

Approved: \_\_\_\_\_

Date

*BL* 3/04/99

MINUTES OF THE SENATE EDUCATION COMMITTEE.

The meeting was called to order by Chairperson Senator Barbara Lawrence at 9:00 a.m. on February 22, 1999 in Room 123-S of the Capitol.

All members were present except: Senator Downey  
Senator Oleen

Committee staff present: Ben Barrett, Legislative Research

Conferees appearing before the committee: Fred Marris, Attorney, Wichita  
Mike Slack, President of NationsBank, Pittsburg  
Harry Craig, Board of Regents

Others attending: See Attached List

The Chairperson called the meeting to order and introduced members of Leadership Barton County, who were present as guests of Senator Bleeker.

The Chairperson stated the agenda for the day was:

**SB 113 - concerning the state board of regents; membership**; she called on Fred Marris, Wichita, to present his testimony in support of the bill. (Attachment 1)

Mr. Marris has spent two years researching this particular subject. He is a graduate of Wichita State University and a law graduate of the University of Kansas. He introduced James Meek, Boeing and Jim Brown, former treasurer, City of Wichita. Mr. Marris stated that he has reams of paper and documents he has accumulated on this issue; he had with him several studies and reports. Last year, when SB 358 addressed this same issue, it failed to come out of committee. A group went out all over the state and set up Shocker Black and Golds groups; many newspapers were contacted. It is an issue they are serious about and concerned about.

Mr. Marris stated that over the last 35 years, the University of Kansas has averaged 4.453 positions on a 9 member board. Last year and presently, KU alumni have held 7 of the 9 positions. In the last 35 years, Fort Hays State has had a total of 2 alumni members on the Board of Regents, Pittsburg State has had 3, Emporia State 4, and Wichita State, 5.

Mr. Marris contends that human nature says that one cannot allow one institution to control one-sixth of the total state budget. In fiscal year 1995, KU received 2.79 times what WSU received. The University of Kansas Medical Center alone, without the hospital, received 1.405 times more than WSU. K-State received 2.78 times what WSU received. These statistics say much about the equity with which WSU is treated by the KU alumni majority on the Board of Regents. Mr. Marris said that data like this is a way to measure whether or not policies, programs and procedures are, in fact, being impacted on the day to day operations of the Board.

On the best return on the educational dollar, Mr. Marris stated that WSU produces more credit hour production per State dollars spent. He went through the building fund and state general fund for capital improvements and stated that, from the data presently reviewed, over a nine year period from FY 90 - FY 98, WSU has received no money whatsoever from the State General Fund for Capital Improvements. WSU has lost some 5000 students as a direct result of the decision to suspend varsity football. In FY 98, Wichita State got 8.8%; KU got 53.5% of the total regent's budget.

He ended by stating that the inequity with which WSU is being treated is due to the fact that the Board has monopolistic control by one institution. Taxpayers want assurance that their tax dollars are spend wisely, not just based upon the support of a particular alma mater. Ultimately a Board makeup of no more than two alumni will result in fairness to all institutions.

CONTINUATION SHEET

MINUTES OF THE SENATE EDUCATION COMMITTEE, Room 123-S Statehouse, at 9:00 a.m. on February 22, 1999.

Mike Slack, President of NationsBank, Pittsburg appeared next in support of the bill. (Attachment 2) He also currently serves as president of the PSU Foundation. Prior to today, he had discussions with Pittsburg State officials confirming that the present existing Board is extremely competent and one of quality.

Mr. Slack stated the difference in the size and locations of the state's universities. The needs of one area may differ significantly from another area. If there is participation in Board discussion by someone that has personal history or perspective from a particular institution and region, the interests of that region or institution could potentially be better served. Fair and equal distribution of representation in the electorate is a basic premise of the constitution. State and federal legislative bodies are elected on this basis.

Senator Pat Ranson, Wichita, appeared in support of the bill and thanked the committee for revisiting the issue. There are currently several qualifications in the constitution and in the statute. Of the nine members of the Board, there must be one from each congressional district, and no more than one from any county. In addition, there may be no more than five from any one of the two majority parties. She explained the bill. She stated that currently there are two institutions in the second district, Pittsburg and K-State; two in the first district, Fort Hays State and Emporia State; one in the third district, KU; and one in the fourth district, WSU. She spoke of representation on the Board. In 35 years, the University of Kansas has had 31 Board members; K-State University, 22 members; WSU, 5 members; Emporia State, 4; Pittsburg State, 3; and Fort Hays has had 2. Together this totals 14 compared to the 31 from KU and the 22 from K-State - hardly fair representation. Currently of the 9 member Board, 7 are from KU, 1 from WSU and 1 from K-State. The influence of three of these institutions has been diluted, but the perception of unfairness exists to the alumni of these four schools. There is the feeling that they are not important enough, prestigious enough to serve on the Board that controls the budgets, capital improvements the mission and destiny of the schools.

