

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Ralph Tanner at 9:00 a.m. on January 28, 1999 in Room 313-S of the Capitol.

All members were present except:

Representative Henry Helgerson - Excused

Committee staff present:

Ben Barrett, Legislative Research Department
Carolyn Rampey, Legislative research department
Avis Swartzman, Revisor of Statutes
Renae Jefferies, Revisor of Statutes
Connie Burns, Committee Secretary

Conferees appearing before the committee:

Lt. Governor Gary Sherrer

Others attending: See attached list

The Joint House and Senate Education Committees, chaired by Representative Ralph Tanner and Senator Langworthy, met for a presentation by Co-Chair, Lieutenant Governor Sherrer, on the Governor's Task Force on Higher Education. (Attachment 1)

Lt. Governor Sherrer reviewed the report and stated the 19 members of this group were diligent in their efforts, and that this report is endorsed and supported by 17 members of the Task Force. Kansas provides a high level of state support for its postsecondary institutions and has traditionally kept tuition low in order to provide Kansans with access to an affordable education. Because of the involvement, there is an obligation to coordinate institutions, The demands of the future require vigilance and therefore Kansans should be equally committed to maintaining and creating a system of higher education capable of meeting their needs well into the next century.

The governance of these institutions is highly fragmented and the responsibility shared among the State Board of Education, the Kansas Board of Regents, and local boards that are responsible for the community colleges, the independent colleges and universities and others. Amidst this loose confederation of institutions and boards there is not one organization that has responsibility for coordinating and integrating the activities of these diverse institutions, except the Governor and the Legislature.

Lt. Governor Sherrer addressed the two issues raised since the release of this report. The first concern is that this proposal simply creates another layer of bureaucracy, his proposal does just the opposite. Past recommendations have often suggested a "super board" that governs and coordinates all of higher education. A "one size fits all" concept. A rigid, be everything to everybody structure better fits the definition of bureaucracy that does this Task Force proposal. The proposal does not add bureaucracy; it brings needed focus, direction and coordination of the myriad of higher education systems in this state. This proposal should be judged on its potential, not by a box on an organizational chart.

The second issue is that of cost. Consider we currently allocate less than \$1.4 million for the administrative costs of the Board of Regents. The changes that are proposed are small in terms of cost. The cost of not changing will be far greater.

Lt. Governor Sherrer, stated the this proposal can be enhanced by the work of the Kansas Legislature and should be. To discard this proposal lacks perfection and would be irresponsible. He asked what better way to meet the objectives than to debate and discuss them and urged the legislature to move forward.

The Task Force recommendation are simple but significant, the authority of the State Board of Education is transferred to a Board of Trustees charged with supervising the community colleges, vocational technical institutions, adult education programs and proprietary schools. Governance of our state universities is retained with the Board of Regents. The structure recommended by the task force is set out more fully in a chart in this report. The enactment of a constitutional amendment is necessary to implement the task force recommendation. A bill would also be proposed to facilitate implementation of the task force recommendations to be effective upon adoption of the constitutional amendment. (Attachment 2)

The question was raised about transferring existing statutory authority of Legislative Educational Planning Committee to the Coordinating Council and the size of the Task Force.

The chairman thanked the Lt. Governor and the task force for doing a great job.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION, Room 313-S Statehouse, at 9:00 a.m. on January 28, 1999.

Representative Dick Reinhardt appeared before the committee with a bill request that would change the way community colleges are funded. Representative Empson made a motion to have the request introduced as a committee bill. Representative Showalter seconded the motion. The motion carried. Representative Ballou was recorded as voting no.

Representative E. Peterson appeared before the committee with a bill request that would be interlocal co-op for USD 443. Representative Peterson made a motion to have the request introduced as a committee bill. Representative Storm seconded the motion. The motion carried.

The next meeting is scheduled January 29, 1999.

The meeting was adjourned at 10:10 a.m.

Testimony – Lieutenant Governor Sherrer
Co-Chair, Governor’s Task Force on Higher Education

Joint Meeting of the Senate and House Education Committees
January 28, 1999

Members of the Senate and House Education Committees:

Thank you for the opportunity to present the report of the Governor’s Task Force on Higher Education Structure for Excellence. The 19 members of this group were diligent in their efforts, creative in their recommendations and benefited by the testimony and impact of a significant number of individuals and groups that care about higher education in Kansas. This report is endorsed and supported by 17 members of the Task Force, a remarkable fact considering the diversity of the group and the complexity of the issues.

