

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:00 A.M. on March 8, 2007 in Room 313-S of the Capitol.

All members were present except:

Representative Benjamin Hodge- absent

Committee staff present:

Sharon Wenger, Kansas Legislative Research Department
Michele Alishahi, Kansas Legislative Research Department
Ashley Holm, Kansas Legislative Research Department
Theresa Kiernan, Revisor of Statutes
Janet Henning, Committee Assistant

Conferees appearing before the committee:

Representative Ann Mah
George Fahnestock, Chairman, Technical Education Commission
Dr. Reggie Robinson, Pres - CEO, KS Board of Regents
Joe Glassman, Commissioner, Technical Education Commission
Rich Hoffman, Director, Kaw Area Technical School
Clark Coco, President, North Central Kansas Technical College
Dan Welch, BRB Construction (no testimony provided)
Corey Peterson, Associated General Contractors
Mark Schrieber, Westar Energy (written testimony only)

HB 2556: Postsecondary technical education authority.

Theresa Kiernan provided Committee members with an overview of **HB 2556.** (Attachment #1) Also included was an informal opinion provided by the Kansas Office of the Attorney General. (Attachment #2)

Sharon Wenger gave an overview of the establishment of the Kansas Technical College and Vocational School Commission.

Representative Mah told Committee members that **HB 2556** aligns technical standards and curricula statewide. It establishes the postsecondary technical education authority under the auspice of the Kansas Board of Regents to be the point of contact for industry and the body to ensure that technical education is meeting the needs of industry and Kansans and provides the delivery of technical education from high school to postsecondary institutions to industry. (Attachment #3)

George Fahnestock spoke to Committee members in support of **HB 2556** and having reviewed a wide range of information, the members of the Commission agree that, to improve technical education in Kansas, a consistent statewide governance system, an adequate and equitable funding mechanism, and a standardized curriculum are needed. The Commission also feels that technical education should be viewed more as an economic development tool that is focused on meeting the needs of business and industry in the state. (Attachment - #4)

Dr. Reginald Robinson spoke to the Committee members as a proponent of **HB 2556.** (Attachment #5)

Dr. Jackie Vietti spoke to the Committee members as a proponent of **HB 2556.** (Attachment #6)

Joe Glassman spoke to the Committee members of the importance of technically trained people in Kansas and spoke in support of **HB 2556.** (Attachment #7)

Richard Hoffman spoke of the support with the intent of **HB 2556** and the need for better advocacy on behalf of technical education. (Attachment #8)

CONTINUATION SHEET

MINUTES OF THE House Education Committee at 9:00 A.M. on March 8, 2007 in Room 313-S of the Capitol.

Clark Coco told Committee members that **HB 2556** relates to previous and future funding and allocations for technical education, statewide leadership for technical education and the development of new economic opportunities for the State of Kansas through the expansion of offerings at all institutions delivering technical education. (Attachment #9)

Dan Welch spoke to Committee members as a proponent of **HB 2556** and advised of Kansas companies which are in need of young people for construction jobs. (No testimony furnished)

Corey Peterson told Committee members that Kansas desperately needs a coordinated, well funded, technical education system that is responsive to the industries that will eventually be provided jobs to the students graduating from these programs and supported **HB 2556**. (Attachment #10)

Written testimony was received from Westar Energy in support of **HB 2556**. (Attachment #11)

After a question and answer session, the Chairman closed the hearing on **HB 2556**.

The meeting was adjourned at 10:55 AM. The next meeting is scheduled for Friday, March 9, 2007.

House Bill No. 2556

House Bill No. 2556 establishes the postsecondary technical education authority. In compliance with section 2 of article 6 of the constitution of the state of Kansas, the authority is a part of the state board of regents. The authority would be composed of seven members appointed by the governor. Except for the terms of the first members, members would be appointed for four-year terms.

Membership would consist of the following:

- Two members of the state board of regents [or their designees]
- Three members who shall represent Kansas business and industry
- Two members who shall represent the general public

When selecting the representatives of business and industry and the general public:

The governor is directed to consider persons who are recognized for their knowledge or expertise and who are representative of current and emerging technical careers of the state. No more than two members shall be representative of any one specific technical career cluster. There shall be at least one member from each congressional district of the state.

No more than four members may be from the same political party.

The powers and the duties of the authority are as specified in the bill.

Recommendations of the authority shall be considered by the state board of regents and would require a majority vote of all members of the state board to not adopt a recommendation of the authority.

The authority would have the power to appoint an executive director. The executive director serves at the pleasure of the authority and the chief executive officer of the state board.

Subject to the provisions of appropriation acts, the state board shall provide staff, facilities and other assistance to the authority.

The bill also directs the governing bodies the northeast Kansas technical college, the Kansas City area technical school, the Salina area technical school and the Kaw area technical school to submit a plan [to the state board] to merge with a postsecondary educational institution or become a technical college with an independent governing board. The plan is required to be submitted by July 2008.

Article 6, Section 2 of the Kansas Constitution

§ 2: State board of education and state board of regents.

(a) The legislature shall provide for a state board of education which shall have general supervision of public schools, educational institutions and all the educational interests of the state, except educational functions delegated by law to the state board of regents. The state board of education shall perform such other duties as may be provided by law.

(b) The legislature shall provide for a state board of regents and for its control and supervision of public institutions of higher education. Public institutions of higher education shall include universities and colleges granting baccalaureate or postbaccalaureate degrees and such other institutions and educational interests as may be provided by law. The state board of regents shall perform such other duties as may be prescribed by law.

(c) Any municipal university shall be operated, supervised and controlled as provided by law.



STATE OF KANSAS
OFFICE OF THE ATTORNEY GENERAL

PAUL J. MORRISON
ATTORNEY GENERAL

120 SW 10TH AVE . 2ND FLOOR
TOPEKA, KS 66612-1597
(785) 296-2215 • FAX (785) 296-6296
WWW.KSAG.ORG

February 12, 2007

The Honorable Dennis McKinney
House Minority Leader
State Capitol, Room 327-S
Topeka, Kansas 66612-7658

Re: Constitution of the State of Kansas—Education—State Board of Education and State Board of Regents; Authority of Legislature to Create a Separate Body to Oversee State Technical Colleges and Vocational and Technical Programs Offered by Community Colleges

Dear Representative McKinney:

You request our informal opinion regarding the authority of the Legislature to "transfer oversight of the state's five technical colleges," as well as the vocational and technical programs offered by community colleges, "to an independent board created by the legislature." As background, you advise that in 1999 the Legislature transferred oversight of community colleges and technical colleges from the State Board of Education to the Board of Regents, and note that the Kansas Constitution specifically allows the Legislature to require the Board of Regents to "perform such . . . duties as may be prescribed by law." The Legislature is now apparently considering transferring oversight of community colleges and technical colleges from the Board of Regents to some newly created entity.

Article 6, Section 2 of the Kansas Constitution provides as follows:

"(a) The legislature shall provide for a state board of education which shall have general supervision of public schools, educational institutions and all the educational interests of the state, except educational functions delegated by law to the state board of regents. The state board of education shall perform such other duties as may be provided by law.

"(b) The legislature shall provide for a state board of regents and for its control and supervision of public institutions of higher education. Public institutions of higher education shall include universities and colleges granting baccalaureate or postbaccalaureate degrees and such other institutions and educational interests as may be provided by law. The state board of regents shall perform such other duties as may be prescribed by law.

House Education Committee
Date: 3-8-07
Attachment # 2

"(c) Any municipal university shall be operated, supervised and controlled as provided by law."

Also pertinent to the analysis of the issue you raise is Article 2, Section 1 and Article 6, Section 1 of the Kansas Constitution:

"The legislative power of this state shall be vested in a house of representatives and senate,"¹

and

"The legislature shall provide for intellectual, educational, vocational and scientific improvement by establishing and maintaining public schools, educational institutions and related activities which may be organized and changed in such manner as may be provided by law."²

This Office has rendered several opinions discussing the meaning of these provisions.³ Of these, the one containing the best explanation of the inter-relationship of these provisions is Attorney General Opinion No. 81-236, which we quote extensively:

"By Article 2, Section 1 of the Kansas Constitution, the 'general legislative power' of this state is vested in the House of Representatives and the Senate. The Kansas Supreme Court has referred to this section of our constitution as 'the general grant of legislative power to the legislature.' In [*Leek v. Theis*, 217 Kan. 784, 813 (1975)], the Court held: 'All governmental sovereign power is vested in the legislature, except such as is granted to the other departments of the government, or expressly withheld from the legislature by constitutional restrictions.' Thus, except for such sovereign power as is granted to other departments of the government or as is expressly withheld from the legislature by constitutional restrictions, the legislature possesses all governmental sovereign power.

"In addition to the general grant of legislative power by Article 2, Section 1, Article 6, Section 1 of the Kansas Constitution charges the legislature with the duty to 'provide for intellectual, educational, vocational and scientific institutions and maintaining public schools, educational institutions and related activities which may be organized and changed in such manner as

¹Kan. Const., Art. 2, Sec 1

²Kan Const., Art 6, Sec 1

³Attorney General Opinions No 81-236, 83-154, 83-169, 90-30, 90-132 and 97-95, copies enclosed.

may be provided by law.' Thus, the state constitution not only grants general legislative power to the legislature, but also requires the legislature to exercise that power to provide for education by establishing and maintaining public schools and related activities.

"Also, Article 6, Section 2(a) of the Kansas Constitution states:

"The legislature shall provide for a state board of education *which shall have general supervision of public schools, educational institutions and all the educational interests of the state, except educational functions delegated by law to the state board of regents.* The state board of education shall perform such other duties as may be provided by law.' (Emphasis added.)

"By requiring the establishment of a state board of education, this constitutional provision imposes another positive duty upon the legislature in regard to the matter of education. However, the balance of this section has been viewed as a limitation on legislative authority. In *State, ex rel., v. Board of Education*, 212 Kan. 482 (1973), commonly referred to as 'the Peabody case,' the Kansas Supreme Court held:

"That part of article 6, § 2(a) of the Kansas Constitution granting to the state board of education authority to exercise general supervision of the public schools, educational institutions and educational interests of the state, except educational functions delegated by law to the state board of regents, is self-executing in effect.' *Id.* at Syl. ¶6.

"The Court also stated: 'A self-executing provision of a constitution is a provision requiring no supplementary legislation to make it effective and leaving nothing to be done by the legislature to put it in operation.' *Id.* at Syl. ¶3.

"Moreover, the Court held:

"Where a constitutional provision is self-executing the legislature may enact legislation to facilitate or assist in its operation, but whatever legislation is adopted must be in harmony with and not in derogation of the provisions of the constitution.' *Id.* at Syl. ¶7.

"Thus, based upon the Peabody case, we must conclude it is settled that, while Article 2, Section 1 of our Constitution grants general legislative power to the Legislature and Article 6, Sections 1 and 2 require the exercise of legislative power to establish public schools, educational institutions, related

activities and the State Board of Education, the portion of Article 6, Section 2(a), emphasized above, is self-executing. Consequently, we also must conclude that this portion of Article 6, Section 2(a) leaves nothing to be done by the Legislature to put it in operation, *i.e.*, it requires no enabling legislation. Finally, we must conclude that, while the Legislature may enact legislation to facilitate or assist in the operation of these self-executing provisions, the Legislature is powerless to adopt legislation which is not in harmony with said provisions. In short, pursuant to the above-emphasized provisions of Article 6, Section 2(a) of the Kansas Constitution, it is the State Board of Education, and not the Legislature, that possesses 'general supervision of public schools, educational institutions and *all the educational interests of the state*, except educational functions delegated by law to the state board of regents.' (Emphasis added.) Kan. Const., Art. 6, § 2(a).

"However, *NEA-Fort Scott v. U.S.D. No. 234*, 225 Kan. 607 (1979), makes it absolutely clear the power of the State Board of Education as to 'general supervision' is not a *carte blanche* grant of authority. Instead, 'Article 6, section 2 limits the power of the State Board of Education to 'general supervision' of public schools.' *Id.* at 612. Thus, it is only within the limited sphere of 'general supervision of public schools, educational institutions and all the educational interests of the state, except educational functions delegated by law to the state board of regents,' that the State Board of Education's power is inviolate by legislative interference."⁴

Thus, whether a particular function is one that constitutionally belongs to the State Board of Education, and is thus outside the authority of the Legislature to remove from the Board, requires a determination of whether the function is within the "general supervision of public schools, educational institutions and all the educational interests of the state."⁵ The Kansas Supreme Court discussed the term "supervision" in the context of this provision in the Peabody case.⁶

"We find little legal authority to assist us in determining what is comprised within the term 'supervision.' In common parlance we suppose the term would mean to oversee, to direct, to inspect the performance of, to superintend. (See Webster's International Dictionary, Third Edition; American Heritage Dictionary.)

⁴Attorney General Opinion No. 81-236 (internal citations omitted) See also *State ex rel. Miller v. Board of Ed. of USD 398, Marion County (Peabody)*, 212 Kan. 482 (1973)

⁵Kan. Const., Art 6, Sec 2(a)

⁶*State ex rel. Miller v. Board of Ed. of USD 398*, note 4, *supra*

....

"Considering the frame of reference in which the term appears both in the constitution and the statutes, we believe 'supervision' means something more than to advise but something less than to control. . . . While the line of demarcation lies somewhere between advice and control, we cannot draw the line with fine precision at this point"7

The Court held that a regulation requiring local boards of education to adopt rules governing the conduct of their employees and students was a supervisory function within the constitutional "general supervision" province of the State Board of Education. Other functions that have been determined to be within the State Board of Education's constitutional "general supervision" powers (and thus outside the Legislature's authority to remove or direct) are those that "equalize and promote the quality of education for the students of this state [the basic mission of the Board],"8 including such things as "statewide accreditation and certification of teachers and schools."9 Areas that have not been viewed as within the State Board of Education's constitutional "general supervision" authority include the *procedure* for promulgating rules and regulations (as opposed to the substance of such regulations)10 and the establishment and funding of schools (areas reserved to the Legislature).11

Based on the foregoing authorities, it appears that the Legislature may not remove *oversight* of community colleges and technical colleges from *both* the Board of Education and the Board of Regents. The Kansas Constitution grants to the State Board of Education "general supervision" authority over "public schools, educational institutions and all the educational interests of the state." Oversight of community colleges and technical colleges would appear to fall within this grant of authority to the State Board of Education. The Constitution does allow the Legislature to shift some or all of this "general supervision" authority to the Board of Regents, but does not otherwise allow the Legislature to remove the authority from the State Board of Education, or to restrict such authority. However, the Legislature does have the power to add duties and functions to either of the Boards, and

⁷*Id.* at 490-92. See also, *Brickell v. Board of Education*, 211 Kan. 905, 917 (1973) ("the adoption in 1966 of the amendment to Article 6 of the Kansas Constitution bestowed broad supervisory powers in the State Board of Education")

⁸Attorney General Opinion No. 83-154.