Senator Ranson said that 23 members of the Kansas Senate have sponsored **SB 113**. This fact, alone, indicates that there is a perception of unfairness in the current system. She asked the committee in the spirit of fairness to report **SB 113** to the full Senate for deliberation.

Harry Craig, a member of the Board of Regents, testified in opposition to the bill. (Attachment 3) Mr. Craig stated that the Board did not believe it is good public policy to add provisions under which appointment to the Board of Regents is based upon which regent's university the appointee attended. The mission of the Board is to advocate for all the universities. While a survey will reveal that six of the current Board members hold degrees from one regent's university, he firmly believes the Board's record will show that the university has not received preferential treatment by the Board.

The Board fears an atmosphere of parochialism would be fostered by the bill's passage.

The Chairperson stated the hearing was closed and the bill would be taken up tomorrow; also **SB 199**.

The meeting was adjourned.

# SENATE EDUCATION COMMITTEE GUEST LIST

DATE: February 22, 1999

NAME	REPRESENTING
FRED MARKS	SHOCKER Black & Golds
Jayce Meek	Shocker Black-Golds
Ann Brown	" " "
Joe Rossillon	ESU
Donna Zimmerman	Leadership Great Bend
Shirley S. Vandy	LEADERSHIP GREAT BEND
Neil Elliott	Leadership Great Bend
Mike Pelt	Leadership Great Bend
Alan Suter	Leadership Great Bend
Janet Siebert	Great Bend Chamber of Commerce
Ann D. Moore DVM	Leadership Great Bend
Leslie Suck	PSU FOUNDATION
Michael Sack	Student
Enka Brining	Leadership Great Bend
Laris Schuerman	Leadership Great Bend
Judy Kueper	Governors Office
David G. Moniepl	Washburn University
Henry W. King Sr.	Board of Regents
Marvin Burris	Bd of Regents



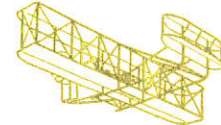
**Shocker  
Black & Golds**

**FRED L. MARRS**

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**Date: 13 Feb. '99**

Jim Meek Treasurer

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**Senator Barbara Lawrence  
State Capital  
Room 255 E  
Topeka, Ks 66612**

**RE: S.B. 113 Hearing 22 Feb. '99**

Dear Senator Lawrence,

The following is presented for your Hearing on Feb. 22nd, on the captioned S.B. 113:

To borrow a phrase, three decades and five years ago, the University of Wichita was brought forth to the State Regent system, and created as Wichita State University. While the nine year battle to join the State Regent system was not without trammel, neither has the succeeding 35 years seen WSU treated with equity and justice by the Board of Regents, notwithstanding Sedgwick County sends more tax dollars to the State than any other county.

So how is it has the Board of Regents inequitably treated WSU? The answer in general terms, can be seen in the results of having one institution control the Board of Regents, which **by definition** results from human nature, in self interest determining programs, policies, and issues. And, facts speak louder than words.

Over the last 35 years, since 1964 and WSU's admission into the state Regent system, KU has averaged **4.453** positions per year on a 9 member board, or half the composition of the board on average, for the last 35 years. Presently, and last year, KU alumni have held **7** of the 9 positions. By comparison, **in the last 35 years**, Fort Hays State has had a total of **2** alumni members on the Board of Regents, Pittsburg State has had **3**, Emporia State **4**, and Wichita State **5**. Last year alone, KU had as many alumni representatives on the Board, as Pittsburg State and Emporia State together, or WSU and Fort Hays State together, have had **totally, in the last 35 years**. Shortly put, KU has had effective monopolistic control of the Board of Regents for the last 35 years.

Query, how is it do you suspect this monopolistic control effects programs, policies, decisions, and attitude on the Board? Perhaps we can judge it from Chancellor Heminway's freudian slip statement, but in fact reflecting his view of the Board, made a year ago at a Board meeting at WSU, when in the course of discussions, he referred to: "**The University of Kansas Regent System**", not the State of Kansas Regent System. Obviously, to Chancellor Heminway, the Regent System is to be operated as the

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University of Kansas Regent system, with KU's perceived interest to be paramount. And, with 7 of the 9 regent members KU alumni, with controlling vote, no one should suggest, or persist in suggesting a program, policy, or result, contrary to any expressed by KU. With complete control, the KU alumni members of the Board, are beyond aggravation or the suffering of views inconsistent with KU's perceived interest.