This morning I would like to review the report, address two issues that have been raised and stand for your questions and comments.

Please turn to the report and I will briefly review it with you.

Since the release of this report there have been two issues raised that I would like to address. The first concern is that this proposal simply creates another layer of bureaucracy. This proposal does just the opposite. Past recommendations have often suggested a “super board” that governs and coordinates all of higher education. A “one size fits all” concept. Our task force recognized and appreciates the diversity in function, mission and structure of our higher education institutions. A rigid, be everything to everybody structure better fits the definition of bureaucracy than does this Task Force proposal. There is a piece missing in the higher education structure and what we propose enhances what we have. On a practical note I cannot imagine a group of Kansas citizens who could provide the time and background required to serve on a board that governs and coordinates every single facet of higher education. Our proposal does not add bureaucracy; it brings needed focus, direction and coordination of the myriad of higher education systems in this state. Judge it on its potential, not by a box on an organizational chart.

The second issue is that of cost. It seems irresponsible to challenge the cost of a system without a factual basis on which to make that challenge. Consider we currently allocate less than \$1.4 million for the administrative costs of the Board of Regents. Even if the Higher Education Coordinating Council costs twice that amount, is \$3 million out of the nearly \$650,000,000 we spend on higher education an unreasonable investment? Subtract from that cost savings from mergers, affiliations and from having a more focused and coordinated system of higher education. The majority of the costs and staff for the Board of Trustees will be shifted from the budget of the Kansas Department of Education. The changes we propose are small in terms of cost. The cost of not changing will be far greater.

In closing I would acknowledge that what we offer may not be perfect. However there is no doubt the current structure is significantly flawed. As you deliberate I would ask you to consider these questions.

- If we do not adopt this plan then who has the authority for conflict resolution?
- If we do not adopt this plan then who has responsibility to promote and broker mergers and affiliations?
- If we do not adopt this plan then who gathers the information critical to accountability and measurement?
- If we do not adopt this plan then who develops a strategic plan for all of higher education and provides the administration and the legislature with a budget analysis based on that plan?

The answer to these questions is nobody and the task force believes that is not an acceptable response.

We believe this proposal can be enhanced by the work of the Kansas Legislature and should be. To discard it because it lacks perfection would be irresponsible. If there are better ways to meet our objectives let us debate and discuss them. While there may be disagreements on what to do there can be no doubt that something must be done.

Our Task Force saw a remarkable, perhaps historic amount of cooperative effort within all sectors of the higher education community. The time is right and the potential significant. We urge you to move forward.

STRUCTURE FOR EXCELLENCE



Governor's Task Force on Higher Education Structure for Excellence

**Report to the Governor
January 1999**

HOUSE EDUCATION
Attachment 2
1-28-99

Higher Education Structure for Excellence

Task Force Members

Co-Chairs

Lieutenant Governor / Secretary Gary Sherrer
Gene Bicknell, Chairman of the Board & CEO, NPC, International

Members

Representative David Adkins, Leawood
Thomas Burke, President, Kansas City Kansas Community College
Daniel Carey, President, Benedictine College
Senator Christine Downey, Inman
R.A. Edwards, President & CEO, First National Bank of Hutchinson
Senate Majority Leader Tim Emert, Independence
Jerry Farley, President, Washburn University
Floris Jean Hampton, President of Board of Trustees, Dodge City Community College
Kenneth Havner, Havner & Brin; Board of Regents
Dr. Rosemary Kirby, President, Wichita Area Technical School
Larry Keirns, President, Northwest Kansas Technical School
Carl Ricketts, Vice President of Labor Relations, Western Resources
Don Slawson, President & CEO, Slawson Companies
Dave Thomas, Director of Community Affairs, Sprint
Bill Wagnon, Washburn professor; Kansas State Board of Education
Jon Wefald, President, Kansas State University
Representative Jack Wempe, Little River

Designed for Excellence:

A System of Higher Education for the Next Century

A Promising New Vision

Picture a postsecondary education system that serves as a flexible infrastructure for meeting diverse needs in a time of rapid change. This system would be versatile, accessible, attuned to new technologies and economic trends; capable of continuously redesigning itself around the needs of both traditional and nontraditional students; able to innovate, take initiative and use resources wisely.

