

MINUTES OF THE SENATE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Dwayne Umbarger at 1:35 p.m. on March 18, 2002 in Room 123-S of the Capitol.

All members were present except: Senator Hensley (excused)

Committee staff present: Ben Barrett, Legislative Research
Carolyn Rampey, Legislative Research
Theresa Kiernan, Revisor of Statutes
Dale Dennis, Deputy Commissioner of Education
Judy Steinlicht, Secretary

Conferees appearing before the committee: Theresa Kiernan, Revisor of Statutes
Steve Kearney, Executive Director, KS Assoc of Technical
Schools and Colleges
Shirley Antes, President, NE Kansas Technical College

Others attending: See Attached List

**HB2820--Vocational education, determination of credit hour equivalencies by state board
of regents**

HB2821--Vocational education, tuition rates for postsecondary students

Theresa Kiernan, Revisor of Statutes explained the two bills. **HB2820** concerns courses taken at the technical colleges. It would give the State Board of Regents the authority to determine the number of clock hours of instruction that would be equal to a credit hour for purposes of programs that lead to the associate of applied science degree. **HB2821** would authorize the local governing board of a vocational technical school or technical college to set the hourly tuition rate for postsecondary students.

Steve Kearney, Executive Director, Kansas Association of Technical Schools and Colleges advised that written testimony in support of **HB2820** and **HB2821** was passed out to members of the Committee from Duane Dunn, President, Manhattan Area Technical College and current President of the Kansas Association of Technical Schools and Colleges. (Attachment 1) The Association of Technical Schools and Colleges asked for introduction of these bills to give the schools some flexibility to manage and handle concerns at the local level in this difficult budget year. Steve then introduced Shirley Antes, President, NE KS Technical College, Atchison.

Shirley Antes, President, NE KS Technical College gave testimony in support of **HB2821**. This bill would change the way technical schools and colleges collect tuition. Shirley explained that even though they are the smallest technical college, they have six buildings to maintain. This is the way their campus was designed. In order to meet expenses of upkeep, expansion, utilities, salaries and a need for current technology, the school needs the ability to raise more funds. **HB2821** provides a way to generate some additional funding without increasing the states financial obligation. The change in state statute would allow each institution to create a tuition rate that is appropriate to their community. (Attachment 2)

Senator Vratil stated that under current law, the boards had the authority to set tuition subject to the approval of the State Board of Regents. He believes because of the responsibilities given to the State Board that they should retain the right of final approval. Shirley Antes stated that she would not object to that amendment to **HB2821**.

Shirley also supports **HB2820**, but had not prepared testimony on this bill. The technical college requires almost twice as many hours as the community colleges to receive a credit hour. This bill would allow the Board of Regents to determine the definition of a credit hour and would align the operation of a technical institution with other institutions.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON EDUCATION at on March 18, 2002 in Room 123-S of the Capitol.

The Committee also received written testimony in support of **HB2820** and **HB2821** from Ken Clouse, President, NW KS Technical College, Goodland (Attachment 3) and from Dr. Kim Wilcox, President and CEO of the Kansas Board of Regents. (Attachment 4)

Senator Schodorf stated her support of both **HB2820** and **HB2821**. **HB2821** will give some much needed financial assistance to the technical colleges. **HB2820** would equalize the clock hours needed to obtain a credit hour. It is needed to give the technical colleges an opportunity to keep students there instead of the them driving further to attend a community college.

In discussion, it was stated that the average cost for a student for a year is \$1384 and a 5% increase in tuition would be approximately \$50. Financial aid is available for students attending technical schools.

Senator Vratil made a motion to recommend **HB2820** favorably. Motion seconded by Senator Jenkins. Motion carried.

Senator Vratil made a motion to amend **HB2821**, page 1, line 16 after the word "board" by inserting the phrase, "subject to approval of the State Board of Regents." Seconded by Senator Teichman. Motion to amend **HB2821** carried.

Senator Jenkins made a motion to recommend **HB2821** favorably as amended. Seconded by Senator Teichman. Motion carried.

Senator Jenkins made a motion to approve the minutes for March 5, 6 and 7, 2002. Seconded by Senator Schodorf. Motion carried.

Meeting adjourned at 2:05 p.m.

Kansas Association of Technical Schools & Colleges

March 18, 2002

TO: Senate Education Committee

FROM: Duane M. Dunn, Ed.D., President, Manhattan Area Technical College, Manhattan, KS; President of the Kansas Association of Technical Schools and Colleges

Dear Chairman Umbarger and Members of the Committee:

Please accept this as written testimony in support for HB2820. This bill provides for the definition of credit hours of instruction delivered by technical colleges. Current statute requires the student to attend 30 of clock hours of class or lab instruction in order to receive one credit hour of instruction on his/her transcript. Our association has endorsed the concept that the definition of a credit hour awarded by a technical college should be determined by Kansas Board of Regents policy and procedures. This would align our operations with those of the other institutions under the governance and coordination of the Board of Regents.