Another measure of the KU desire to control higher education in Kansas, was evidenced at the Board of Regents Valley Falls retreat last year. After previously convincing the Legislature to set up an "**independent**" board to govern the KU Hospital operations, the actual transfer of said operations from KU and the Board of Regents to the **independent** board set up by the Legislature, came up for discussion at said retreat. In response to a regent's question: "How much control do we (the Board of Regents) have over the new Hospital board?", KU regent Bob Talkington immediately boasted:

**"We have complete control, and he is setting right there -- pointing to Chancellor Heminway."**

Not only was the Legislature misled to believe they would be setting up an independent Hospital board, but the Talkington statement is even more remarkable for its reveling of the intensity and heart felt boasting pride, evidenced by KU alumnus Talkington, as to **KU's complete control** over the new board.

What is fundamentally evidenced by these two examples, is that administering and running the state higher education regent system is a matter too factually involved and too time consuming for legislators to knowledgeably and timely understand the **substance** of the facts and matters considered and determined by the Board of Regents. As a result, the legislature is fundamentally at the mercy of, and manipulated by, the Board of Regents. Legislators can not rely upon truthful and the most meritorious and proper representations and determinations, from a Board of Regents that is monopolistic controlled by one institution, that has its own perceived interests in mind. No one institution should have monopolistic control of the Board of Regents, **ever**, let alone for **35 years**. There is simply no justifiable basis for one institution to have monopolistic control over **1/6th** of the **total state budget**. **1.351 billion dollars**, is too tempting an amount, to allow one institution to have unfretted control of.

Moreover, the reason the Board of Regents was established in the first instance, is primarily because the matters are too time consuming for the day to day attention of the Legislature. It is therefore imperative that the Legislature be able to rely upon the proper determination of programs, policies, and issues by the Board of Regents, which **by definition** will not occur if the Board is allowed to function under monopolistic control. It is simply human nature to want to support one's own alma mater, notwithstanding the merit of the issues.

Further, the only rationale that has been presented, that I am aware of, in support of monopolistic control of the Board of Regents, is that we should maintain the status quo. This is not deductive reasoning from true facts to a logical and reasoned

determination, but rather simply a subjective opinion notwithstanding the true facts, offered as an excuse to continue what is clearly an unjustified insidious procedure. In short, Willey Sutton should be allowed to continue to rob banks, because that is where the money is, and because it took quite a long time before he was caught up in his unjustified activities.

Additional evidence of the corrosive and unjust effect of monopolistic control, can be seen from various data and statistics:

In FY 95, the total Regents' institutions budget was **\$1,211,466,459**. Of this **1.211 billion dollars**, KU received in total, **\$628,107,967**; K-State received in total, **\$316,040,278**; and WSU received in total **\$113,591,034**. Stated in another fashion, KU received **52.3 percent**, K-State **26.1 percent**, and WSU **9.4 percent** of the total Regents' budget. KU Lawrence alone received **2.79 times** what WSU received. KUMC Medical Education alone, without the hospital, received **1.405 times** more than WSU. And, K-State received **2.78 times** what WSU received. These statistics alone, say much about the equity with which WSU is treated by the KU alumni majority on the Board of Regents. By FY 98, the total Regents' institutions budget had increased 140 million, 11.6 percent, to **\$1,351,679,612**. Of this **1.351 billion dollars**, KU received in total, **\$723,395,937**; K-State received in total **\$356,062,163**; and WSU received in total **\$119,397,267**. Shortly stated, KU received **53.5 percent**, K-State **26.3 percent**, and WSU **8.8 percent** of the total Regents' budget. KU Lawrence alone received **3.26 times** what WSU received. K-State received **2.98 times** what WSU received. Even more telling as to intent, while the Regent's total budget increased 11.6 percent from FY 95 to FY 98, the KU alumni on the Board of Regents increased the total KU budget 15.2 percent, and K-State 12.7 percent, while the WSU budget was increased only 5.1 percent, on a much smaller budget to begin with. The KU budget was increased three times the percentage increase the KU alumni on the Board allotted WSU, on an even smaller budget. But can there be any surprise, when the KU packed Board of Regents sit down to divide a **state 1.351 billion dollar** budget for the regent's institutions, that more than half of the money is budgeted to KU.