In such a system, all segments of higher education—community colleges, universities, research institutions, technical training schools—would be focused on working together to stay abreast of changing needs and market demand. Traditional boundaries would give way to new alliances among various segments of the postsecondary system and in partnership with K-12 education.

The transformed system would be responsible, flexible, entrepreneurial and accountable. This vision can and should be a reality for the citizens of Kansas as they pursue lifelong learning opportunities. The challenges of implementing such a system are many; the cost of not implementing such a system is unacceptably high.

The Governor's Call to Action

On August 31, 1998 Governor Bill Graves issued his charge to the members of the Governor's Task Force on Higher Education Structure for Excellence in which he reminded us that "Nothing is more important to the future of Kansas than the quality of education we provide to our citizens. The new century will demand greater knowledge and skills. Higher education's role will be both more important and challenging." In convening the task force the Governor directed its members to review the structure, policies, and process of Kansas higher education; identify barriers to improvement; and recommend ways in which those barriers could be overcome and improvement achieved. The Governor stated his goal of a system of higher education "that has a focus on cooperation and coordination, eliminates duplication and inefficiency, and improves quality."

Under the leadership of Lt. Governor Gary Sherrer and Kansas business leader Gene Bicknell the task force conducted hearings in which the issues raised by the Governor were examined and discussed. Representatives of all sectors of higher education provided the task force with insights and information. This input greatly enhanced the task force members' understanding and helped shape the policy recommendations contained in this report.

This report sets forth the recommendations of the task force on how best to improve the structure of the state's higher education system. While the task force acknowledges that issues concerning the financing of higher education are worthy of consideration, the task force believes that consideration of such issues was outside the scope of the Governor's charge. This report is not designed to provide every detail necessary to implement the recommendations of the task force. The report does however provide an outline to guide policy makers who seek to improve our state's system of higher education.

Demographic trends, shifts in the job market, the emergence of new information and communication technologies, ongoing reform and innovation in K-12 education and other developments have set the stage for a profound transformation of America's postsecondary education system. Kansas must prepare for this transformation and actively shape the future, not merely react to the challenges presented by change.

The Foundation Upon Which We Build

The history of higher education in Kansas and the many efforts to restructure that system have been well documented. The options have been defined over time through a series of legislative studies. The task force has had the benefit of reviewing the work of these previous studies and, where helpful, has utilized the findings of these previous inquiries to shape its recommendations.

Kansas students are served by more than 50 postsecondary educational institutions, including: 6 state institutions; one municipal university; 19 community colleges; 19 independent colleges and universities; 4 technical colleges; and 7 free standing area vocational technical schools. In addition there are 3 Bible colleges, more than 60 proprietary schools and seven colleges located outside the state that offer courses in Kansas.

The residents of Kansas are high users of the state's postsecondary education system—78% 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.

The state provides a high level of state support for its postsecondary institutions and has traditionally kept student tuition low in order to provide Kansans with access to an affordable education. Because of this involvement, there is an obligation to coordinate institutions. 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. Additionally, the cultural life of Kansans is enriched by the programs offered in our institutions of higher learning.

Certainly much is right with higher education in Kansas. Kansans should be proud of their accessible system of public higher education that provides high quality programs at a relatively low cost. The demands of the future require vigilance and therefore Kansans should be equally committed to maintaining and creating a system of higher education capable of meeting their needs well into the next century.

The current governance of these institutions is highly fragmented with responsibility shared among the State Board of Education, the Kansas Board of Regents, and local boards that are responsible for the community colleges, the independent colleges and universities and others. Amidst this loose confederation of institutions and boards there is not one organization that has responsibility for coordinating and integrating the activities of these diverse institutions, except the Governor and Legislature.