⁹Attorney General Opinion No. 81-236. See also *NEA-Fort Scott v. U.S.D. No. 234*, 225 Kan. 607, 610-11 (1979).

¹⁰Attorney General Opinion No. 81-236

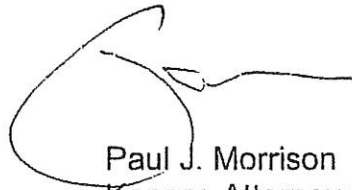
¹¹Attorney General Opinion No. 83-154

Representative Dennis McKinney
Page 6

may place conditions or limitations on the exercise of such additional functions.¹² The Legislature may also place functions that do not rise to the level of "general supervision" of educational institutions and interests with other entities.¹³

I hope this information will be of assistance to you. Please note that because this is an informal opinion, it has not been considered to the extent and degree necessary for issuance of a formal opinion and thus does not carry the same precedential value.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul J. Morrison". The signature is stylized with a large, sweeping initial "P" and a horizontal line extending to the right.

Paul J. Morrison
Kansas Attorney General

PJM:JLM;jm

¹²*State ex rel. Dix v. Board of Education*, 215 Kan 551, 556 (1974); *State ex rel Miller*, 212 Kan at 487

¹³See *NEA-Fort Scott v. U.S.D. No. 234*, 225 Kan. at 611-12.

ANN E. MAH
 REPRESENTATIVE, 53RD DISTRICT
 3351 SE MEADOWVIEW DR.
 TOPEKA, KANSAS 66605
 (785) 266-9434

CAPITOL BUILDING
 TOPEKA, KANSAS 66612
 (785) 296-7668



TOPEKA

HOUSE OF
 REPRESENTATIVES

COMMITTEE ASSIGNMENTS
 EDUCATION
 FEDERAL AND STATE AFFAIRS
 GOVERNMENT EFFICIENCY AND
 TECHNOLOGY

House Education Committee
 Testimony – HB 2556

Chairman Aurand and Committee:

It's not your father's workplace anymore. A K-12 education is now just a start. Lifelong learning is a key to work and life success. Postsecondary education is a must. What few realize is that to meet the demands of today's job market, 60% of our workers need a two-year technical education and only 20% need a four-year degree.

I serve on the North Central Association's Commission on Postsecondary Education, accrediting technical schools across 19 states. I have seen other states aligning their technical education efforts with the demands of the 21st century workplace and life. In Oklahoma, for example, technical education is provided to over 520,000 students on 54 campuses statewide. This includes 151,000 secondary students. Technical education keeps students engaged and in school. Students of all ages are learning skills for exciting and good-paying careers in aviation, telecommunications, biotechnology, machining, air conditioning and refrigeration, agriculture, automotive technology, construction management, graphic design, computer technology, and a host of health related fields, among many others.

These states actively and successfully recruit employers through customized, industry-specific training. Utilizing a governing body separate from K-12 or higher education, these states are focused on the specific opportunities arising from technical education and are thus responsive to the needs of employers and students alike.

Kansas is behind the curve on making technical education widely available to students and relevant to industry. If Kansas is to attract and retain employers, we must do better. Our key economic industries of agriculture, aviation, and oil and gas, along with our new partners in bioscience and energy, are industries with a high demand for technically trained workers. But while other states were growing opportunities, Kansas was growing waiting lists. While other states were moving forward with seamless delivery systems, Kansas technical schools and colleges were left to reinvent the wheel at every location in a piecemeal fashion.

House Education Committee

Date 3-8-07

Attachment # 3

The Kansas Technical College and Vocational School Commission was charged with examining the current state of technical education and making recommendations for the future. The Commission heard testimony from technical education experts in Kansas and across the nation, from higher education professionals, and industry. Their final recommendations reflect a fundamental shift in the governance and funding of technical education in Kansas. HB 2556 implements the governance portion of those recommendations, which was based on other successful models with Kansas-specific considerations. The funding formula has been sent to the education budget committee for its consideration.

As you make these kinds of systemic changes, you can expect pushback from those reluctant to move from the status quo. You will hear testimony today reflecting the pros and cons of various models that were considered. There was a full and healthy debate, with all parties involved coming to the table. All sides compromised. I applaud the Commission for its resolve to do what is best for our state's future.

HB 2556 aligns technical standards and curricula statewide. It establishes the postsecondary technical education authority under the auspice of the Kansas Board of Regents to be the point of contact for industry and the body to ensure that technical education is meeting the needs of industry and Kansans. It provides for the seamless delivery of technical education from high school to postsecondary institutions to industry.

I'll let the Commissioners give you the details, but I want you to know that as someone who sees this from both a local and national perspective, HB 2556 is right on target and very exciting in what it brings to our state at a time when we are trying to attract employers who will require thousands of technically trained workers and at a time when we are losing thousands of retiring Baby Boomers from the trades. This is a new vision for technical education in Kansas that has great promise for our state.

Mah Toof
 Attach

Programs with Waiting Lists or Private Sector Need

	Flint Hills Technical College	Kansas City Area Technical School	Kaw Area Technical School	Manhattan Area Technical College	Northeast Kansas Technical College	Northwest Kansas Technical College	Salina Area Technical School	Southwest Kansas Technical School	Wichita Area Technical College
Medical Fields									
Acupuncture		x							
Cardiovascular/ Radiologic Technology									x
Certified Medical Assistant				x			x		
Clinical Lab Technician		x					x		
Dental Assistant/Hygiene/		x		x			x		x
Dental Hygiene	x						x		
Dietician Assistant		x							
EMT Training				x					
Massage Therapy		x	x						
Medical Assistant	x	x					x	x	
Medical Insurance Specialist		x		x			x		
Medical Records Technician		x		x			x		x
Nursing				x	x		x		x
Phlebotomist		x		x		x			
Physical/Respiratory Therapy							x		x
Pharmacy Tech/Assistant		x							
Surgical Technologist		x							
Veterinary Assistant		x							
X-ray technician							x	x	
Vehicle/Machine Repair & Operation									
Alternative Energies Technician						x		x	
Appliance Installation/Repair		x							
Automotive Technology				x	x		x	x	
Business Machine Repair		x							
Diesel Technology	x				x		x	x	
Hot Rod/High Performance/Motorcycle		x					x	x	
Medium/Heavy Vehicle/Truck Technician		x							
Building Construction/Maintenance									
Civil Engineering			x						x
Electrical and Power Transmission Installer		x					x		
Construction/Heavy Equipment Operation		x							
HVAC							x		
Welding	x				x		x		
Plumbing						x	x		
Metal Building Assembly		x							
Pipefitting/Pipefitter/Sprinkler Fitter		x							
Security System Installation/Repair/Inspection		x							
Parts/Warehousing Operations/Maintenance		x							
Business/Office Programs									
Computer/electronics				x	x				x
Digital Communication and Media	x	x							
Entrepreneurial/Small Bs Operation	x								
Command Spanish				x					
Office Occupations								x	x
Video Production	x								
Others									
Cosmetology	x		x				x		
Criminal Justice			x						
Aeronautical Technology									x
Farm and Ranch Management	x								
Food Service Management									x
GIS	x								

**Kansas Technical College
and Vocational School
Commission**

**Final Report
to the**

2007 Kansas Legislature



**Kansas Legislative Research Department
March 2007**

House Education Committee
Date: 3-8-07
Attachment # 4

**KANSAS TECHNICAL COLLEGE AND
VOCATIONAL SCHOOL COMMISSION**

**FINAL REPORT
TO THE
2007 KANSAS LEGISLATURE**

COMMISSION MEMBERS

George Fahnestock, Chair
Dr. Robert Edleston
Dr. Jerry Farley
Joseph Glassman
James Grier III
Senator Janis Lee
Dick Veach
Reginald Robinson

March 2007

Foreword

The Kansas Technical College and Vocational School Commission was created by the 2006 Legislature to study the mission, governance, and funding of Kansas technical colleges and vocational education schools. The Commission consists of eight members - 7 members appointed by the Governor, the Kansas Board of Regents, and the Legislature, and the President and CEO of the Kansas Board of Regents who serves as an *ex-officio* nonvoting member.

This report contains the culmination of the Commission's efforts during the 2006 Interim.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	v
Mission	v
Governance	v
Funding	vi
INTRODUCTION	1
MISSION	3
Mission Issues	3
Recommendations	5
GOVERNANCE	6
History	6
Governance Issues	9
Possible Solutions	10
Kansas Board of Regents Recommendation	10
Kansas Technical Colleges' Recommendation	11
Kansas Association of Community College Trustees Recommendation	14
Working Group Recommendation	16
Other Options	18
Oklahoma Model	18
Georgia Model	18
Recommendations	19
FUNDING	20
Overview	20
Funding Issues	26
Possible Solutions	26
Kansas Board of Regents Recommendation	26
Kansas Technical Colleges' Recommendation	27
Kansas Association of Community College Trustees Recommendation	27
Legislative Educational Planning Committee Recommendation	27
Working Group Recommendation	27
Other Options	29
Recommendations	29

EXECUTIVE SUMMARY

The Kansas Technical College and Vocational School Commission recommends the following items:

Mission

- The mission of technical education in the state of Kansas should:
 - ◇ Provide opportunities for students to attain their educational goals;
 - ◇ Provide an educated workforce to meet the demands of the Kansas economy;
 - ◇ Be responsive to the education and training needs of business and industry;
 - ◇ Provide quality technical training, customized industry training, and continuing education; and
 - ◇ Provide a totally integrated educational opportunity for students who matriculate from high school through certificate, associate, and baccalaureate programs.

Governance

- All postsecondary institutions receiving state funded postsecondary aid for technical education, including the four technical schools and Northeast Kansas Technical College, should move towards some form of postsecondary governance either through a merger, an affiliation, or as an accredited college with an independent governing board, if they have not already done so.
- Legislation with the provisions of 2007 HB 2552, creating the Postsecondary Technical Education Authority, with the following adjustments:
 - ◇ Reduce the Authority membership from nine to seven;
 - ◇ Reduce the Board of Regents members of the Authority from three to two, and allow the Regents members to appoint a designee;
 - ◇ Make three members from general public representatives of current and emerging technical career clusters of the state;
 - ◇ Make two members from the general public at large members;
 - ◇ Reduce the number of members who can be members from the same party from five to four;
 - ◇ Reduce the number of members required for a quorum from five to four;
 - ◇ Require the placement of the Authority's recommendations on the Board of Regents monthly agenda;

- ❖ Remove the requirement of a two-thirds majority vote of the Board of Regents to reject the Authority recommendations; and
- ❖ Change the appointment of the Executive Director of the Authority from appointment by the Authority alone to a joint appointment and termination by the Authority and the president of the Board of Regents.

Funding

➔ Add \$38.5 million to \$41.5 million to fund technical education in FY 2008 for the following:

Items	Dollars in Millions
New Funding Methodology	\$ 16.5
Additional Enrollments (Growth)	5.0-8.0
Technology and Equipment Funding	8.0
Start-Up Pool for New Initiatives	5.0
Business and Industry Training Pool	3.0
Strengthened State Level Support for Technical Education	1.0
TOTAL	\$38.5 - \$41.5

46

INTRODUCTION

The 2006 Legislature, by proviso in the Omnibus appropriations bill (Senate Substitute for House Bill 2968), authorized the establishment of the Kansas Technical College and Vocational School Commission. The Commission is composed of eight members, seven voting and one *ex-officio* nonvoting member. The members are:

- George Fahnestock, Chairman, Owner and Chief Executive Officer (CEO) of Fahnestock Heating, Air Conditioning, and Electric Company;
- Dr. Robert Edleston, President of Manhattan Area Technical College;
- Dr. Jerry Farley, President of Washburn University;
- Joseph Glassman, President and CEO of Glassman Corporation;
- James Grier III, member of the Kansas Board of Regents (KBOR);
- Janis Lee, member of the Kansas Senate;
- Dick Veach, CEO of Pioneer Communications; and
- Reginald Robinson, President and CEO of the Kansas Board of Regents (*ex-officio* nonvoting member).

The Commission is charged to study the mission, governance, and funding of Kansas technical colleges and vocational education schools. The Commission is to submit a report of its activities and recommendations to the Legislature on or before January 1, 2007.

The Commission believes that it will need more time to adequately and thoroughly fulfill its charge. Therefore, having interpreted its enacting legislation to mean that its charter will not expire until June 30, 2007, the Commission submits this preliminary report to the Kansas Legislature by January 1, 2007, and will complete a final report on or before February 15, 2007. In addition, the Commission notes that the Legislative Education Planning Committee (LEPC) recommended that legislation be prefiled to extend the Commission another two years and require that the Commission make annual reports to the LEPC.

At the first meeting, the Commission Chairman suggested the members consider the question: "The work of the Commission is in the best interest of whom?" He also recommended that it focus its ideas around the concept of "what is right with technical education, what is wrong, and what is needed." These thoughts have set the tone for the Commission, shaping not only how its members have come to understand the patchwork nature of the state's technical education system, but also its recommendations. The Commission hopes that this report reflects its vision to provide a more extensive analysis of technical education in Kansas.

The Commission held seven meetings during the 2006 Interim and covered a wide range of topics related to technical education. Over 40 conferees, including legislators, representatives of technical schools, technical colleges, community colleges, universities, and business and industry, and staff from KBOR, the Kansas Department of Commerce (KDOC), Kansas, Inc., and the Kansas State Department of Education (KSDE) presented information to the Commission.

The Commission's understanding of its charge broadened as it learned more about technical education. At its first meeting, staff reviewed the Commission's enacting legislation and charge to undertake a study of the mission, governance, and funding of Kansas technical colleges and vocational education schools. However, the Commission learned that technical education is provided in other ways, primarily by community colleges. Based on information provided by the KBOR, technical education is delivered by 29 two-year institutions: four technical schools, six technical colleges, six area vocational-technical schools that are governed by community college boards, and 13 community colleges. In addition, of the total number of career and technical education students served by two-year institutions in FY 2005:

- The four technical schools served approximately 8.0 percent;
- The six technical colleges served approximately 15.0 percent; and
- The 19 community colleges (including the six area vocational-technical schools governed by community college boards) and Washburn University served the remaining 77.0 percent.

The Commission believes that its legislative charge to study technical colleges and vocational education schools should be expanded to include an examination of the role community colleges play in the delivery of technical education.

Having reviewed a wide range of information, the members of the Commission agree that, to improve technical education in Kansas, a consistent statewide governance system, an adequate and equitable funding mechanism, and a standardized curriculum are needed. The Commission also feels that technical education should be viewed more as an economic development tool that is focused on meeting the needs of business and industry in the state.

The Commission is aware of other studies that would further assist in the implementation of its recommendations for postsecondary technical education. The Director of Workforce Training and Education Services, KDOC, who also serves as the Director for Career and Technical Education for the Kansas Board of Regents, indicated that a study jointly commissioned by the KDOC, the Workforce Network of Kansas, KBOR, and Kansas, Inc. entitled *Aligning Postsecondary Education and Training to Meet the Needs of the Business Community* will be available on May 15, 2007. This study will identify critical industry sectors and key regions; report on innovative and effective programs and practices; and assess current postsecondary education and training systems, programs, and projects. The Commission considers this an important study that should be reviewed during the implementation of its final recommendations.