Another way to measure the inequity with which WSU is treated by the Board of Regents, is to compare dollars spent per full time equivalent student. The following table presents data for comparison for FY 89, FY 95, and FY 97:

	FY 89	FY 95	FY 97
KU Lawrence	\$8,870/FTE	\$13,846/FTE	\$15,848/FTE
KU + KUMC	\$15,950/FTE	\$24,940/FTE	\$27,388/FTE
K-State	\$10,575/FTE	\$17,185/FTE	\$18,798/FTE
WSU	\$ 7,069/FTE	\$11,040/FTE	\$12,152/FTE

Proportionally, in FY 97, the KU packed Board of Regents expends **30.4 percent** more per full time equivalent student at KU Lawrence than at WSU, **125.4 percent** more per full time equivalent student at



KU + KUMC than at WSU, and **55 percent** more per full time equivalent student at K-State than at WSU. That these results would be significantly different, but for the packed Board of Regents, is clear within the application of common reason.

One way to consider where the state receives the best return on its educational dollar, is to see what institution has the greatest credit hour production per \$1000 spent. In FY 95, KU had .993, K-State 1.578, and WSU 2.655 credit hour production per \$1000 spent. Stated in another fashion, WSU had 2.674 times more credit hour production per dollar spent than did KU, 1.399 times more credit hour production per dollar spent than KU without its medical school, and 1.683 times more credit hour production per dollar spent than K-State. Accordingly, WSU produces more credit hour production per State dollar spent, but is continuing to receive less priority than either KU or K-State, and significantly less State dollars than either KU or K-State, not only absolutely, but in terms of optimization of credit hour production per dollar spent.

Another way of measuring teaching return on the educational dollar, is to compare full time equivalent positions to credit hour production. In FY 95, KU total had 14.939 full time equivalent positions per 1000 credit hours production, KU Lawrence 7.475, K-State 9.280, and WSU 5.710 full time equivalent positions per 1000 credit hours production. Clearly, the most efficient return on the educational dollar for **teaching**, occurs at WSU.

Looking at the Educational Building Fund for comparison, over a 15 year period from 1984 - 1998, using approved numbers for 1998 and actual numbers for the other 14 years, KU + KUMC received **\$86,894,741**, KU Lawrence **\$59,257,410**, K-State **\$62,113,521**, and WSU **\$31,910,577**. For actual dollars received over the 14 year period, KU + KUMC received **2.56 times** the amount WSU received, KU Lawrence **1.80 times**, and K-State **1.91 times** the amount WSU received.

Looking at the State General Fund For Capital Improvements for comparison, again for the 15 year period from 1984 - 1998, using approved numbers for 1998 and actual numbers for the other 14 years, KU + KUMC received **\$12,904,871**, KU Lawrence **\$9,952,739**, K-State **\$4,792,546**, and WSU **\$2,187,399**. For actual dollars received over the 14 year period, KU + KUMC received **5.91 times** the amount WSU received, KU Lawrence **4.56 times**, and K-State **2.1 times** the amount WSU received. Perhaps even more telling from the data presently reviewed, over a nine year period from FY 90 - FY 98, WSU has received no money whatsoever from the State General Fund for Capital Improvements.

In the FY 1992 - FY 1995 time frame, the Board of Regents sought and received Legislative approval to expend **\$18,000,000** appropriated from the Kansas Special Capital Improvements Fund to "rebuild Hoch Auditorium, which was destroyed by fire on June 15, 1991", for instructional and library facilities. In addition, the Board of Regents sought and received from the same 1992 Legislature, approval to expend **\$18,000,000** appropriated \$12,400,000 from the Kansas Special Capital Improvements Fund, and \$5,600,000 from the FY 1996 Educational Building Fund, for renovation and expansion of Farrell Library at K-State. During this same four year time period, the Board of Regents approved

expenditures from the Kansas Special Capital Improvements Fund for WSU in the amount of **\$150,000**, for McKinley Hall ventilation improvements. That's right, one hundred and fifty **thousand** dollars, not 18 million as for KU and K-State. Moreover, an additional **\$3,800,000** was approved for KU's Hoch Auditorium from the FY '96 Educational Building Fund. Of course, WSU has its own urgent library problems, currently seeking to raise \$1,000,000 in **private money** for the library, in part to cover the increasing costs of periodicals and books, because of needs that have not been funded by the Board of Regents.

There are other even more egregious examples relating to: the KU dominated WSU Presidential Search Committee; the differing policy re the use of student fees WSU vs KU and K-State; the Board of Regents' decision to tear down Cessna stadium, a \$30,000,000 community asset if built new; the expenditure of public funds for renovation of Allen Field House at KU, while at the same time precluding WSU from even raising "**private money**" for athletic facilities at WSU without promising not to attempt to bring back varsity football; the decision of the Board of Regents in the first instance, to suspend football at WSU; and the damage to WSU in the loss of some **5000 students**, primarily undergraduate male students, as a direct result of the decision to suspend varsity football. And, these examples are not exhaustive.