Central to this discussion, then, is the question of whether the State is providing the stewardship and advocacy necessary for meeting the higher education needs of Kansans in a manner which maximizes institutional quality, accountability and the effective use of both public and private resources. The task force concludes that the current structure of the Kansas higher education system does not provide adequate coordination of all sectors and institutions. The current benefits of higher education to Kansans are significant but with systemic change the task force believes that even greater benefits can be realized.

As a state our economy will be shaped by global trends and the information age. The raw materials of the future will be the skills of the work force. Kansas must make certain that Kansans have access to the tools necessary to meet the challenging demands of the new global economy. Traditional higher education models will lack the flexibility and adaptability necessary to meet these challenges. The state must have in place a system of higher education that plans for the future and seeks to maximize its limited resources through effective coordination.

Previous attempts to implement structural changes in our state's higher education system have failed for a variety of reasons. Much of the opposition has come from within the education community. Far too many stakeholders in higher education believe they are engaged in a "zero sum" endeavor. They believe that for another sector or institution to succeed they must lose. This perspective has bred rivalries between sectors, fostering distrust and ultimately compromising the ability of all sectors to collaborate and advance a shared agenda.

The task force recommendations unify all sectors in a common pursuit and create a resource for the advocacy of system wide goals, not just those of one institution or sector. Even as we seek to bring coherence to higher education we recognize that the unique missions and characteristics of each sector and institution must be respected. This diversity is a source of the system's strength. The task force recommendations should not be read to suggest a "one size fits all" approach. By creating a more integrated, coordinated system the task force believes that performance, efficiency and accountability can be improved while maintaining the adaptability and flexibility achieved by a system that encourages diversity of missions and uniqueness among institutions.

The task force acknowledges that there is a symbiotic relationship between people and structure. In seeking a structure for excellence we are seeking a structure that attracts and demands excellence in people while at the same time encouraging, not constraining excellence in their performance.

Task Force Recommendations

Summary: The task force recommendations are simple but significant:

- The task force recommends the creation of a coordinating body whose mission is to serve and advance all sectors of higher education. The creation of the Coordinating Council provides Kansas with a much needed resource—system wide data collection and strategic planning. These functions are notoriously absent in the current system. Additionally, the Council will advocate for system wide needs and priorities and provide the Governor and Legislature with an analysis of higher education budget requests.
- The authority of the State Board of Education is transferred to a Board of Trustees charged with supervising the community colleges, vocational technical institutions, adult education programs and proprietary schools.
- Governance of our state universities is retained with the Board of Regents.
- The structure recommended by the task force is set out more fully in a chart which accompanies this report. The method of appointment of Council and Board members is detailed on the chart which accompanies this text.
- The enactment of a constitutional amendment is necessary to implement the task force recommendation. A bill would also be proposed to facilitate implementation of the task force recommendations to be effective upon adoption of the constitutional amendment.

The Kansas Higher Education Coordinating Council: The task force calls for the creation of a Kansas Higher Education Coordinating Council composed of seven members appointed by the Governor and confirmed by the Senate. This council will coordinate all sectors of higher education by performing those functions outlined on the chart which accompanies this text.

Most critically, the Coordinating Council will perform an essential function currently neglected to the detriment of the higher education system. The Council will develop and implement a data collection system with all sectors and every public institution participating. This student information system will provide policy makers and education leaders with vital information necessary to appropriately judge the quality of programs and courses and evaluate student needs. This data will also be used to guide strategic planning and track performance indicators. The task force recommends the data collection function be the first priority of the Council. Not only will all sectors benefit from having access to such information but all sectors are currently in accord that such a system is a needed resource and one that should be provided by a coordinating council. By focusing early efforts of the Council on a task with a high probability of success the task force believes trust and collaboration will be cultivated among the participating sectors and institutions thereby improving the chances for success in more challenging endeavors.

Another essential function to be performed by the Council is the creation of a Kansas higher education strategic plan. This plan, formulated with data made available with the enhanced student information system and other sources, would forecast Kansas workforce needs of the future, how higher education can contribute to the economic development of our state, would anticipate needed higher education capacity and plan for higher education quality.