MISSION

The Commission sought to better understand the overall mission of technical education in Kansas. During the 2006 Interim, the Commission reviewed the role of technical education from the perspective of the technical institutions and business and industry.

Mission Issues

Mission: Technical Institutions. At its October meeting, representatives from several technical institutions appeared before the Commission to discuss the mission of technical schools and colleges in Kansas, including the Kansas Association of Technical Schools and Colleges (KATSC), the Kansas City Kansas Area Technical School (KCKATS), and North Central Kansas Technical College (NCKTC).

- KATSC. Rich Hoffman, President, KATSC, stated that most students attending technical schools and technical colleges are concerned with getting in, getting trained, and getting a job. He indicated that at Kaw Area Technical School in Topeka, less than 11.0 percent of the students take advantage of the agreement to earn an Associate of Applied Science degree with Washburn University. However, Mr. Hoffman also noted that today's technical jobs require a high level of critical thinking skills and that these skills should be a part of the education process used to support the mission of technical education.
- KCKATS. Barbara Schilling, Director, KCKATS, testified that the School's purpose is to provide customized quality technical training, and in the process, develop life-long learning habits, a positive self-image for each student, and leadership and citizenship skills. She also stated that KCKATS serves a very diverse population: the average student age in the daytime skill training programs is 26; and 48.0 percent of the student body is Caucasian, 40.0 percent is African-American, 10.0 percent is Hispanic, and 2.0 percent is from a variety of other ethnic groups.

One of the unique features of KCKATS is its flexible open enrollment plan that allows postsecondary students to begin most programs monthly on a space available basis. This allows them to move into good paying jobs in six to eleven months, instead of waiting until the next semester to start their training.

- NCKTC. Mr. Coco, President, NCKTC, reviewed the effectiveness of the technical college, noting accreditation by the Higher Learning Commission of the North Central Association of Colleges and Schools (HLC-NCA), a process which resulted in moving many one-year certificate programs to two-year programs with the option of an Associate of Applied Science degree. He testified that changes within curricular offerings have met the evolving needs of industry and reduced the number of students on waiting lists. President Coco gave the following examples:
 - The College expanded the Heavy Equipment program enrollment from 30 students to 45 by purchasing a \$27,000 state of the art simulation software program and by changing scheduling practices.

- The College doubled the size of the Licensed Practical Nursing program from 30 candidates to 60 by moving from a nine-month program to a year-round program. The College was able to do this by adding a 0.75 FTE instructor to the program.
- The College created a Building Trades Degree. Students completing two of the four building trades programs offered: residential electricity, bricklaying and masonry, carpentry and cabinetmaking, and plumbing, heating, and air conditioning can graduate with an associate degree.

According to President Coco, these changes were made with the belief that students graduating from an HCL-NCA accredited college with an associate degree would have a better chance at placement and career advancement in their chosen field. NCKTC offers students a focused education with career placement waiting for them upon completion of the program.

Mission: Meeting the Needs of Business and Industry. During the October meeting, representatives of business and industry also appeared before the Commission and discussed their needs and the role technical education has played in helping them meet those needs.

- Kansas Hospital Association. Deborah Stern, Vice-President of Clinical Services and Legal Counsel, Kansas Hospital Association, stated that, in the healthcare field, accreditation is vital; that technical education plays a significant role in preparing students for the field, and that, in light of aging healthcare workers and retiring baby boomers, impending shortages will soon reach crisis levels. She noted especially the need for more instructors. There are waiting lists for nursing classes, a problem exacerbated by lack of instructors and available clinical sites.
- Neal Harris Service Experts. Dave Hinkley, Human Resources Manager, Neal Harris Service Experts, a heating and air conditioning corporation in Kansas City, testified that his company, which employs over 6,000 individuals, hires community college and technical school graduates. He praised the open enrollment of KCKATS, which allows his company to hire graduates all year long.
- Embarq. Alan Prieb, Field Operations Supervisor, Embarq, discussed the importance of technical training for telecommunication companies and praised the technical program offered at North West Kansas Technical College (NWKTC). He stated that Embarq has around 75 graduates from NWKTC. However, the company still has more openings than can be supplied by the College.
- Beloit Auto and Truck Plaza. Pat Kelly, owner, Beloit Auto and Truck Plaza, testified that one of his company's greatest needs is certified technicians to provide manufacturers' warranty work. He noted that NCKTC provides general automotive certification, but not manufacture-specific certification.
- Howard, Needles, Tammen, and Bergendoff (HNTB) Corporation. Wayne Gregory, a representative from HNTB who works in the bridge design department, related the value of students trained at NWKTC, stating that of HNTB's 13 technicians, ten were trained at NWKTC. He also indicated that NWKTC rarely graduates enough students to meet industry needs.

- Kelly Construction. Kevin Kelly, President, Kelley Construction and Vice-President, Associated General Contractors (AGC), commented on the barrier he has encountered in seeking skilled employees for construction work:
 - Lack of funds, especially for hiring instructors skilled in construction trades;
 - The negative job stigma of construction as a career; and
 - The lack of available communication with prospective students.

He noted AGC's collaboration with Hutchinson Community College in helping to close the gap between the needs of the industry and graduating students. Mr. Kelley also stated that there is a desperate need in nearly all construction trades for skilled workers. He also noted that AGC is supplementing instructor salaries to raise the stature of the building trades.

Industry Taking Steps to Meet its Own Needs. The Commission heard from the aviation industry about how it has taken action to address its own needs. Peter Gustaf, Executive Director, Kansas Technical Training Initiative, Inc. (KTTI), gave background that led to the formation of the KTTI, saying that in 1999 in Wichita the four largest aviation companies had over 4,000 job openings for which they could not find skilled workers. He also noted cooperation with the newly formed Kansas Institute for Technical Excellence, a collaboration with four regional educational institutions (Butler Community College, Cowley Community College, Hutchinson Community College, and Wichita Area Technical College), a venture that led KTTI to create the Aviation Tech Center, which later expanded the curriculum to include manufacturing, information technology, and health-care programs. Mr. Gustaf stated that under the authority of the Sedgwick County Commission, a new technical campus called Jabara is being constructed. Sedgwick County issued \$40.0 million in bonds to build the new campus and subsequent costs will be funded by the county and student tuition under the auspices of the Sedgwick County Technical Education and Training Authority. Mr. Gustaf indicated that local community colleges will provide programs. He also observed that the constituency is the business community and that funding would be driven by outcomes and not hours.

Recommendations

Based on information provided by Dr. Greg Belcher, Associate Professor, Technical Education, Pittsburg State University (PSU), the Commission notes that only 20.0 percent of current jobs require a four-year degree and that there is an increased demand for skilled workers. Therefore, the Commission recommends that the mission of technical education in the state of Kansas should:

- Provide opportunities for students to attain their educational goals;
- Provide an educated workforce to meet the demands of the Kansas economy;
- Be responsive to the education and training needs of business and industry;
- Provide quality technical training, customized industry training, and continuing education; and
- Provide a totally integrated educational opportunity for students who matriculate from high school through certificate, associate, and baccalaureate programs.

GOVERNANCE

During the 2006 Interim, the Commission studied the governance structure of the postsecondary technical institutions in Kansas. Staff from the Revisor of Statutes' Office reviewed legislation governing technical schools and technical colleges. Blake Flanders, Director, Career and Technical Education, KBOR, provided background information on the development of technical institutions in Kansas from 1963 to the present. The Commission also examined secondary technical and career education (CTE) in Kansas. Dale Dennis, Interim Commissioner of Education, KSDE, provided an overview of CTE within the K-12 educational system.

History

Establishment of Area Vocational-Technical Schools. In 1963, Congress passed the Vocational Education Act which allowed states to create a system of area vocational-technical schools. That same year, Kansas passed legislation (KSA 72-4411 *et seq.*) giving local entities the opportunity to establish area vocational-technical schools. The law provided for three types of administrative organizations. Area vocational-technical schools could be governed by:

- A single unified school district (USD) board;
- A community college (CC) board; or
- A board of control, comprised of representatives from surrounding USD boards.

By 1985, 16 area vocational-technical schools were in operation throughout the state with three forms of governance. Nine were governed by a single USD board, two had merged with community colleges and were governed by a community college board of trustees, and five were governed by representatives from surrounding USDs.

1986 Kansas Area Vocational-Technical Schools (AVTS)

School	Location	Type of Governance
Kansas City AVTS	Kansas City	Single United School District
Flint Hills AVTS	Emporia	Single United School District
Kaw AVTS	Topeka	Single United School District
Liberal AVTS*	Liberal	Single United School District
Manhattan AVTS	Manhattan	Single United School District
Northeast Kansas AVTS	Atchison	Single United School District
Salina AVTS	Salina	Single United School District
Southwest AVTS	Dodge City	Single United School District
Wichita AVTS	Wichita	Single United School District
Cowley County CC/AVTS	Arkansas City	Community College Board of Trustees
Pratt CC/AVTS	Pratt	Community College Board of Trustees
Central Kansas AVTS	Newton	Representatives of Surrounding School Districts
Southeast Kansas AVTS	Coffeyville	Representatives of Surrounding School Districts
Northwest Kansas AVTS	Goodland	Representatives of Surrounding School Districts
North Central Kansas AVTS	Beloit	Representatives of Surrounding School Districts
Johnson County AVTS	Olathe	Representatives of Surrounding School Districts

* Liberal AVTS is now Southwest Kansas Area Technical School.

Mergers with Community Colleges. In 1992, Kansas passed legislation (KSA 71-1701 *et seq.*) authorizing area vocational schools or area vocational-technical schools (governed by a single USD board or a board of control) to consolidate with community colleges. Four area vocational-technical schools merged with community colleges and are now governed by community college boards of trustees.

Four Merged Area Vocational-Technical Schools

School	Community College
Central Kansas AVTS	Hutchinson CC
Southeast Kansas AVTS	Coffeyville CC
Johnson County AVTS	Johnson County CC
Southwest AVTS	Dodge City CC

Transition to Technical Colleges. In 1994, legislation (KSA 72-4468 *et seq.*) was enacted to allow area vocational schools or area vocational-technical schools to become technical colleges. Between 1995 and 2001, six area vocational-technical schools began conversion to technical colleges with the ability to award associate of applied science degrees.

Six Technical Colleges

School	Technical College
Northwest Kansas AVTS	Northwest Kansas Technical College
North Central Kansas AVTS	North Central Kansas Technical College
Flint Hills AVTS	Flint Hills Technical College
Manhattan AVTS	Manhattan Area Technical College
Northeast Kansas AVTS *	Northeast Kansas Technical College
Wichita AVTS	Wichita Area Technical College

* Northeast Kansas Technical College has no intention of pursuing accreditation.

Not all area vocational-technical schools chose to change to technical colleges. As a result, three separate types of technical institutions developed:

- Four area vocational-technical schools;
- Six area vocational-technical schools merged with community colleges; and
- Six technical colleges.

4-13

Technical College Accreditation. The 1999 Legislature enacted SB 345, the Higher Education Coordination Act (KSA 74-32,141), which transferred the supervision and coordination of community colleges, area vocational schools, area vocational-technical schools, technical colleges, adult education programs, and proprietary schools from the Kansas State Board of Education (KSBE) to the KBOR. In 2002, KBOR passed a policy requiring all Kansas public degree-granting institutions, including technical colleges, to be accredited through HLC-NCA. This accreditation process required technical college governance changes. To become accredited, the technical colleges needed to form independent governing boards not associated with USDs. The 2003 Legislature passed SB 7 (KSA 2005 Supp. 72-4470a), which required the six technical colleges to develop and present to KBOR a plan to replace the existing governing board with an independent governing board that was separate from a board of education of any school district. Five of the six technical colleges have complied with SB 7 and have sought HLC-NCA accreditation. However, Northeast Kansas Technical College continues to be governed by a USD board and has no intention to seek accreditation.

Current Status of Technical Institutions. The current status of the 16 technical institutions is as follows:

- Five technical colleges are governed by independent technical college boards;
 - Two colleges are accredited by HLC-NCA; and
 - Three colleges are moving toward HLC-NCA accreditation;
- One technical college is still governed by a local USD board, has not moved toward independent governance, and has no intention of pursuing HLC-NCA accreditation;
- Six area vocational-technical schools are governed by community college boards; and
- Four technical schools are still governed by local USD boards.

In addition to the 16 technical institutions mentioned above, the 13 community colleges that are not affiliated with area vocational-technical schools also provide technical education.

Note: The four remaining area vocational-technical schools in Kansas changed their names to technical schools to reflect the growing national focus on career and technical education rather than vocational education. At the federal level, the Carl D. Perkins Career and Technical Education Improvement Act of 2005 adopted the term career and technical education (instead of vocational education) when referring to education programs funded under the current Perkins Act.

Current Status Kansas Technical Institutions

School	Location	HLC/NCA Status	Type of Governance
North Central Kansas Technical College	Beloit	Accredited	Technical College Board
Manhattan Area Technical College	Manhattan	Accredited	Technical College Board
Northwest Kansas Technical College	Goodland	Pursuing	Technical College Board
Flint Hills Technical College	Emporia	Pursuing	Technical College Board
Wichita Area Technical College	Wichita	Pursuing	Technical College Board *
Northeast Kansas Technical College	Atchison	Not seek accreditation	Single United School District
Johnson County CC/AVTS	Overland Park	Accredited	Comm. College Board of Trustees
Coffeyville CC/AVTS	Coffeyville	Accredited	Comm. College Board of Trustees
Dodge City CC/AVTS	Dodge City	Accredited	Comm. College Board of Trustees
Hutchinson CC/AVTS	Hutchinson	Accredited	Comm. College Board of Trustees
Cowley County CC/AVTS	Arkansas City	Accredited	Comm. College Board of Trustees
Pratt CC/AVTS	Pratt	Accredited	Comm. College Board of Trustees
Kansas City Area Technical School	Kansas City	N/A	Single United School District
Southwest Kansas Technical School **	Liberal	N/A	Single United School District
Kaw Area Technical School	Topeka	N/A	Single United School District
Salina Area Technical School	Salina	N/A	Single United School District

* The College Board for the Wichita Area Technical College has expanded its role as Sedgwick County Technical Education and Training Authority.

** Southwest Kansas Technical School plans to merge with Seward County Community College on July 1, 2007.

Secondary CTE. CTE at the secondary level is a structured program that includes: career exploration and planning; direct preparation for employment; and preparation for a postsecondary education. In FY 2007, 1,656 approved CTE programs are offered in 276 of the 300 school districts in Kansas. Course and program availability varies by school. Each secondary CTE program is charged with developing articulation agreements with postsecondary institutions.

