regional and statewide missions.

### *Washburn University*

- ▶ Local property taxes have been relied on too heavily as a funding source for Washburn University. Washburn should be treated as a full partner in the state's university system in recognition of the important function the university serves.

### *Technical Colleges and Area Vocational Schools*

- ▶ Technical Colleges and Area Vocational Schools have evolved from being institutions of training for students desiring entry-level employment to institutions providing lifelong learning, training for high technology employment, and preparation for re-entry to the workforce with enhanced economic security.

## III. Educational Excellence

The Legislative and Executive Branches of government have failed to define and insist upon world-class standards for postsecondary education. Because of this, current funding mechanisms are not tied to the achievement and maintenance of excellence. There should be a commitment by policymakers to sharpen and fund the distinct areas of excellence at the state's four year institutions in order to meet the evolving needs of consumers of higher education in Kansas. The Committee further finds that Kansas State University, the University of Kansas, and Wichita State University should seek to increase their national ranking as research institutions within their missions.

## IV. Educational Access

Recognizing concerns over the access of the citizens of the state to postsecondary education, attention should be given to the concepts of a

virtual university and a commitment should be made to make courses and programs available so that students can graduate in four years.

## V. Educational Oversight

The Legislative and Executive Branches of government have failed to provide the oversight and support necessary in order for the state's public postsecondary institutions to attain world-class standards.

### Committee Proposal

What is lacking is one voice to advocate for all the sectors combined and to reconcile competing interests into a unified whole that will improve the quality we have and bring about the excellence to which we aspire. We need to tie funding to expectations and performance. To do that, the Committee has developed a plan that addresses both coordination and funding of higher education and makes the following proposal.

#### Coordination

The Committee recommends a Constitutional amendment to abolish the current Board of Regents, and to create the Kansas Council on Higher Education. The Council, with membership appointed by the Governor and confirmed by the Senate, would be responsible for coordination of all postsecondary activities, including the state's public universities, community colleges, technical colleges and area vocational schools. In addition, the Council would have direct governance responsibilities over public universities. Community Colleges, Technical Colleges and Area Vocational Schools would continue to be governed by local boards in order to remain responsive to local community and economic development needs. The Council would be responsible for establishing a planning process for postsecondary education. Under the Committee's plan, it is envisioned that existing postsecondary institutions would be able to affiliate or merge, as approved by the Council. The responsibility of the State Board of Education for elementary and secondary education would be unchanged.

Three new statutorily created entities would assist the Council. One would be a liaison committee between the Council and the State Board of Education to insure a seamless system of public education for Kansas residents. Another would be advisory to the Council on postsecondary matters. The third would be a legislative oversight committee. Powers and duties of the council with regard to its governance and coordination functions would be specified in the statutes.

It is envisioned that the resolution to amend the Constitution would be adopted by the Legislature during the 1998 Session, submitted to voters at the August 1998 primary election, and that the proposed Council would begin functioning on July 1, 2000. The proposed structure for postsecondary education is Attachment I to this report.

## Funding

The funding package recommended by the Committee will be phased in over several years and is intended to encourage and reward excellence in all sectors of postsecondary education. Components include:

- ▶ property tax relief for Community Colleges and Washburn University;
- ▶ enhancements to bring faculty salaries to the level of their peers;
- ▶ funding for state of the art technology equipment;
- ▶ funding for capital outlay and capital improvements at Technical Colleges and Area Vocational Schools;
- ▶ a new state scholarship program to enhance access to postsecondary education for Kansas residents; and
- ▶ other targeted funds for excellence.

## Expected Outcomes

If the Committee's proposal is adopted, Kansas will have a coordinated, comprehensive system of excellence through instruction, research, and life-long learning opportunities that benefit the residents of the state and promote economic development. The system will be flexible and responsive to future needs and demands, will be accessible to students in all parts of the state, will provide programs of national and international distinction, and will be built upon the goodwill and cooperation of educators and policymakers working toward a common goal to improve the system.

Central to the Committee's vision are clearly defined missions for each public postsecondary education sector and, within these broad parameters, for the institutions individually. The broad parameters are:

**Research Institutions and Public Universities.** The public universities should, depending upon their specific missions, provide college-level education at the baccalaureate, master's, professional, and doctor of philosophy degree-levels that leads to continued education or employment. They also should be a resource to the state and their local communities. The research institutions, utilizing both public and private resources, should engage in programs of intellectual distinction and practical application. Each institution should identify and nurture programs of uniqueness that achieve national and international distinction.

**Community Colleges.** Community colleges should provide pre-baccalaureate certificates and degrees that lead to continued education at a four-year university or lead to employment or job retraining. Community colleges also should serve as a resource to their communities, provide life-long learning opportunities, and meet the demands of business and industry.

**Technical Colleges and Area Vocational Schools.** Technical colleges and area vocational schools, depending upon the type of institution, should offer programs at the associate degree or certificate levels that provide occupational and technical training leading to employment or

job retraining. To the extent possible, program graduates should be able to easily move to other postsecondary education institutions. Technical colleges and area vocational schools should have strong ties to their service areas and cultivate private sector support, both financial and programmatic, from employers in their communities.

To the general definition of each public postsecondary education sector, the Committee adds a definition of the role of the Governor and the Legislature:

**State-Level Policymakers.** The Governor and the Legislature should establish a public agenda that sets forth the expectations for public postsecondary education in Kansas, provide the framework within which the system can operate, and allocate resources on the basis of performance as measured by the attainment of these expectations.