The Council is also designed to provide conflict resolution when disputes arise between the sectors of higher education. For example, although approval of off-campus course and program offerings proposed by each institution would require the approval of the Board of Regents or the Board of Trustees, depending on the sector in which the institution operates, the Council will have the authority to arbitrate and resolve disputes which arise should an institution in one sector oppose the offering of an institution of another sector. The task force recognizes Washburn as having the right to appeal directly to the Coordinating Council and not being required to go through the Kansas Board of Regents. Dispute resolution authority, properly exercised, will do much to allow for the timely resolution of divisive situations which, if left unresolved, pose a threat to needed cooperation across sector boundaries.

The Council will administer student financial aid programs for all sectors and coordinate the transfer and articulation of academic credit among institutions. The Council will broker affiliations and mergers among institutions and seek to bring efficiencies to the delivery of higher education offerings.

The Council will annually prepare an analysis of the budget requests of the Board of Regents and the Board of Trustees and submit the analysis to the Governor and the Legislature. This analysis will provide the Governor and Legislature with insight into institutional budgets and sector budget priorities in relationship to data and trend analysis, system wide priorities, the needs of the state and other criteria. The Council will advocate for system-wide needs and articulate a justification for the resource allocations for all of public higher education. The Council will not be vested with the authority to establish or amend the budgets submitted by the Board of Regents or the Board of Trustees.

State system interface with private colleges and universities will be within the purview of the Council. Administration of financial aid programs and data collection and reporting are among the various functions in which the state and private institutions may share a mutual interest.

The task force has no interest in creating a large, centralized bureaucracy. The task force envisions the Council being staffed by a small team of professionals. In some instances, such as the administration of student financial aid programs, staff capacity would transfer from existing state agencies. The Council is not designed to duplicate functions that can be more appropriately performed by other entities. The Council and its staff are designed to be catalysts for collaboration and facilitation. They will be expected to marshal the resources of all sectors of higher education in the performance of their duties.

The Council will also be required to respect the unique characteristics of each institution and each sector of higher education as it carries out its duties. A major research university and a rural community college are both important components in a state system, but, a coordinating entity should be mindful of the distinctions between these types of institutions and not seek to advance uniformity at the expense of valued and needed diversity. Trust and respect can be fostered in a coordinated system only if each institution is provided its appropriate space in our constellation of higher education.

Transfer of Supervisory Authority to Kansas Board of Trustees: The task force also recommends that the power to supervise post secondary educational institutions currently vested with the State Board of Education be transferred to the Kansas Board of Trustees. This transfer requires the approval of an amendment to the Kansas Constitution. The functions assigned to the Kansas Board of Trustees are set forth on the chart which accompanies this text. The Kansas Board of Trustees would provide for general supervision of all post secondary educational institutions except those delegated to the Kansas Board of Regents or the Coordinating Council.

The governance of vocational/technical education as it currently exists reflects a variety of forms. While flexibility is good – structure based solely on tradition or turf is not. It is imperative that the Kansas Board of Trustees addresses this important issue. The Kansas Board of Trustees shall review the governance of vocational/technical education and shall present to the legislature a proposal that encourages the most effective governing structure possible.

It is not anticipated that significant new numbers of employees would be added to the state payroll to staff this entity. Department of Education positions currently allocated to perform the functions to be transferred would be assigned to the Board of Trustees.

This recommendation not only creates a focused supervisory body to address much needed coordination within and advocacy for the community college and vocational technical institution sector but also frees the Board of Education to focus on its core function of supervising K-12 education. The task force recommendations are not intended to sever the linkage that must exist between K-12 education governance and higher education governance. The task force recommends that such linkages be created and maintained to encourage collaboration on issues of mutual interest.

Kansas Board of Regents: The task force recommends that governance authority of our state universities be retained in the Board of Regents. As a governing board the Regents would continue to exercise exclusive control over the development of budget requests for state universities. Additionally, all other functions currently performed by the Regents would be retained except as modified by the recommendations noted above.

The Board of Regents would ensure accountability of state funded programs at Washburn University of Topeka consistent with standards imposed on Regents institutions. Governance of Washburn would remain vested in its own Board of Regents. While Washburn University has indicated it will fit within any coordinated structure of higher education, the institution has often urged equity in the methods and formulas utilized by the state in funding Washburn University. Such issues of finance are outside the scope of this report whose focus is the structure of Kansas higher education but they remain important issues for consideration.