Secondary CTE works closely with business and industry to provide quality instruction within the K-12 educational system. Each CTE program is aligned with Kansas academic standards including math, reading, and science. State secondary approval standards for every program has been developed in conjunction with business and industry. Close partnerships with business and industry include: American Welding Society, Associated General Contractors, and the Kansas Hospitality and Restaurant Association. All secondary CTE programs have local advisory committees representing business and industry to assure that the programs continue to meet community needs.

It is estimated that in FY 2006 secondary CTE expenditures totaled \$79.3 million. Of that amount, \$41.5 million was funded by local sources; \$32.8 million in weighted funding was provided by the state (CTE receives an additional weight of 0.5); and \$5.0 million of federal Carl Perkins funds were distributed to USDs.

Governance Issues

Legislation passed in 1992 and 1994, which led to the merger of four area vocational-technical schools with community colleges and the emergence of six technical colleges, has resulted in a patchwork of technical education delivery systems that still exist in spite of 1999 SB 345, which was intended to promote a seamless postsecondary educational system. Currently, three different types of technical institutions exist in Kansas, each with its own form of governance. The Commission believes that the variation in the governance structure of the 16 technical institutions is an issue that needs to be addressed.

4-15

Possible Solutions

During the 2006 Interim, the Commission examined several different proposed forms of governance for the technical institutions, including recommendations made by KBOR, KATSC, and the Kansas Association of Community College Trustees (KACCT). In addition, the Director of the Oklahoma Department of Career and Technology Education and the former Commissioner of the Georgia Department of Technical and Adult Education presented information to the Commission about each of their state's technical education programs.

Option A: Merge Technical Schools and Colleges with Community Colleges or Universities

KBOR Recommendation. During its November meeting, the Commission reviewed the KBOR recommendation for the restructuring of technical education. Reginald Robinson, President and CEO of the KBOR, explained that under the KBOR plan:

- The state's technical schools (which are still governed by local USD boards) would merge or affiliate, or both, with an appropriate community college or university;
- The state's technical colleges (which are governed by independent technical college boards) also would merge or affiliate, or both, with an appropriate community college or university; and
- That both sets of mergers would be undertaken over the course of a three to five year period to provide the time necessary to ensure that appropriate merger partners and processes were identified.

This recommended governance structure would create a system in which all postsecondary technical education in Kansas would be the responsibility of community colleges or universities.

Merged Technical Education Providers. Throughout the interim, the Commission also heard about the merger experiences of several technical education providers, including the following:

- Hutchinson Community College/Area Vocational-Technical School (HCC/AVTS). Dr. Edward Berger, President, HCC/AVTS, testified that a merger significantly increases enrollment, provides broader and more comprehensive technical education than a stand alone technical college, eliminates duplication, creates more partnerships with business and industry, and raises the quality of learning opportunities. He also acknowledged the increased costs of technical education and recommended that all technical education courses be funded at an additional funding weight of 0.6 (compared to general education) and be increased to an additional funding weight of 1.0 over a period of five years. In addition, Dr. Berger recommended that all technical instruction be based on credit hours and not clock hours.
- Southwest Technical School and Seward County Community College. Ed Poley, Director, Southwest Kansas Technical School, testified that the School plans to merge with Seward County Community College on July 1, 2007, a move that would allow for more growth in technical education. He noted that such a merger would result in very little duplication of faculty; that calculation of clock hours would be adjusted; and mission creep would be an issue.

- PSU. Dr. John Iley, Chairman, Technology Studies/Automotive Technology Department, PSU, commented on the challenges of assimilating technical programs into a university curriculum. He explained that, of the nine original technical programs assimilated into PSU after the closing of the Vocational Technical Institute in 1985, five were discontinued, two were transferred to Fort Scott Community College, and two (Automotive Service and Electrical Technology) have successfully been incorporated into PSU. Both programs offer a two-year certificate or an Associate of Applied Science degree, or both. Dr. Iley identified three key factors in making technical education successful in a university setting: funding, administrative support, and recruitment.

Benefits and Concerns Regarding Mergers. The Commission notes the benefits that a community college may derive from merging with a technical school or college. They include program eligibility for clock-hour payment; institution eligibility for state capital outlay funds; institutional ability to contract with USDs for delivery of courses; reaccreditation as an area vocational-technical school; and institutional ability to tailor certifications to programs more readily.

The Commission also recognizes the concerns that technical schools and colleges have about merging with community colleges or universities. They include the following:

- Given the hands-on learning approach of technical education and the textbook-centered approach of general education, merging technical colleges with community colleges or universities may crowd out the hands-on approach to learning.
- Merging a technical college with a community college or university will lead to mission creep which will crowd out the emphasis on technical education in favor of general education and will dilute the mission of technical education.
- The need for compatible leadership and policies between merging institutions.
- A concern that technical education will be viewed as a "lesser" education.

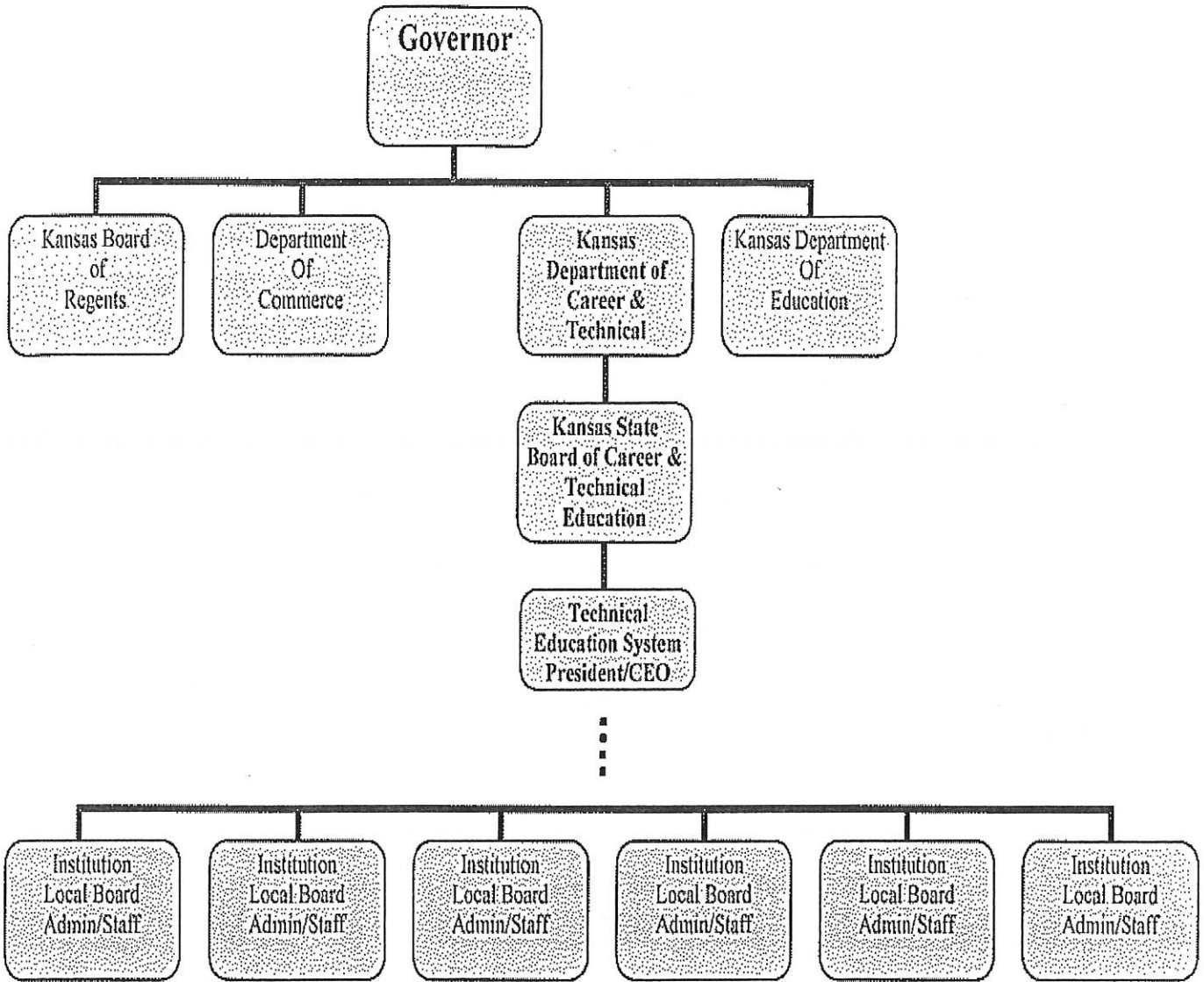
In addition, other issues, that are not necessarily particular to the merger option, will require further exploration, such as the need to establish a baseline curriculum and a weighted funding formula.

Option B: Kansas Career and Technical Education System

Technical Colleges' Recommendation. At its December meeting, the Commission reviewed the technical colleges' recommendation for the restructuring of technical education. Clark Coco, President, North Central Technical College, who was representing the technical colleges in Kansas, proposed a statewide career and technical education system that would be coordinated by the newly established Kansas Department of Career and Technical Education. According to President Coco, the mission of the new Department and the career and technical education system would be to foster economic growth by providing specific technical education and training to meet the workforce needs of Kansas.

The organization of the proposed system is shown below:

Kansas Career and Technical Education System Organizational Chart



The career and technical education system would coordinate all of the state's technical programs, including those under community colleges and universities. Under this plan, technical schools would have the option of either merging with a technical college, community college, or a university or becoming a stand alone technical college. Technical colleges would remain independently governed institutions under this system. The technical education sector of community colleges and universities would be coordinated through the career and technical education system, while regular education would remain under KBOR.

The responsibilities of the career and technical education system at the State Board level and the institutional board level are as follows:

- State Board Level. The Governor would appoint nine members to the Kansas State Board of Career and Technical Education, a coordinating board that would have representation from all congressional districts. The career and technical education system President and CEO would report to the State Board. The State Board would approve programs, certification, benchmarks, accreditation, finances, local tuition rates, and major capital improvement projects. It also would coordinate technical education efforts in the state; collect data; market statewide for technical education; advocate for technical education; and administer the federal Carl Perkins funds and statewide grant initiatives. In addition, the State Board would coordinate with the KDOC, KBOR, and KSDE.
- Institutional Board Level. Business and industry would be represented on the institutional governing boards. The boards would govern the institutions; hire or fire institution presidents; and establish the local calendar, policies, salaries, and tuition rates which are to be approved by the State Board.

Benefits and Concerns Regarding System. President Coco pointed out the benefits of the career and technical education system. They include centers of excellence, standardization of curriculum and institutional policy practices, focused state supervision with funding distribution authority, retention of technical education as the sole mission and focus, statewide coordination of workforce development, state level advocacy for technical education, and assistance in identifying duplication of programs among colleges.

The Commission notes that this recommendation by the technical colleges modifies an earlier proposal that was submitted for a technical college system, a statewide agency that would be under the KDOC.

Reginald Robinson, President and CEO, KBOR, raised several concerns regarding the proposed career and technical education system, including the following:

- A career and technical education system that is not coordinated by KSBE or KBOR will need to enhance opportunities to create more seamlessness between secondary and postsecondary technical education.
- There are implications that need to be further explored for clarity and policy coherence if a career and technical education system is created in the context of a reality in which at least 77.0 percent of the state's technical education is delivered by the community college system.

- There are also implications that need to be further examined of what the creation of a career and technical education system means to the state's postsecondary education system.

Option C: Merge Technical Schools and Affiliate Technical Colleges with Community Colleges or Universities

KACCT Recommendation. At its December meeting, the Commission reviewed the KACCT recommendation for the restructuring of technical education. Dr. Berger, President, HCC/AVTS, on behalf of KACCT, proposed a plan that was similar to the recommendation made by the KBOR.

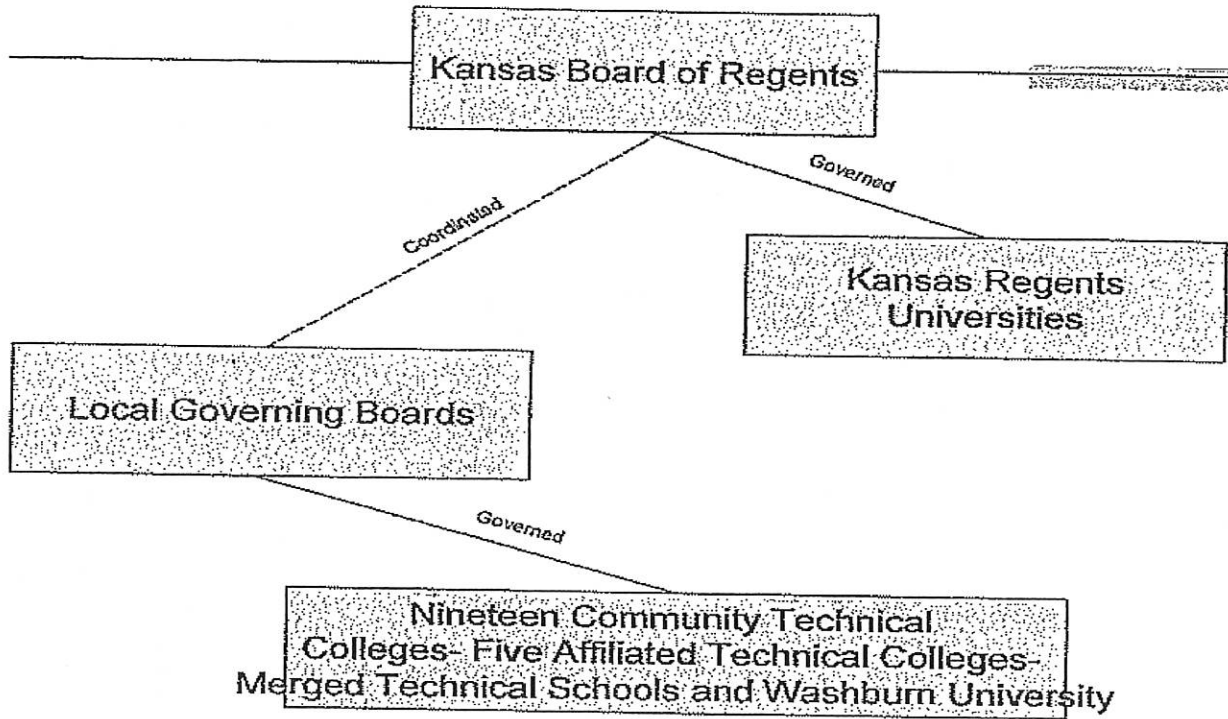
The KACCT recommended a statewide technical system with 19 community technical colleges, five technical colleges affiliated with community colleges or universities, and four technical schools merged with community colleges or universities. Unlike the KATSC plan, the technical system would remain under the coordination of the KBOR. The 19 community technical colleges, the five affiliated technical colleges, and the four merged technical schools would be coordinated by the KBOR, but would be governed by local boards, except when affiliated with universities.

Benefits of System. The KACCT outlined the benefits of the recommended technical education system for industry, students, and the State of Kansas.