The significance of the issue is relative to a student's choice of degree or diploma options in Kansas. For example, in courses that are offered by a community college and also by a technical college, the student is currently required to attend nearly twice the amount of time in the technical college class to receive equivalent number of credit hours comparative to a community college course. More specifically, in an accounting course offered by a technical college the student would need to attend 90 clock hours of class to receive 3 credits on his/her transcript. The same student could attend a community college accounting course (using the same text and curriculum design) and attend only 45 hours of instruction. The implication for the student involves tuition costs, time away from work or family, and the ability to complete a degree or diploma in a reasonable amount of time comparative to other institutions. We believe that the definition of a credit hour should be determined by our governing and coordinating body.

As Kansas moves forward with a system of coordinated higher education as stipulated in SB345 and as would more clearly meet the needs and interests of our citizens, any movement toward greater similarity among institutional procedures and practices will enhance this vision. Our member institutions support the concept of cooperation and comparable opportunities for our students. We urge you to support HB2820 as another step toward meeting student needs.

Kansas Association of Technical Schools & Colleges

March 18, 2002

TO: Senate Education Committee

FROM: Duane M. Dunn, Ed.D., President, Manhattan Area Technical College, Manhattan, KS; President of the Kansas Association of Technical Schools and Colleges

Dear Chairman Umbarger and Members of the Committee:

Please accept this information as written testimony in support of HB 2821. I appreciate the opportunity to explain our interest in implementing a change in the tuition structure for clock hour programs provided by technical schools and colleges. The current method has, for the last several years, resulted in a disincentive for our institutions to expand instructional programs and meet the enrollment and employer requests for technical education.

HB 2821 would allow our institutions to become more responsible for establishing the student tuition rates and less dependent upon a formula that is ultimately based upon the state's appropriation. The post-secondary aid allocation is based upon the actual amount expended by the institution in connection with the amount of clock hour instruction provided by the institution. The staff of the Kansas Board of Regents establishes the allocation of post-secondary aid annually once the state budget appropriation bill is signed. As an institution's generation of clock hours fluctuates the actual cost per hour of instruction will fluctuate as well. With a capped allocation it becomes necessary to "target" the number of hours of instruction estimated in the initial budget formulation request. If an institution expands instruction (through improved retention, increased enrollment, or additional classes/sections) the cost per hour decreases. As a result the amount of aid becomes a downward spiral.

In an effort to increase our institutional responsibility for growth and service to our constituents, our members have sought to remove the local student tuition cap that is determined by the tuition worksheet. This places more responsibility on us, but does not remove the state's responsibility to fund our instructional efforts. House Bill 2821 would remove the 15% cap on local student tuition rates, and result in allowing us to establish a market driven tuition rate. I emphasize the term market driven as we, the institutional administrators, would be required to effectively determine a student tuition rate that is fair to the student, is competitive with peer institutions, and can meet qualifications for federal financial aid assistance.

A spreadsheet of current and 6 year trends in tuition rates at the technical schools/colleges is attached. The names of the schools are not included, nor do the figures include the community colleges that receive post-secondary aid for some of their courses as they are funded on a statewide average of clock hour program costs. I believe you will observe that the tuition rates are quite different among our institutions and the data would support the concept that the current cap is no longer justifiable.

Our member institutions recognize the dilemma facing the state. We are willing to be proactive in assuming the responsibility of establishing a local tuition rate that is acceptable to students, meets compliance requirements, and is approved by our Boards of governance. We feel it is important to stress that the lack of adequate funding for our institutions must not be forgotten through this process. The continued decline in funding, the lack of incentives to increase enrollment, and the lack of a dedicated funding mechanism hinder our ability to serve the state's economic development initiatives. The removal of the tuition cap is a small but essential step. We ask for your support of HB 2821.

TESTIMONY REGARDING HB 2821

Senate Education Committee
Senator Dwayne Umbarger, Chair
March 18, 2002

Prepared by Shirley M. Antes, President
Northeast Kansas Technical College
Atchison, KS

Thank you for allowing me time to speak on behalf of HB 2821 which would implement a change in the tuition structure currently used by technical schools and colleges. Tuition is currently determined by a complex statutory formula based on actual and estimated budget parameters. In theory, this formula was designed to provide approximately 85% funding from state funds and 15% from student tuition. However, this formula has been underfunded for a number of years and has resulted in an inability to expand instructional programs as well as meet the workforce development requests.

Enrollment figures at Northeast Kansas Technical College compared to our peer institutions places us as the smallest technical institution in Kansas, however; we must financially support it like our constituents with larger enrollments. Our main campus has six buildings and we have two additional facilities at other locations, whereas some of our peer institutions have only one or two buildings. Some of the buildings at NEKTC are in immediate need of repair and in some cases the facility is exceedingly too small as enrollment continues to climb. With the rising cost of operations including facility upkeep and expansion, utilities, salaries, and a need for current technology, it has become increasingly difficult to grow and provide the needed services to our constituents.