The statutory criteria for board member selection would be modified only slightly to require at least two regents to be appointed from each congressional district. With this change, two regents from the same county could be appointed, a situation not allowed under current law.

Student Representation

The task force requests that in this new structure the Higher Education Coordinating Council, the Kansas Board of Regents, and the Kansas Board of Trustees will ensure appropriate access for student representation.

Conclusion

As a state we neglect higher education at our own peril. Just as our educational institutions have played an important role in creating a vibrant and modern state out of a vast prairie so too will these same institutions be essential to our success in meeting the challenges of the future. Few areas of state government are as buffeted by change as much as higher education. The pace of change in higher education can only be expected to accelerate. We must be mindful of the need to design our institutions to empower them to thrive in a climate of rapid change. We can no longer afford to neglect much needed coordination and planning in our state system of higher education.

For too long policy makers have struggled with the questions of higher education reform without agreement on the answers. The Governor's task force has developed a sensible, limited and focused set of recommendations which, if enacted, will allow us as a state to take an important step forward in crafting and maintaining a system of higher education capable of meeting the demands of our state and its citizens in the next century.

While these recommendations may go farther than some feel is prudent and for others they may not be bold enough, they do represent a hard studied consensus of what can and should be done to design and build a system of higher education which not only strives for excellence but has the structural capacity to achieve and sustain excellence.

The members of the task force wish to acknowledge and thank the many members of the public and the education community whose input into the development of the task force recommendations proved to be an invaluable contribution. Finally, the Chairmen of the task force wish to express their appreciation to the citizens whose work on the task force represented a valuable service to our state.

**KANSAS HIGHER
EDUCATION COORDINATING COUNCIL**

Seven Members appointed by Governor Confirmed by Senate
No more than two from each Congressional District
Four Year Staggered Terms of Office
No more than Four from any one Political Party

Perform Coordination of All Sectors of Higher Education

Existing Statutory Authority of Legislative Educational Planning Committee Transferred to
Coordinating Council

Additionally, the Council Shall Perform the Following Functions:

Strategic Planning for All Sectors of Higher Education
Data Collection and Analysis for All Sectors of Higher Education
Provide Governor and Legislature with Public Higher Education State Budget Analysis
Resolve Inter-Sector Conflicts
Administer Student Financial Assistance Programs
Coordinate Articulation and Transferability of Academic Credits
Broker Affiliations and Mergers of Public Institutions
Provide Advocacy and Leadership for Higher Education System
Respect Unique Missions and Characteristics of Each Sector and Each Institution

Coordinate State System Interface with Private Colleges and Universities

**Supervision of Post-Secondary Education by State Board of Education
transferred to:**

KANSAS BOARD OF TRUSTEES

Nine Members appointed by Governor Confirmed by Senate
Two from each Congressional District and One At-Large
Four Year Staggered Terms of Office
No more than Five from any one Political Party

Coordinate Community Colleges and Vocational/Technical Institutions

Existing Statutory Authority Shifted from State Board of Education to Board of Trustees:

Strategic Planning
Policy Analysis and Problem Solving Regarding Policy Issues
Articulate Statewide Mission
Accreditation Standards
Conduct Program and Course Approval and Review
Budget Request for State Funding
Allocation of State Aid Funding
Information and Accountability Systems
Establish Primary Service Areas for Institutions
Standards of Quality Assurance
Statewide Projects

Administer Adult Basic Education Programs

License and Supervise Proprietary Schools

KANSAS BOARD OF REGENTS

Nine Members Appointed by Governor and Confirmed by Senate
Two from Each Congressional District and One At-Large
Four Year Staggered Terms of Office
No More than Five from any one Political Party

Govern State Universities

Regents Exercise Governance Authority of Six State Universities Including:

Hire and Fire CEOs
Establish Regent Institution Budgets
Determine Missions for Regents Institutions
Establish Tuition and Fee Rates
Exercise Degree Granting Authority
Conduct Program Approval and Review
Approve Capital Improvements and Manage Facilities
Standards of Quality Assurance and Performance Indicators

**Perform Oversight of State Funded Programs of Washburn University
(Washburn governed by Washburn Board of Regents)**