- Industry. The benefits to industry would include a centralized system; decentralized delivery; rapid response; guaranteed quality; program clearinghouse and directory; and industry satisfaction assessment of each program offered.
- Students. The benefits to students would include accessibility; affordability; placement services; articulation to associate in applied science and bachelor degrees; portability of standardized curriculum; and assessment of skill levels.
- Kansas. The benefits to the State of Kansas would include a skilled workforce; an agile delivery system; guaranteed skills; a state economic development engine; and a seamless system maximizing existing resources.

The organization of the proposed plan is shown below:

KACCT Organization Chart of Kansas Colleges and Universities



4-21

Option D: Working Group Governance Recommendation

During its January 3 and 4 meeting, the Chairman asked the technical colleges and schools and community colleges to work with staff from the Legislative Research Department and Revisor of Statutes office to develop a postsecondary technical education governance proposal to present for the January 26 meeting. At the request of the Commission, the technical colleges and schools and the community colleges were asked to develop a model with a coordinating commission within the Board of Regents. This type of model was requested with the understanding that the creation of an independent governing board would require a constitutional amendment.

Kenneth Clouse, President, Northwest Kansas Technical College, and Dr. Jackie Vietti, President, Butler Community College, presented a document outlining a proposed governance structure for technical education. They referenced a proposed legislative draft distributed at the January 3 Commission meeting, explaining that their proposal included suggested changes in the draft, some joint suggestions, and other concepts which diverged between the community colleges and the technical colleges (Attachment A). Jointly they proposed creating a coordinating/oversight technical education entity appointed by the Governor that would develop and oversee an integrated statewide plan for technical education. The Entity would hire an executive director; the Entity would be responsible for funding requests, making recommendations to the Kansas Board of Regents, and creating accountability benchmarks and indicators.

Mr. Clouse and Dr. Vietti recommended a change in the name of the entity from Council to Coordinating Authority. Mr. Clouse said the technical college association would recommend a change in the relation to the Regents, with the Authority being delegated to operate as a quasi-independent entity. Authority agenda items would be placed on the Regents' consent calendar to be accepted without discussion unless two-thirds of the Regents voted to remove the items. Dr. Vietti countered that the community college presidents preferred not to have a board functioning as quasi-independent from the Regents. Mr. Clouse and Dr. Vietti concluded by saying the Coordinating Authority would be expected to produce common core competencies, meet state/industry certification requirements, provide seamless articulation among institutions, and administer an integrated postsecondary technical education system that maximized the resources of the institutions to meet the workforce needs of Kansas.

Members discussed with the conferees the meaning of a *coordinating authority*. Mr. Clouse said the proposed plan includes local boards, which set policies for programs that are submitted to the authority for funding.

Benefits and Concerns Regarding the Working Group Recommendation

- Members expressed concern about limiting the Regents' authority. Mr. Clouse said the status of technical education needs to be elevated.
- Mr. Robinson noted that placing Authority agenda items on a consent calendar seemed to be counterproductive. Dr. Vietti agreed, noting that such action would appear to preclude discussion. Mr. Clouse explained that the consent-calendar recommendation was intended to shelter Authority items from arbitrary modifications.
- Members noted the exclusion of secondary schools and four-year universities from the proposal.

- A member commented that legislative leadership is seeking an Attorney General's opinion regarding whether or not a postsecondary technical board independent from the Regents could pass constitutional muster.
- Dr. Vietti expressed serious reservations about a bifurcated post-secondary governance structure.
- Members discussed possible staffing for the proposed new entity.

Option E: 2007 HB 2552

At its February 26, 2007 meeting, the Commission reviewed 2007 HB 2552. HB 2552 establishes the Postsecondary Technical Education Authority within the State Board of Regents. The Authority would consist of nine members appointed by the Governor for staggered four-year terms. Three of the members would be appointed from the members of the Board of Regents and the remaining six members would be appointed from the general public based on their recognized knowledge or expertise in technical careers and would be representative of current or emerging technical career clusters in the state. The powers and duties of the Authority would include:

- Delegated authority from the Board of Regents to coordinate statewide planning for postsecondary technical education, new postsecondary technical education programs and contract training;
- Development of recommendations for adoption by the Board of Regents of rules and regulations for the supervision of postsecondary technical education;
- Review of requests for funding;
- Development and advocacy of a policy agenda for postsecondary technical education;
- Conduct studies to develop strategies and programs for meeting needs of business and industry; and
- Coordination of the development of a seamless system for the delivery of technical education between secondary school level and postsecondary school level technical education.

The bill would require a two-thirds majority vote to reject the recommendations of the Authority.

The bill provides for the appointment of an Executive Director for the Authority, subject to appropriations. In addition, staff, facilities, and other assistance requested by the Authority would be provided by the Board of Regents, within the limits of appropriations.

Finally, the bill directs the Northeast Kansas Technical College, the Kansas City Area Technical School, Kaw Area Technical School, Salina Area Technical School and the Southwest Kansas Technical School to submit a plan to merge or affiliate with a postsecondary educational institution or to become an accredited technical college with an independent governing board.

Other Options

The Commission briefly reviewed the following possible governance options:

- Return technical schools to the KSBE with no access to postsecondary aid funding.
- Allow technical colleges to remain independent, but allow them to partner with other institutions as needed.
- Create a statewide technical college with satellite campuses.
- Support 2003 SB 7 which required the development of independent governing boards for technical colleges and grant technical colleges local taxing authority.
- Leave the technical education governance structure as it is and address the need for increased capacity and funding.

Other States' Technical Education Programs

Oklahoma. Dr. Phil Berkenbile, Director, Oklahoma Department of Career and Technology Education (or CareerTech), provided an overview of the Oklahoma technical education program. He stated that the basic premise of the program is to provide training for any entity that needs skilled workers. Dr. Berkenbile explained that there are CareerTech programs in 398 secondary school districts; there are also 29 technology centers with 54 campuses and 1,136 teachers, and 22 skill centers in prison settings, and a virtual CareerTech network, with a total of 275,790 postsecondary students enrolled and a budget of \$431.0 million, including \$141.0 million from the State General Fund (SGF). He also informed the Commission that Oklahoma has a population of about 3.4 million.

CareerTech is a state agency that is separate from the Oklahoma university system; state funds are allocated through the agency; the CareerTech Board approves curricula; the agency develops alliances with community colleges on an *ad hoc* basis; and students can elect to take courses for college credit. According to Dr. Berkenbile, the greatest need for the state's technical education is raising the perception of parents that technical education offers advanced skills and higher wages. Each high school sophomore in Oklahoma receives a brochure outlining all postsecondary educational opportunities.

Dr. Berkenbile acknowledged that community colleges often offer parallel technical education courses, which are funded through the state university system. He explained that secondary technical instructors must be certified by the Oklahoma Department of Education, but the qualifications for postsecondary technical instructors are based on their technical expertise and experience, with a minimum education being an associate degree and certification. Regarding curriculum standards, the state provides minimum standards for each course and then evaluates each course separately, providing accountability through state inspection teams.

Georgia. Dr. Ken Breeden, former Commissioner, Georgia Department of Technical and Adult Education, also presented information to the Commission on his state's technical education program. He commented that during the 1960's and 1970's technical education in the state was fragmented in structure and sporadic in quality, but in 1985 a new governance structure was created with authority to consolidate all workforce development, economic development, and adult literacy under state authority, accountability, and funding. This change resulted in significant growth in

technical education locations (65 campuses) and enrollment (tripling in ten years) with 97,000 enrolled in technical education in 2003.

Dr. Breeden stated that quality control was provided by third-party evaluation through a contract with the Carl Vinson Institute, which surveys students and businesses every three years. He noted that Georgia's technical education programs are short-term, flexible, and progressive so a student can obtain certification quickly, gaining not only a certificate, but a warranty that the student is adequately trained in a given skill. He also indicated that the placement rate for students is 98.0 percent.

Georgia's technical education agency is separate from any other agency. It has no taxing authority, but receives between \$300.0 million to \$400.0 million a year from the SGF. All funding comes through the Department and is allocated by block grants to the various schools.

Recommendations

The Commission made the following recommendations concerning governance:

- Legislation with the provisions of 2007 HB 2552, creating the Postsecondary Technical Education Authority, with the following adjustments:
 - ◇ Reduce the Authority membership from nine to seven;
 - ◇ Reduce the Board of Regents members of the Authority from three to two, and allow the Regents members to appoint a designee;
 - ◇ Make three members from general public representatives of current and emerging technical career clusters of the state;
 - ◇ Make two members from the general public at large members;
 - ◇ Reduce the number of members who can be members from the same party from five to four;
 - ◇ Reduce the number of members required for a quorum from five to four;
 - ◇ Require the placement of the Authority's recommendations on the Board of Regents monthly agenda;
 - ◇ Remove the requirement of a two-thirds majority vote of the Board of Regents to reject the Authority recommendations; and
 - ◇ Change the appointment of the Executive Director of the Authority from an appointment by the Authority alone to a joint appointment and termination by the Authority and the president of the Board of Regents.

FUNDING

During the 2006 interim, the Commission studied funding for technical education in Kansas. Staff from the Revisor of Statutes' Office reviewed legislation for funding technical institutions in Kansas; Blake Flanders, Director of Career and Technical Education, KBOR, provided background information on the general funding sources for technical institutions; and Diane Duffy, Vice-President for Finance and Administration, KBOR, presented an overview of state funding for technical education.

Overview

Funding Sources for Postsecondary Technical Education. Technical education in Kansas is financed with public and private funding and includes:

- State postsecondary aid;
- State capital outlay;
- State community college operating grant and out-district tuition offset;
- Federal Carl Perkins funds;
- Local mill levies;
- Student tuition and fees; and
- Grants and contracts with public and private entities.

State Funding. The state funds postsecondary technical education through three primary SGF line items: postsecondary aid, capital outlay, and the community college operating grant. For FY 2007, it is conservatively estimated that total state spending for postsecondary technical education at technical schools and colleges and community colleges is approximately \$65.7 million, or 8.4 percent of the \$782.5 million in state funds that the 2006 Legislature approved for postsecondary education.

**Technical Schools and Colleges and Community Colleges
FY 2007 Current State Funding for Technical Education**

Institution	Postsecondary Aid	Capital Outlay	CC Operating Grant	Total
Technical Schools (TS)				
Kansas City Area TS	\$ 3,116,325	\$ 172,918	\$ 0	\$ 3,289,243
Kaw Area TS	2,646,291	175,772	0	2,822,063
Salina Area TS	2,056,061	139,869	0	2,195,930
Southwest Kansas TS	1,615,784	129,778	0	1,745,562
Subtotal	\$ 9,434,461	\$ 618,337	\$ 0	\$ 10,052,798
Technical Colleges (TC)				
Flint Hills TC	\$ 2,277,047	\$ 149,808	\$ 0	\$ 2,426,855
Manhattan Area TC	2,527,226	150,000	0	2,677,226
North Central Kansas TC	3,444,704	163,256	0	3,607,960
Northeast Kansas TC	1,461,500	138,597	0	1,600,097
Northwest Kansas TC	3,112,936	152,974	0	3,265,910
Wichita Area TC	6,633,092	204,317	0	6,837,409
Subtotal	\$ 19,456,505	\$ 958,952	\$ 0	\$ 20,415,457
Combined CC and AVTS				
Cowley County CC/AVTS	\$ 0	\$ 150,178	\$ 0	\$ 150,178
Pratt CC/AVTS	0	121,728	0	121,728
Subtotal	\$ 0	\$ 271,906	\$ 0	\$ 271,906
Merged CC and AVTS				
Coffeyville CC/AVTS	\$ 1,055,494	\$ 131,915	\$ 0	\$ 1,187,409
Dodge City CC/AVTS	0	123,019	0	123,019
Hutchinson CC/AVTS	1,189,334	185,451	0	1,374,785
Johnson County CC/AVTS	1,229,971	275,420	0	1,505,391
Subtotal	\$ 3,474,799	\$ 715,805	\$ 0	\$ 4,190,604
Community Colleges *	\$ 0	\$ 0	\$ 30,737,065	\$ 30,737,065
TOTAL	\$ 32,365,765	\$ 2,565,000	\$ 30,737,065	\$ 65,667,830

Note: The information in the table above was provided by the KBOR.

* The \$30.7 million estimated for technical education from the community college operating grant is based on a conservative estimate that approximately 30.0 percent of community college spending goes towards technical credit hours. However, if technical credit hours at community colleges are weighted compared to regular academic hours at a ratio of 1.75:1 or 2:1, then the estimated amount would increase to \$44.0 million or \$47.4 million, respectively. In addition, the total funding would increase to \$78.9 million (ratio of 1.75:1) or \$82.3 million (ratio 2:1), depending upon the ratio used.

The 2006 Legislature approved \$34.9 million in postsecondary aid and capital outlay for technical education in FY 2007, most of which goes to the technical schools and colleges. In addition, a portion of the community college operating grant conservatively estimated at approximately \$30.7 million went for technical education. According to Ms. Duffy, community college enrollment data from FY 2006 indicates that 30.0 percent of community college credit hours are technical credit hours and 70.0 percent are academic credit hours. She explained that if one assumes that enrollments mirror spending, then \$30.7 million of the \$102.5 million appropriated to community colleges through the community college operating grant supports technical credit hours.

However, Dr. Berger, President, HCC/AVTS, informed the Commission that technical education costs for community colleges could be as high as 45 percent of total expenditures because of the increased costs to provide technical training. He also suggested that funding for technical education be weighted compared to regular academic hours at a ratio of 1.5 to 1 or even 2 to 1.

Ms. Duffy estimated that if the technical credit hours at community colleges (the estimated 30.0 percent mentioned above) are weighted compared to regular academic hours at a ratio of 1.75:1 or 2:1, then:

- For a ratio of 1.75:1, \$44.0 million of the \$102.5 million appropriated in FY 2007 through the community college operating grant would support technical education credit hours; or
- For a ratio of 2:1, \$47.4 million of the \$102.5 million appropriated in FY 2007 to community colleges through the community college operating grant would support technical education credit hours.

If the weighted funding for technical education credit hours is included, the estimated FY 2007 state funding for technical education increases from \$65.7 million to \$78.9 million (ratio of 1.75:1), or \$82.3 million (ratio 2:1), depending upon the ratio used.

The source of state funding for technical education for the 29 two-year institutions depends upon each institution's structure and history.

- The four technical schools and six technical colleges receive state funding through postsecondary aid and capital outlay. The technical colleges do not have local taxing authority and are primarily dependent upon state appropriations and student tuition. The technical schools under a USD board of education may receive revenue from local levies made by the board.
- The two community colleges that originally combined with area vocational-technical schools (Cowley County CC/AVTS and Pratt CC/AVTS) receive funding for technical programs through the community college operating grant.
- Of the four community colleges that merged with area vocational-technical schools after 1992, three (Coffeyville CC/AVTS, Hutchinson CC/AVTS, and Johnson County CC/AVTS) receive postsecondary aid for technical programs. Dodge City CC/AVTS operates its technical programs as credit hour programs and, therefore, receives funding through the community college operating grant.
- The other 13 community colleges receive funding for technical programs through the community college operating grant.