The Committee believes that program quality is fundamental to its expectations for the postsecondary education system and that quality is achieved through the components that are listed below. More importantly, each component can be measured and should be the basis by which programs are evaluated and resources allocated.

- ▶ COMPONENT: Clearly defined institutional missions

MEASURES: Mission statements and institutional strategic plans in support of the mission are developed, expanded, and refined as appropriate and reflect unique areas of distinction at each institution

Resources are allocated to achieve institutional missions

Programs offered support institutional missions

Programs have received regional, national, or international recognition for excellence

- ▶ COMPONENT: Qualified, competent faculty and instructors

MEASURES: Faculty and instructors possess required credentials and experience

Performance of faculty and instructors is reviewed and evaluated

Faculty is compensated at a level intended to make Kansas competitive with employment in other states and the private sector

- ▶ COMPONENT: Institutional cooperation and collaboration

MEASURES: Programs are in place that provide for the shared use of technology, equipment, supplies, and other resources



Partnerships have been made with the private sector and in particular with the business community

- ▶ COMPONENT: Efficient administration and operation of the system

MEASURES: Unjustified duplication and waste in administrative and educational programs have been eliminated

Courses transfer easily from one institution to another

Uniform data are collected and maintained

- ▶ COMPONENT: High-level achievement of student body

MEASURES: Coordination has been achieved with elementary-secondary education to ensure that high school graduates are prepared to engage in postsecondary education

Student financial aid is adequate to ensure that access to an education is not denied on the basis of income

Students are able to obtain the courses and support services they need in order to successfully complete programs in a reasonable amount of time

Student completion rates demonstrate user-satisfaction with programs

- ▶ COMPONENT: Program achievements

MEASURES: Programs and services are provided at locations and times or through the use of instructional technologies that provide access to Kansas residents in all parts of the state

Services and programs are provided to enable students who enter institutions to succeed

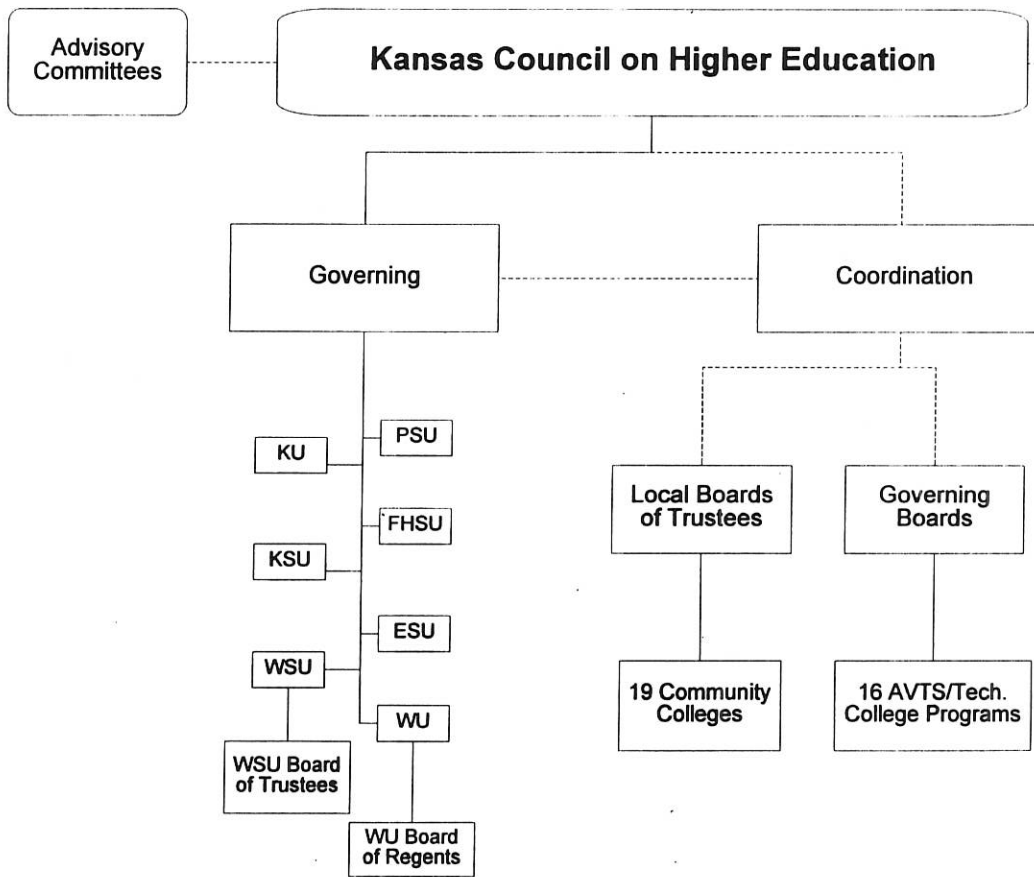
Students who move to another level of postsecondary education perform well at next level

Students who prepare for employment or enroll in job retraining programs are successful in finding or maintaining employment

Private sector support, including financial support and employer satisfaction, is high

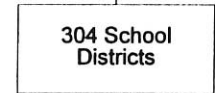
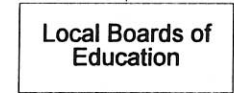
# EDUCATION LEADERSHIP IN KANSAS

## Higher Education

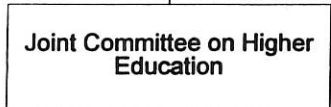


## K-12 Education

**Seamless Education Commission**



## Legislative Oversight



71-8