While HB 2821 is not a "cure-all" for our fiscal needs, it is a way for us to generate some additional funding without increasing the state's financial obligation to the institution as we fully recognize the financial constraints facing the state during this legislative session. By removing the 15% student tuition cap we feel that we can be proactive in assuming some of the responsibility in generating revenues that will help support our institutions. In this way the consumer takes on more of the fiscal responsibility instead of the state being 100% responsible. We realize that we must also be cautious in determining this tuition rate so that it is still economically feasible for our students to attend, that it is competitive with our peer institutions, and still meet the federal financial aid requirements. This change in state statute would allow each institution to create a tuition rate that is appropriate to our community and programmatic needs. We ask for your support of HB 2821.

Senate Education
3-18-02
Attachment 2

From: "Ken Clouse" <kclouse@mail.nwktc.org>
To: "Dwayne Umbarger" <umbarger@senate.state.ks.us>
Date: Fri, Mar 15, 2002 2:53 PM
Subject: Senate Education Committee hearing of HB 2820 and 2821

It is my understanding that on Monday, March 18, 2002, the Senate Education Committee will convene to hear and discuss the above mentioned bills.

Both of these bills are of critical interest and support initiatives by Technical institutions in the higher education system of the state. As you may or may not be aware, the finances for Technical Colleges have been very slim during the recent years. Even though our aid has been slightly increased, we still have not had enough dollars to fully fund the enrollment that we are experiencing. As an example, on my campus at Northwest Kansas Technical College, we have 13 instructional programs and have waiting lists in 7 programs because of our inability to expand. Because our budget is limiting and has not been funded adequately to allow for growth these waiting list have become commonplace on our campus. Often times these prospective students have to wait several semesters to get into the programs of their choice. The other 6 programs although they do not have long waiting lists, are full to capacity at the start of the instructional year.

2821 will give the Technical Colleges some relief because if this bill is passed it will allow our local Boards to set tuition and will remove the 15% cap that we have traditionally been held to. As one begins to understand our funding formula better, one realizes that this formula has been very restrictive during the recent years and causes an institution such as Northwest Kansas Technical College to live within tight financial boundaries. This bill has the potential to relieve some of our restrictions, by allowing the college to charge higher tuition and gaining more revenue from the student. I realize there are probably concerns about making higher education too expensive, but in these tight budgetary times, this is a feasible option to help colleges like mine to survive.

2821 will not effect the 85% funding portion (best known as Post-secondary Aide) which comes to the Technical Colleges via legislative annual budget allocation. Because the demand for technical education exceeds the allocation during the recent years, the funding limits also have a restrictive affect on the Technical Colleges and keeps institutions from responding to the needs of the citizens of Kansas.

Support of 2821 will be greatly appreciated and helpful to the future of Technical Education. Although I do not see it as the overall answer to budget woes, it is an option that needs to be given favorable attention during this legislative session.

2820 addresses the formula that is currently set in statute to convert clock hours to credit hours at a Technical College. Currently this is 30 to 1 ratio and does not allow the Kansas Board of Regents to set this conversion as the Board is authorized to do for the universities and community colleges. Favorable action on this bill will enhance the authority of the Kansas Board of Regents to supervise higher education. Giving the Board members the authority to equalize the formula used to convert clock hours to credit hours will improve practices within higher education.

Since I was unaware of the committee members please do not hesitate to

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Attachment 3

distribute my email to others on the committee.

I would like to thank you and other members of the Senate for taking time to read my concerns and consider supporting the bills I have addressed.

Kenneth A. Clouse
President
Northwest Kansas Technical College
Goodland, Kansas

CC: "Duane Dunn" <ddunn@matc.net>, "Steve Kearney" <skearney@epiphanyworks.com>



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MEMORANDUM

March 18, 2002

To: The Senate Committee on Education

From: Kim Wilcox
President and CEO

RE: Support for HB 2820 and HB 2821

Chairman Umbarger and members of the committee, I am submitting this memo in support for HB 2820 and HB 2821. The Board supports these proposed changes for Technical Schools and Colleges, and sees them as important steps in the continuing process of coordinating higher education in Kansas.

HB 2820 amends current statute by providing that the state Board of Regents shall determine the equivalency of clock hours to credit hours of instruction, for the purpose of awarding credit toward the completion of coursework leading to an associate of applied science degree at a technical college. The bill repeals the current equivalency of 15 clock hours per credit hour of instruction in general education courses, or 30 clock hours per credit hour of instruction in vocational or technology education courses. The Board of Regents currently has this authority with respect to community college courses. This statutory change will give the Board equivalent authority for Technical School and College courses.

HB 2821 amends current statute by permitting local governing boards of technical schools and colleges to set tuition, without approval by the state Board of Regents, as is currently required by statute.

Under the current postsecondary aid formula, technical schools and colleges are entitled to receive state funding at the rate of 85% of the local cost per postsecondary enrollment hour. By this formula, tuition is made equal to 15% of the local cost per postsecondary enrollment hour. This bill would remove the language regarding the 15% cap and allow local school boards to set tuition.

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Attachment 4*