Ms. Duffy noted that whether a community college receives funding for technical programs through postsecondary aid or through the community college operating grant is based on legislation which gave them a choice when they merged with an area vocational-technical school.

The following table summarizes postsecondary aid expenditures from the SGF and the Economic Development Initiatives Fund from FY 2003 to FY 2007 (approved).

State Postsecondary Aid

Fund	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Approved
State General Fund	\$ 19,486,488	\$ 15,299,515	\$ 19,673,603	\$ 20,673,603	\$ 25,408,603
Economic Development Initiatives Fund	6,144,277	10,331,250	6,957,162	6,957,162	6,957,162
TOTAL	<u>\$ 25,630,765</u>	<u>\$ 25,630,765</u>	<u>\$ 26,630,765</u>	<u>\$ 27,630,765</u>	<u>\$ 32,365,765</u>

Note: The information in the table above was provided by the KBOR.

Student Tuition and Fees. In June of each year, KBOR approves tuition and fee rates for technical schools and colleges for the upcoming fiscal year. In 2002, the Legislature amended KSA 72-4433 to remove the 15.0 percent cap for student tuition in order to give the institutions the flexibility to make up for shortfalls in postsecondary state aid. Technical institutions are allowed to charge differential rates of tuition by program, fixed by each local board and subject to KBOR approval. There is a wide variation in the cost of attendance across the institutions. Of the 16 technical institutions, nine charged by clock hour and seven by credit hour. In-state clock hour tuition ranges from \$1.45 per clock hour at Hutchinson Community College to \$3.30 to \$6.60 at Wichita Area Technical College. In-state tuition charged on a credit hour basis ranges from \$35 per credit hour at Dodge City Community College to \$85 per hour at Flint Hills Technical College.

Federal Funds. Carl D. Perkins Career and Technical Education funds provide a federal source of funding for career and technical education. Kansas receives approximately \$12.6 million per year. The KBOR administers \$6.8 million and the KSDE administers the remaining \$5.8 million. The grant funds must be distributed as follows: 85.0 percent to local education agencies, 10.0 percent to fund state leadership activities, and 5.0 percent for administration. All federal funds expended on administration must be matched on a dollar-for-dollar basis by state funds.

Recent Methodologies Used to Allocate State Postsecondary Aid. In 1981, Kansas enacted legislation (KSA 72-4431 *et seq.*) creating the 85.0 percent postsecondary aid and 15.0 percent tuition funding formula (the Legislature removed the 15.0 percent cap on tuition in 2002 HB 2821). Technical institutions are entitled to receive postsecondary aid in the amount of 85.0 percent of the product of the local cost per enrollment hour and total postsecondary enrollment. KBOR is required by statute (KSA 72-4430 and KSA 72-4431) to approve each institution's operating budget for postsecondary aid purposes. The distribution of postsecondary aid is made from appropriations with 50.0 percent of the estimated amount distributed August 1 and the remainder on January 1. In recent years, three approaches have been used to allocate postsecondary aid: the 85.0 percent entitlement formula, a block grant, and a three-year rolling average of enrollment.

85.0 Percent Entitlement Formula. From FY 2000 to FY 2004, the 85.0 percent entitlement formula was calculated by taking an institution's approved operating budget and dividing it by the total number of instructional hours delivered to all students to determine the cost per enrollment hour. Then, this figure was multiplied by the number of hours of instruction for postsecondary students only. Technical institutions were to receive 85.0 percent of the resulting amount. According

to KBOR, state appropriations in recent years have been insufficient to fund the actual amounts the institutions were entitled to based on the funding formula. As a result, appropriated funds have been disbursed to the institutions based on their pro-rata share of the total entitlement. For example, in FY 2002, the 13 schools and colleges eligible to receive postsecondary aid generated 4.4 million postsecondary clock hours. Under the formula, they were entitled to receive \$28.6 million in state aid. However, the total appropriation was \$27.0 million, leaving the formula underfunded by \$1.6 million.

The table below details the KBOR budget request for postsecondary aid, state appropriations, and the actual calculated 85/15 entitlement for FY 2000 to FY 2007 (approved).

**Technical Schools and Colleges Postsecondary Aid Funding
FY 2000 - FY 2007 (approved)**

Fiscal Year	State Appropriation	Actual Calculated 85/15 Entitlement	KBOR Budget Request
FY 2000	\$ 26,224,068	\$ 26,954,311	\$ N/A
FY 2001	26,424,068	27,189,775	28,016,105
FY 2002	26,966,871	28,568,148	31,465,968
FY 2003	25,630,765	29,595,895	29,166,871
FY 2004	25,630,765	28,517,272	29,930,765
FY 2005	26,630,765	30,432,957	30,168,610
FY 2006	27,630,765	31,854,074	31,628,610
FY 2007	\$ 32,365,765	\$ New method	\$ 29,442,511

Note: The information in the table above was provided by the KBOR.

Note 2: KBOR's budget request is based on an estimate of the 85/15 entitlement, which is why the KBOR request was slightly less than the actual 85/15 amount in some fiscal years. In each year from FY 2000 to FY 2006, the KBOR budget request includes a separate amount specifically to cover the estimated shortfall of the 85/15 formula.

Note 3: At the request of the KATSC, the allocation methodology was adjusted for FY 2007 and KBOR approved a three-year rolling average of enrollment that will be implemented over several years.

Block Grant Method. Beginning in FY 2005, a block grant approach was used to allocate postsecondary aid. The amount allocated in FY 2005 was increased by an incremental amount and pro-rated based on FY 2004 distribution of postsecondary aid. The same block grant method was used to allocate funding in FY 2006.

New Allocation Method. Over the last several years there had been ongoing discussions about the need to align funding with hours taught. Last fall, the KATSC came to KBOR with a proposal to change the allocation method to better align funding with hours taught and to correct inequities that had evolved over time.

The KBOR, in consultation with the KATSC, approved a short-term strategy to make the needed corrections over the next three years. For FY 2007, KBOR allocated funds to the technical institutions based on a validated number of postsecondary clock hours of instruction generated from approved courses. This new formula uses a three-year rolling average to calculate a baseline. One-third of the correction needed to correct inequities will be implemented in each of the next three fiscal years. The 2006 Legislature required that institutions be held harmless so any new adjustments will be made with new funding.

In addition, beginning on July 1, 2006, technical schools and colleges are required to report enrollment in credit hours. Over the course of the three years, the funding mechanism will be converted from clock hours to credit hours.

State Capital Outlay Aid. KSA 72-4440 provides that the technical schools and colleges and community colleges which have merged with area vocational-technical schools may receive capital outlay aid for facilities' improvements and equipment. These funds may be used for bricks and mortar improvements, such as construction, reconstruction, repair, remodeling, additions to, furnishing and equipping school buildings, and architectural expenses. Currently, capital outlay funds are allocated to the technical institutions on the basis of \$100,000 per institution, with the balance of the appropriation allocated based on clock-hour production. The technical institutions are not allowed to carry forward capital outlay aid funds from year to year.

State Capital Outlay Aid

Fund	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Economic Development Initiatives Fund	2,565,000	2,565,000	2,565,000	2,565,000	2,565,000
TOTAL	<u>\$ 2,565,000</u>	<u>\$ 2,565,000</u>	<u>\$ 2,565,000</u>	<u>2,565,000</u>	<u>\$ 2,565,000</u>

Note: The information in the table above was provided by the KBOR.

Performance Agreements. The 2002 Legislature amended KSA 74-3202d which, beginning in FY 2006, made receipt of new state funds by all postsecondary educational institutions, including technical institutions, contingent upon compliance with the institution's performance agreement. The statute provides that KBOR determines the amount of new state funds that each postsecondary institution will receive for the ensuing fiscal year, taking into account the postsecondary institutions' level of compliance with its performance agreement and funds available for distribution.

If new funding is available, the implementation of the performance agreement makes a technical institution eligible for additional state funding. If a technical institution does not receive new state funds in a particular fiscal year due to a failure to meet the goals in the performance agreement, the lost funds become part of the institution's base budget in determining state funding allocations in future fiscal years. An institution is precluded from permanently losing state funding due to noncompliance with its performance agreement. The loss of funds is for only one fiscal year. Any portion of new state funding not allocated to an institution in a fiscal year will not be reallocated to other institutions.

Funding Concerns: Wichita Area Technical College. Throughout the interim, the Commission heard about the funding concerns of some of the technical institutions, including Wichita Area Technical College (WATC). Jim Means, Interim President, WATC, informed the Commission that in FY 2004 state funding provided 47.0 percent of the cost of programs rather than the promised 85.0 percent. The deficit was partially alleviated by USD 259 funds. However, when WATC became independent in order to qualify for HLC-NCA accreditation, USD 259 chose to withdraw support for postsecondary education enrollments and the college adult education program (ABE), an action that, beginning in FY 2007, could eliminate the ABE program. Mr. Means also noted that the new KBOR funding formula based on a three year rolling average of actual clock hours will ultimately result in a 10.0 percent reduction in the college's funding stream, hampering its ability to deliver quality technical education (Note: WATC has reduced the instructional hours taught by almost half).

4-31

During discussion, a member of the Commission noted that WATC's attempt to gain taxing authority was unsuccessful because its governing board is unelected. However, staff commented that there is precedent for an unelected board (*e.g.* the Topeka and Shawnee County Library Board) to have taxing authority.

Funding Issues

The Commission notes the following issues that were discussed concerning the funding of technical education in Kansas:

- **Varied Funding Schemes in Postsecondary Education.**
 - While technical schools governed by a USD and community colleges have access to local property tax revenue, technical colleges do not, which makes them dependent upon state appropriations and student tuition. In addition, a mill levy is only permitted in the home county of a community college, which raises problems for a community college which may merge with a technical institution that is not in its home county.
 - While community colleges serve approximately 77.0 percent of the technical education students served by two-year institutions, state support (per FTE) for technical schools and colleges and area vocational-technical schools that merged with community colleges is greater than what is provided to community colleges. For FY 2005, state revenue per FTE was \$6,594 for technical schools, \$6,852 for technical colleges, and \$5,873 for merged community colleges and area vocational-technical schools. If the conservative estimate of 30.0 percent of the community college operating grant is spent on technical education, then the state revenue per FTE for community colleges is \$2,297. However, if it is estimated that 45.0 percent of the community college operating grant is spent on technical education, then the state revenue per FTE for community colleges increases to \$3,446.
- **Adequacy of Funding.**
 - The 85/15 postsecondary state aid formula has not adequately funded technical colleges, technical schools, and area vocational-technical schools that have merged with community colleges. The formula has become, in practice, a block grant with no incentive for growth.
 - There are inequities and inadequacies in state funding for technical facilities.
 - The cost of education in certain areas of the state is higher than in other areas. As a result, some technical institutions are required to pay higher salaries to retain instructional staff.

Possible Solutions

During the 2006 interim, the Commission reviewed several possible funding solutions for technical education, including recommendations made by KBOR, KATSC, and KACCT.

Option A: KBOR Recommendation. During its November meeting, the Commission reviewed the KBOR recommendation for funding technical education. The President and CEO of the KBOR explained that KBOR recommended the development of a weighted funding model, along

with an adequate funding mechanism for the delivery of all technical education. The KBOR plans to work on developing this new long-term funding model to replace the short-term strategy of using a three-year rolling average.

Option B: Technical Colleges' Recommendation. At its December meeting, the Commission also reviewed the technical colleges' recommendation for funding technical education. Mr. Coco, President, North Central Technical College, who was representing the technical colleges in Kansas, proposed that all funding for technical education would flow through the proposed Department of Career and Technical Education using the following weighted formula:

- Level I - All general education and low cost technical education.
- Level II - Medium cost technical education.
- Level III - Very high cost technical education.
- Level IV - Clock-hour funding for business and industry classes less than 15 hours.
- Level V - Adult basic education classes.

Option C: KACCT Recommendation. At its December meeting, the Commission reviewed the KACCT recommendation for funding technical education. Dr. Berger, President, HCC/AVTS, on behalf of KACCT, proposed that:

- All technical programs and classes be funded at the same level regardless of sector;
- Funding sources for all technical programs would come from the state and the student; and
- There would be new revenue required for Kansas to fund technical education.

Option D: LEPC Recommendation. At the November meeting, staff reviewed the technical education funding recommendation made by the LEPC. The Committee recommended the addition of \$34.0 million in funding in FY 2008 and another \$34.0 million in FY 2009 in postsecondary aid and capital outlay for technical schools and colleges, in addition to the \$34.9 million already spent—for a total funding of \$102.9 million in postsecondary aid and capital outlay by FY 2009.

The Commission understands that the LEPC made its recommendation based on information provided by Georgia which spends \$300.0 million a year on technical education and has a population three times that of Kansas. If Kansas spent proportionally to Georgia, it would spend \$100.0 million on technical education.

Option E: Working Group Funding Recommendation. During its January 3 and 4 meeting, the Chairman asked the technical colleges and schools and community colleges to work with staff from the Board of Regents office to develop a postsecondary technical education funding proposal to present for the January 26 meeting. The January 26 discussion on funding began with a presentation by Dr. Jeff Seybert, Director, Institutional Research, Johnson County Community College (JCCC), who reviewed the Kansas Study of Community College Instructional Costs and Productivity (Attachment B), which the funding group used as a basis for its recommendations. Dr. Seybert noted that the study was funded by a U.S. Department of Education three-year grant of \$282,000 and was implemented by JCCC in 2004. The data were gathered from 54 institutions in

Kansas and seven other states assessing 152 disciplines or programs. He stated that no technical colleges participated in the study, and that participation was on a voluntary basis. He noted that technical education programs are the most expensive, and that more technical education credit hours are taught by full-time faculty. In addition, Dr. Seybert noted that the total costs (factoring in overhead) of an individual program were too complex to determine and that program costs vary widely among institutions.

A member of the Commission noted the value of the Kansas Study, saying it provides a vehicle for gathering and assessing information on individual institutions, for developing funding requests and allocating resources, and for providing benchmarks to compare with other states' institutions; he added that the data mirror federal CIP codes, enabling standardized comparisons.

Dr. Edward Berger, President, Hutchinson Community College/Area Vocational Technical School, and Rich Hoffman, President, Kansas Association of Technical Schools and Colleges, who had been asked to develop a funding model, introduced Diane Duffy, Vice-President for Finance and Administration, Kansas Board of Regents, and Dr. Blake Flanders, Director, Workforce Training and Education Services, Kansas Board of Regents, who presented a new funding model for post-secondary education (Attachment C). Ms. Duffy said the new approach started with two questions: How much state funding is needed? and How should state funding be allocated? She said total state funding for postsecondary education in FY 2006 totaled about \$72.6 million. As a starting point for developing a funding model, she said the Governor's On-Track Initiative targeting six critical industries (aviation, advanced manufacturing, communication, health care, energy, and biosciences) were chosen; then reimbursement rates were aligned with program-delivery costs, with these specific programs eligible for enhanced rates. These targeted industries would also be provided with incentives for growth (\$5.0 million) and increased access to technology and equipment funding (\$8.0 million); further funds would be available to create a start-up pool for new programs (\$5.0 million), to create a business/industry training fund (\$3.0 million), and to increase state operational support (\$500,000).