In conclusion, I submit the fundamental root cause of the inequity with which WSU is treated by the Board of Regents, is the fact that the Board has monopolistic control by one institution, with its own self interests in mind. The fundamental issue is the most effective use of the Kansas tax payer annual **1.351 billion** FY '98 budget dollars for higher education in Kansas, based upon the merit of programs, policies, and issues, not based upon perceived loyalty to one's alma mater. Most hard working tax paying Kansas citizens are not concerned with paying taxes to support a particular alma mater, but rather are concerned that their tax dollars are spent wisely, based upon the merits of the issues. Senate Bill 113 and House Bill 2414, are identical procedural Bills that do not require any appropriations, and do not effect the present composition of the Board of Regents, but only require that future appointments to the Board be made such that each of the six regent institutions are represented by at least one alumni representative, and ultimately none more than two alumni representatives. If you believe as we do, that issues should be decided on the merits, and that one institution should not have control over the Board of Regents for even one year, let alone 35 years, please support S.B. 113, or even if you do not, please allow the Bill to proceed to the Senate floor, as a majority of your fellow Senators are sponsoring the Bill, as it would seem only fair to allow the majority of the Senate to control.

Respectfully submitted,  
**Shocker Black & Golds**

By:   
Fred Marrs



Testimony presented by Michael W. Slack, President of NationsBank of Pittsburg before the Senate Education Committee in regard to Senate Bill No. 113.

February 22, 1999

I am Mike Slack, and I appear before you today as a resident of Kansas, a southeast Kansas banker, and an alumnus of a Kansas Regents institution: Pittsburg State University. I currently serve as president of the PSU Foundation.

I am before you today to express my wholehearted support for Senate Bill 113 which calls for the Kansas Board of Regents' membership to include at least one alumnus from each state university.

The Kansas Board of Regents has a tradition of excellence in representing the best interests of all Kansans in the governance of the state's universities. I believe every board member does his or her best to look at issues as they will affect the entire higher education system and Kansas taxpayers. Prior to appearing before you today, I had discussions with Pittsburg State officials confirming that the present existing Board is extremely competent and one of quality.

There are, however, six universities in the State of Kansas that are very unique from each other. The three larger institutions are substantially different from the three regional institutions. Then, there is the issue of location. As you well know, the interests and needs of those in western Kansas may differ significantly from those in southeast Kansas. This is a phenomena I experienced while participating in the Leadership Kansas program a few years ago. If you have some one participating in Board discussions that has personal history or perspective from a particular institution and region, the interests of that region or the institution could potentially be better served.

As we all know, a fair and equal distribution of representation in our electorate is a basic premise of our constitution. Our state and federal legislative bodies are elected on this basis. This same premise should be applied to the state's governing boards. Each university has many well-qualified alumni to consider for regents' appointment. Finally, I think we all believe that the opportunity to have been represented and to have participated by expressing one's viewpoint in the decision making process results in a greater endorsement of those decisions...in any forum...government, business, or education.

I urge you to support Senate Bill No. 113 so that all institutions and the people of Kansas will be represented on the state's higher education governing board. Thank you.

*Senate Education  
Attachment 2  
2-22-99*

**SENATE EDUCATION COMMITTEE**

**TESTIMONY ON SENATE BILL 113**

**Presented by  
Harry W. Craig, Jr.  
Member, Kansas Board of Regents**

**9:00 a.m., Room 123-S, Statehouse  
February 22, 1999**

Madam Chair and Members of the Committee:

Thank you for this opportunity to comment on Senate Bill 113 on behalf of the Board of Regents. The Board is concerned about the bill's amending language which links appointment to the Board of Regents with the appointee's status as an alumnus of a state educational institution.

The current constitutional and statutory requirements for appointment of Board members provide for a balance of both geographical and political interests. We believe it is not good public policy to add provisions under which appointment to the Board of Regents is based upon which Regents university the appointee attended. The mission of the Board of Regents is, in part, to advocate for the universities. This means that all nine Board members advocate for all six Regents universities. And while a survey will reveal that six of the current Board members hold degrees from one Regents university, I firmly believe the Board's record would show that the university has not received preferential treatment by the Board.

Our concern is that passage of SB 113 would cause future Board members to believe they should advocate for a particular university, rather than the Regents system as a whole. We believe the provisions of SB 113 would foster an atmosphere of parochialism that does not and should not exist within the Board of Regents.

*Senate Education  
Attachment 3  
2-22-99*