Ms. Duffy provided a methodology for calculating the state program rate: instructional costs by program per credit hour multiplied by 30 and divided by the percentage of instructional costs as a percentage of education and general expenditures; she noted that certain programs would be tiered to reflect the higher costs of the programs: a mid-tier of \$9,655, and a high tier, \$14,069. Based on this methodology, she said the first year an additional \$16.5 million in state funds would be required for enhanced rates in targeted industries.

Ms. Duffy distributed a list of the types of jobs included in the six critical employment areas. Noting that the old model is based on reimbursement for instructional costs, she said the Kansas Study can be used to determine instructional costs, and financial reports from the community colleges can be used to arrive at overhead costs. Dr. Flanders said that 41.0 percent was determined as the percentage of instructional costs to total costs. Mr. Hoffman responded that his association was comfortable with that figure, even though it was derived from community college data.

Members discussed how to establish a measurable return on investment in order to justify the funding increase to the Legislature. Dr. Flanders noted recent data related to funding increases for nurses, saying the data showed that funding enhanced enrollments 74.0 percent beyond the targeted increase, but could not yet reflect dollars returned to the state. To another question, Dr. Flanders replied that the formula addressed funding, not skill level outcomes.

Benefits and Concerns Regarding the Working Group Funding Model

- A member expressed concern that the Kansas Study does not reflect any technical college data.
- Another member acknowledged that basing the formula on only six employment arenas seems narrow.
- Members noted that the formula provides a rational starting point and a rationale for a new funding model.

Other Options. The Commission also briefly reviewed the following possible funding options:

- Allow technical colleges taxing authority if they provide adult basic education, which is usually under the purview of USDs.
- Implement a statewide tax to support technical colleges.
- Base funding for technical colleges on student performance skills, rather than on clock hours.

Recommendations

The Commission recommends the addition of \$38.5 million to \$41.5 million for technical education in FY 2008, assuming it is the first year the following funding changes are implemented:

1. Adoption of the following formula to calculate the state program funding rate:

$$\text{State Program Rate} = \frac{\text{X times 30}}{\text{Y}}$$

The formula assumes that X equals the instructional costs by type of program per credit hours; that the average student takes 30 credit hours in an academic year, and that Y equals the percentage of instructional costs as a percentage of education and general expenditures. The additional cost for aligning rates with educational program delivery costs under the new formula would be approximately \$16.5 million for the targeted industries.

2. Add \$5.0 million to \$8.0 million for additional enrollments in technical education in the targeted industries.
3. Add \$8.0 million for technology and equipment funding for technical education. This funding will be available by application to the technical colleges and schools and community colleges delivering technical education in the state, with a \$1 institution, \$2 state match requirement.
4. Add \$5.0 million for a start-up pool of \$5.0 million to create a new mechanism to fund new statewide priorities and initiatives as they emerge. Institutions would apply for the funds, and could use them to help with affiliations with other institutions to provide programs.

4-35

5. Add \$3.0 million for a business and industry training pool for short-term (non-credit) training, with a dollar for dollar matching requirement from the industry for the training provided.

6. Add \$1.0 million to strengthen state support for technical education. This additional funding would be used to forecast technical education demand, maintain standardized curriculum and system articulation, monitor program outcomes, refine the state program rate structure concept, and develop and implement a marketing plan for technical education in Kansas.

TechCom.wpd

Proposed Bill No.

By

An Act concerning technical education; establishing the council on postsecondary technical education; relating to the powers and duties thereof.

Be it enacted

Section 1. (a) There is established the council on postsecondary technical education. The council shall be composed of nine members appointed by the governor. Except as provided in subsection (b) for the first members appointed to the council, each member of the council shall hold office for a term of four years, and until a successor is appointed and qualified. Terms of members shall expire on June 30.

(b) (1) Three members of the council shall be members of the state board of regents. Six members shall be representatives of the general public. When making appointments of members of the general public, the governor shall give consideration to persons who are recognized for their knowledge or expertise and are representative of current and emerging technical career clusters of the state. No more than two members of the council shall be representative of any one specific technical career cluster. Of the general public members of the council, there shall be appointed at least one member from each congressional district. Redistricting of congressional districts occurring subsequent to a member's appointment shall not disqualify any member of the council from service for the remainder of the member's term of office.

(2) No more than five members of the council shall be members of the same political party.

(3) The first members of the council shall be appointed by the governor on or before July 1, 2007. Of such members, three shall have a term of office of four years, three shall have a term of office of three years, and three shall have a term of office of two years.

(4) Any vacancy in the membership of the council occurring prior to the expiration of a term shall be filled by appointment in the same manner as provided for original appointment of the member.

(c) The members of the council shall meet and organize annually by electing one member as chairperson, except that the governor shall designate the first chairperson of the council from among the first members appointed.

(d) The council may meet at any time and at any place within the state on the call of the chairperson. A quorum of the council shall be five members. All actions of the council shall be by motion adopted by a majority of those voting members present when there is a quorum.

(e) Members of the council attending meetings of the council, or attending a subcommittee meeting thereof authorized by the council, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3212, and amendments thereto, for members of the legislature.

Sec. 2. (a) The council on postsecondary technical education shall:

(1) Recommend for adoption by the state board of regents rules and regulations for the

4-37

supervision of postsecondary technical education;

(2) provide state-wide planning for postsecondary technical education, new postsecondary technical education programs and contract training. Such planning shall be conducted in coordination with federal agencies, the state board of education and other state agencies and Kansas business and industry;

(3) review existing and proposed postsecondary technical educational programs and make recommendations to the state board of regents for approval or disapproval of such programs for state funding purposes;

(4) review requests of state funding for postsecondary technical education and make recommendations to the state board of regents for amounts of state funding and the distribution thereof;

(5) develop benchmarks and accountability indicators of programs to be utilized in the awarding of state funding and make recommendations relating thereto to the state board of regents;

(6) develop and advocate annually a policy agenda for postsecondary technical education;

(7) conduct continuous studies of ways to maximize the utilization of resources available for postsecondary technical education and make recommendations for improvement in the use of such resources to the state board of regents;

(8) conduct studies to develop strategies and programs for meeting needs of business and industry and make recommendations relating thereto to the state board of regents; and

(9) make reports on the performance of its functions and duties together with any proposals and recommendations it may formulate with respect thereto to the state board of regents and the legislature.

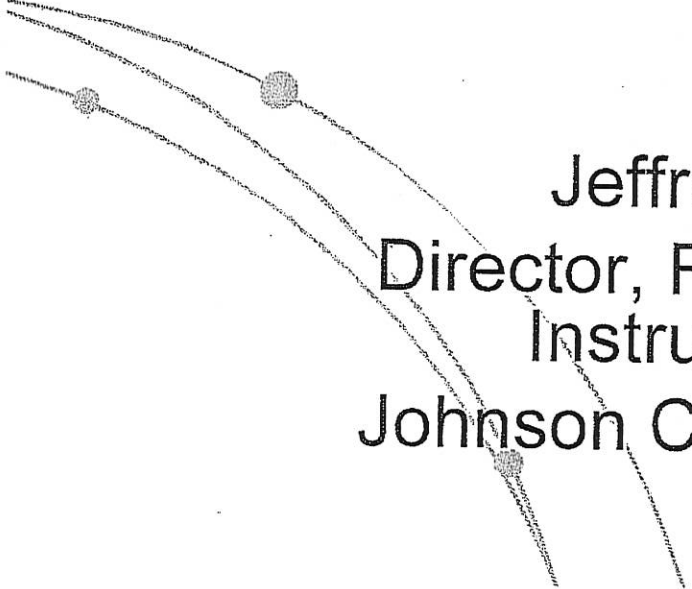
(b) Any recommendation made by the council pursuant to subsection (a) shall be implemented by the state board of regents through the consent agenda of regular meetings of the state board and in accordance with standard operating procedures of the state board.

(c) The provisions of this subsection shall be subject to the limitations of appropriations. The postsecondary technical educational council shall employ an executive director of the council. The executive director shall not be a member of the council.

Sec. 3. Within the limitations of appropriations therefor, the state board of regents shall provide staff, facilities and other assistance as may be requested by the postsecondary technical education council.

Sec. 4. Statute Book.

The Kansas Study of Community College Instructional Costs And Productivity



Jeffrey A. Seybert, Ph.D.
Director, Research, Evaluation, and
Instructional Development
Johnson County Community College

The Kansas Study

- Supported by three-year, \$282,000 grant from FIPSE (USDE).
- Colleges can analyze faculty workload and instructional cost at the academic discipline level of analysis.

4.40

2006 Kansas Study Results

Data were received from 54 institutions reporting on 152 disciplines/programs

The national aggregate report included data on 91 disciplines/programs for which a minimum of 5 responding institutions supplied either cost or workload data; or both.

Kansas Study 2006 Participant Information

Kansas

Cowley County Community College, Arkansas City
Cowley County Community College Southside Education Center
Johnson County Community College
Kansas City Kansas Community College
Seward County Community College

Tennessee

All 13 Colleges in the TN System

Texas

5 Colleges

AR, IL, MO, MN

3 Colleges

Technical Colleges

MN – 3 Colleges

WA – 1 College

TN – 4 Colleges

AR – 1 College

4-42

4-43

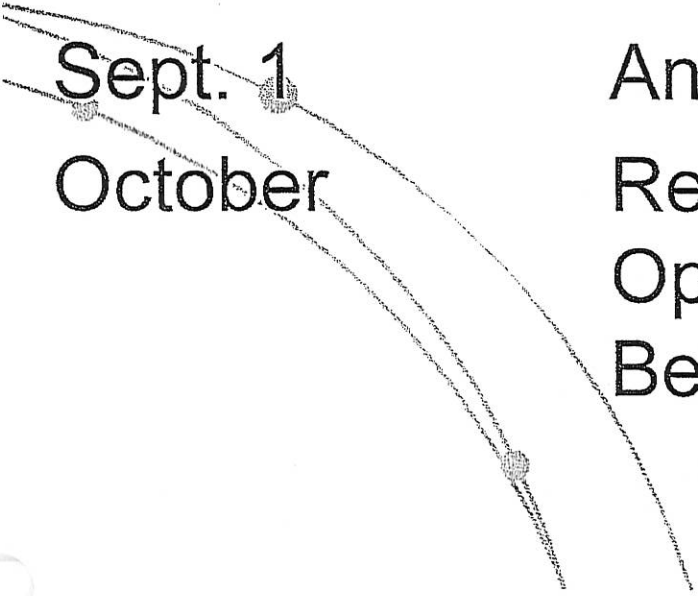
Kansas Study Results: Disciplines Requested by KBOR Staff

Academic Discipline	2004		2005		2006	
	Institutions	Cost/Cr Hr	Institutions	Cost/Cr Hr	Institutions	Cost/Cr Hr
Automotive Technology	18	\$137	27	\$133	20	\$117
Nursing	34	\$228	45	\$210	35	\$204
Welding Technology Welder			11	\$185	10	\$140

Note: Dates refer to the year of the Kansas Study National Aggregate Report. Data are for the prior academic year (e.g., results reported in 2006 refer to data for the 2004-2005 academic year).

Kansas Study 2007 Timeline

Dec. 1, 2006	Open Enrollment
January	Data Collection Starts
June 1	Participant Institutional Data Due
June 1	Data Analyses & Cleansing Begin
Sept. 1	Analysis & Cleansing Completed
October	Results Available; Database Opened for Peer Comparisons/ Benchmarking



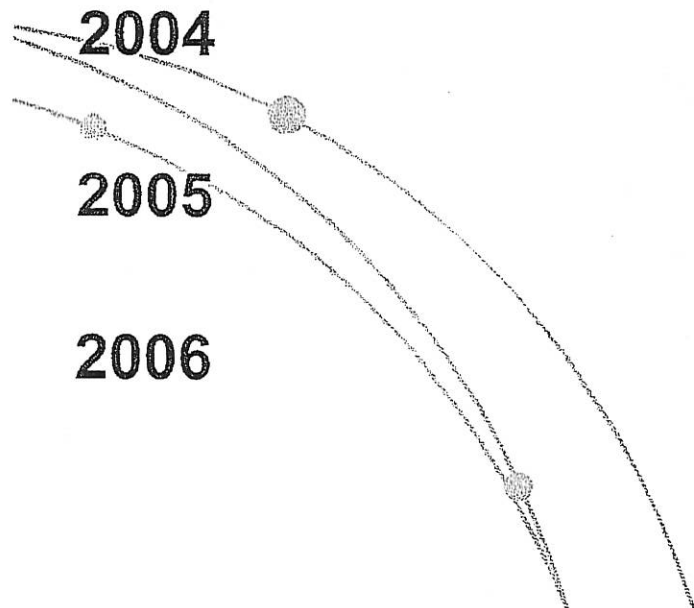
Kansas Study History

Summer 2002

FIPSE project approval and grant award

Fall 2002-Fall 2003

Advisory committee identifies data Elements, designs processes, and conducts two pilot studies



Year 1 project implementation – 50 institutions provided data

Year 2 – 67 institutions participated

Year 3 – 54 institutions participated

How Kansas Study Works

➤ Data Collection

- ◆ Web-based data collection template
- ◆ Data Verification:
 - ✓ Missing data and logical errors
 - ✓ Partial Data OK (min. 10 disciplines)
 - ✓ Confidentiality assured

➤ Annual Reports

- ◆ National Norms and Institutional Data
- ◆ Access to Kansas Study Website for Peer Comparisons

Kansas Study

Table 1

Highest Percent Taught by Full-Time Faculty

Academic Discipline	Percent	N
Diesel Engine Mechanic & Repair	96%	7
Surgical Technology	94	11
Electromechanical Technology	92	5
Physical Therapist Assistant	92	9
Respiratory Care	92	18
Licensed Practical Nurse	91	21
Architectural Engineering Technologies	90	8
Dental Hygienist	89	7
Medical Radiologic Technology-Radiation Therapist	88	15
Dental Assistant	87	12

4-47

Kansas Study

Table 3

Instructional Costs Per Student Credit Hour-Most Expensive

Academic Discipline	Instructional Costs	N
Dental Hygienist	\$361	7
Clinical-Medical Laboratory Science & Allied Professions	296	6
Occupational Therapist Assistant	252	6
Respiratory Care	235	18
Surgical Technology	215	11
Nursing	204	35
Civil Engineering Technology	191	5
Electrical & Electronic Engineering Technologies – Technicians	189	17
Environmental control Technologies – Technicians	186	5
Precision Metal Workers	183	5

4-48

Kansas Study 2007 Participants

- All 13 Colleges in the TN Technical Community College System
- All 12 Colleges in the University of GA Community College System
- All 17 Colleges in the KY Community & Technical College System (Tentative)
- All 10 Colleges in the WV Community & Technical College System (2007 or 2008)

Web Site

➤ Kansas Study Web Site (www.kansasstudy.org)

◆ Public Information

- ✓ General Information
- ✓ Enrollment Form
- ✓ Sample Data Collection Template
- ✓ Sample Report Tables
- ✓ Advisory Committee
- ✓ Participating Institutions

◆ Information Available to Participants Only

- ✓ Log In & Password
- ✓ Individual Institutional Reports and National Norms by Discipline
- ✓ Peer Comparisons

15-7

Postsecondary Technical Education Funding

A new approach

Attachment C

3/6/2007

DRAFT

1

Guiding Principles for New Funding Approach

The technical education system will be an efficient economic engine for workforce development in Kansas through the:

- Development and delivery of high-wage and/or critically needed programs
- Encouragement of system efficiencies
- Support customized training for Kansas business

Current Funding Landscape

- 29 postsecondary institutions receive state funding for technical education programs from various state streams based on institutional missions, governance, and statutory funding streams
- Incentives to deliver high cost/high wage programs do not exist

4-5-7

Current Funding Landscape

- System evolution has created inconsistent and confusing approach to funding institutions delivering technical education
- Stimulus to deliver customized training to business does not exist

New Approach

- How much state investment is needed?
 - Develop a rational model for determining the level of state funding required for two-year public postsecondary technical education to meet the needs of business and industry and grow the Kansas economy
- How to allocate state funding?
 - Develop standards and a new approach for the allocation of state funds among institutions in support of technical education

How much State Investment is Needed?

- FY 06 state spending is estimated to be **\$72.6million** (all funding appropriated to Post Secondary Aid, Capital Outlay Aid, and an estimated portion – 45%-of the Community College Operating grant)
- Study for complete system alignment in process to provide necessary data, but...
- Immediate investment is needed to address workforce shortage in six critical areas

Immediate Investment

- Target 6 Critical Industries - Governor's On-Track Initiative
 - Aviation
 - Advanced Manufacturing
 - Communication
 - Health Care
 - Conventional & Renewable Energy
 - Biosciences

Immediate Investment

- Align reimbursement rates with educational program delivery costs for programs in the six critical industries. Identified list of specific programs eligible for enhanced rates.
- Invest in additional program enrollments aimed at targeted industries (Growth)

Immediate Investment

- Increase access to Technology and Equipment Funding
- Develop “start-up” pool for new and innovative programs and to encourage system efficiencies

4-60

Immediate Investment

- Create Business and Industry training fund
- Increase State Operational Support

State Program Rates - \$16.5 million

Enhanced Rates for Programs (associates and certificates)

Recognizing the higher costs associated with these programs. Tiered rate structure based on cost calculation.

- Mid – State Annual Program Rate \$ 9,655
 - High – State Annual Program Rate \$14,069
- Adopt consistent units of measurement across all institutions for funding purposes. Specifically, transition the technical colleges and schools from clock hours to credit hours and move to a rate structure that provides incentives for production in alignment with state priorities.

4-62

Growth (\$5 -\$8 million)

Target Area	Current Production (2-yr average FTE)	State Cost Per FTE
Advanced Manufacturing	626.5	\$9,655
Aviation	184.4	\$14,069
Bioscience	9.2	\$9,655
Conventional & Renewable Energy	206.0	\$9,655
Health Care	1617.0	\$14,069
Communication	313.6	\$9,655

3/6/2007 DRAFT 12

Methodology to Calculate State Program Rate

$$\text{State program Rate} = \frac{X \text{ times } 30}{Y}$$

X = Instructional costs by type of program per credit hour

Y = % of instructional costs as a percentage E & G expenditures

Technology & Equipment Funding - \$8.0 million

4-6-7

- Application process
- Match required - \$2 state and \$1 institution
- Available to 29 public postsecondary institutions delivering technical education

4-605

Start-up Pool - \$5.0 million

- Create a new mechanism for funding new statewide priorities and initiatives as they emerge
- Institutions through application could apply for funding to be used to help with affiliations

Business & Industry Training Pool - \$3.0 million

- Short-term (non-credit) training
- Business training a matching reimbursement
- \$1 dollar state for \$1 industry

4-66

Strengthen State Support

- \$500,000 – state operational support to:
 - Forecast technical education demand
 - Maintain standardized curriculum and system articulation
 - Monitor program outcomes
 - Refine State Program Rate Structure Concept
 - Develop and implement a marketing plan

4-68

Year 1 Recap

- Align Rates with educational program delivery costs \$16.5
- Additional enrollments (growth) \$5.0-\$8.0
- Technology & Equipment Funding \$8.0
- B & I Short-Term Training Pool (non-credit) \$3.0
- "Start-up" Pool \$5.0
- Strengthen State Capacity \$0.5
- TOTAL – Year One Investment \$38.0-41.0

Preliminary Return on Investment – Statistics

- Student Benefit – The year one gains equate to \$4,295 per student in added earnings based on an average work year of 2080 hours. Over the nine-year life-of-training in the targeted industries, the increase adds \$38,671 (in 2005 dollars) to the earnings stream of the average program completer that remains in Kansas.
- State Benefit – A \$5.0 million investment in growth in the targeted industries results in estimated earnings gains (year1-9) of \$12.9 million (direct) and \$14.2 million (indirect/induced) for a total of \$27.2 million; and total state tax revenues of \$2.1 million
- Source: *Completers of Vocational Technical Training Programs: Associated Wage Gains and the Impact on the Kansas Economy*, February 9, 2007, Prepared by Wichita State University, Center for Economic Development and Business Research

4-10

Year 2 and Beyond

- State investments driven by study and data
- Move the remaining qualifying programs into the new financial business model that allocates state funds



KANSAS BOARD OF REGENTS

1000 SW JACKSON • SUITE 520 • TOPEKA, KS 66612-1368

TELEPHONE – 785-296-3421
FAX – 785-296-0983
www.kansasregents.org

House Education Committee
March 8, 2007

HB 2556 - Postsecondary Technical Education Authority

Reginald L. Robinson
President and CEO

Good morning, Chairman Aurand and Members of the Committee. I appreciate this opportunity to speak on behalf of the Kansas Board of Regents in support of HB 2556. Before I address the bill, I want to express my sincere appreciation and thanks to the members of the Kansas Technical College and School Commission for all of the hard work, energy, and commitment they demonstrated as they studied the state's postsecondary technical education system and developed their proposals.

The Path to Reform Postsecondary Technical Education

The Board of Regents has long recognized the need to reform the career and technical education system. Listed below is a timeline of activities demonstrating the progression of the effort towards building a more effective and efficient system.

Spring 2003 – Presidents/Directors of technical institutions met with me and encouraged greater focus on technical education.

July 2004 – Kansas Board of Regents entered into a partnership with Kansas Department of Commerce and hired a liaison to strengthen the linkage between business and the postsecondary education and training system, predominately with career and technical education programs.

January 2005 – Liaison role expanded to include duties as State Director of Career and Technical Education.

August 2005 – Board discussed technical education reform at its retreat, and made a commitment to focus specifically on technical education issues in the coming year.

September 2005 – Board staff prepared a working paper, known as the “CTE Brief,” addressing technical education reform. The brief traced the development of the state's postsecondary technical education sector, and outlined some “discussion” options related to governance of technical schools and colleges.

House Education Committee
Date 3-8-07
Attachment # 5

January 2006 – The CTE Brief was distributed to the 36 public postsecondary institutions. A period of six months was allocated for constituents to provide comments and feedback to Board staff regarding the options described within the Brief and any ideas/suggestions that were not addressed within the CTE Brief. Input was received from all the technical institutions either directly from the institutions or through the Kansas Association of Technical Schools and Colleges. Input was received from the community colleges either directly from the institution or via the Community College Presidents. Finally, input was received from Washburn University.

September 2006 – The Board of Regents, in cooperation with Department of Commerce and Kansas Inc., sourced a state workforce study, “Aligning Postsecondary Education and Training to Business Needs.” The purpose of the study is to secure reliable demand data to inform a new funding model for career and technical education programs.

July 2006 – The Legislature created the Kansas Technical College and Vocational School Commission (Commission) to study the governance, funding, and mission of Kansas technical colleges and vocational schools. I served as an ex-officio member of the Commission.

October 2006 – The Board of Regents unanimously approved staff final recommendations toward technical education reform. These recommendations include mergers/affiliations between technical schools and a community college or university and mergers/affiliations between technical colleges and a community college or university.

February 2007 – Board staff, in cooperation with leaders from community colleges and technical institutions, developed and presented a new approach for funding technical education to the Commission.

February 2007 – The Commission recommended all technical schools merge with a community college or university or become technical colleges by July 2008. The Commission also recommended creating the postsecondary technical education authority to enhance and continue the focus on reforming postsecondary career and technical education.

HB 2556 - Creation of the Postsecondary Technical Education Authority

At a conceptual level, I support the notion of an entity within the Board of Regents structure that would focus on technical education issues and make recommendations to the Board regarding those matters. Such an entity, with membership that includes strong representation from the business and industry community and the Board, could have a powerful and positive impact on the delivery of postsecondary technical education. So, I believe there is real potential for the Authority proposed in this legislation to do some real good for the people of Kansas. I do want to express a couple of concerns, however.

From the Board’s perspective, the formal, statutory creation of an Authority and the dual reporting structure of the Executive Director of the authority are not ideal, but we believe workable. In particular, I have some real concerns about the creation of a staff position within the Board of Regents structure with no real, bottom-line clarity about who has responsibility for supervising that staff person. This legislation creates a dual reporting structure. The proposed

Executive Director would report both to the Board President & CEO and a group – the Authority. As I said, I think this is workable, but not at all ideal.

The creation of this Authority calls for substantial staffing capacity and support for this new function. Without the resources necessary to adequately support this work, it will fail. Further, without these additional resources, this structural proposal would create a damaging battle for funding support within the Board of Regents as an agency. That kind of battle would be harmful and would no doubt undermine the work we all want to see done on behalf of the people of this state. Without the state's investment of \$790,000 (SGF), the Board would oppose the legislation; and if passed would advocate its veto. HB 2556, coupled with the critically needed investments, will provide the advocacy to transform the technical education system into a more efficient and effective engine for workforce development in Kansas.

That concludes my remarks, but I would be happy to answer any questions you may have.

Testimony on HB 2556: Postsecondary Technical Education and Training in Kansas

Presented to the Kansas House
Higher Education Committee



March 8, 2007

Vision for Technical Education and Training

A responsive, integrated system of postsecondary technical education and training providers that maximizes resources to meet the workforce needs of the State of Kansas.

HOUSE EDUCATION COMMITTEE

Date 3-8-07

Attachment # 6



6th Annual Kansas Workforce Summit Outcomes


Selected Strategic Workforce Development Directions:

- ❑ Enhance public awareness.
- ❑ Create a sense of urgency concerning workforce development.
- ❑ Technical education must be a statewide initiative.



Recognition of Efforts to Advance Technical Education and Training

- Kansas Technical Education and Training Commission
- Kansas Legislature
- Kansas Board of Regents
- Kansas Technical Colleges and Schools
- Kansas Community Colleges



Overview of Community College Contributions to Technical Education and Training

19 community colleges:

- Providing statewide access, serving over 12,500 technical education students
- Developing literacy skills for Kansas citizens through ABE/GED services
- Offering state of the art technical programs and customized training for local businesses
- Engaging in unique corporate partnerships



Advantages of HB 2556

Sets the stage for:

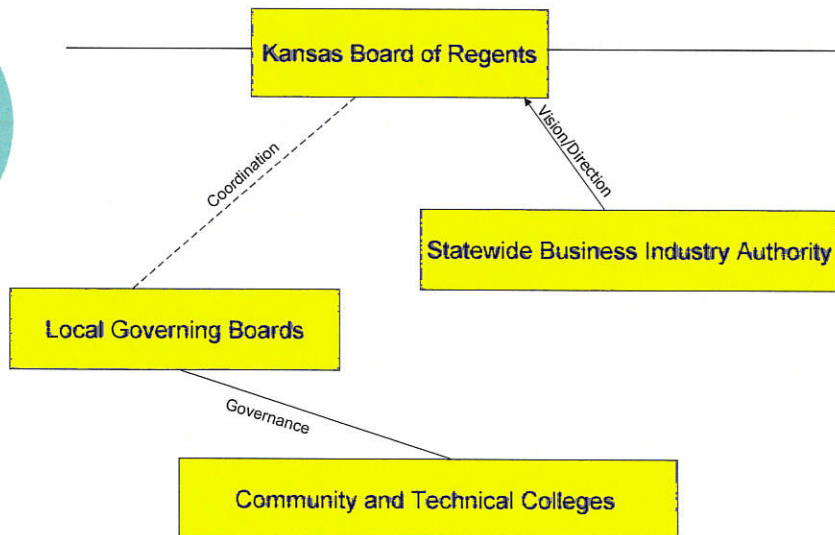
- ❖ Common minimum core program competencies based upon recognized industry standards
- ❖ Consistency of programs
 - ❖ Length
 - ❖ Credit hours
- ❖ State/industry program certification

Advantages of HB 2556

Sets the stage for:

- ❖ Seamless and portable system
 - ❖ Seamless for students
 - ❖ Portable for business and industry
- ❖ Benchmarked funding model that addresses high cost and/or high demand programs
- ❖ Statewide body from business and industry to provide vision and direction

Coordination Structure





HB 2556 Elements for Further Consideration

- Effective organizational structure:
 - Executive Director or Division within KBOR headed by Vice-president
 - Clear lines of authority between CEO/President of KBOR and Executive Director



HB 2556 Elements for Further Consideration

- Aligned operating policies and procedures for Kansas Board of Regents
- Efficient, streamlined policies and procedures
- Adequate support staff



Advocacy Structure

- Seven member board representative of major occupational clusters w/ advocacy at all levels
- Advice and counsel to KBOR Tech Ed/Training Division on emerging trends, issues and best practices
- Consultative to the Kansas Board of Regents



Advocacy Functions

- ☑ Advocacy and influence for tech ed/ training to public, private and governmental agencies
- ☑ Forecasts of future training needs in collaboration with Department of Commerce, Kansas Inc and other groups
- ☑ Advice, counsel and direction to KBOR for statewide visionary planning
- ☑ Assistance with scholarships for recruitment into high demand programs



Industry Functions

- ☑ Technical expertise and adjunct faculty
- ☑ Advocacy at the local, state and federal levels
- ☑ Guaranteed interviews and employment opportunities with program completers
- ☑ Student internships, clinicals and practica



Community College Functions

- ☑ Statewide access to affordable, relevant, market-driven technical education programs
- ☑ Demand-driven customized training initiatives
- ☑ ABE/GED/ESL services
- ☑ Data collection for accountability purposes
- ☑ Commitment to program certifications at state/national levels

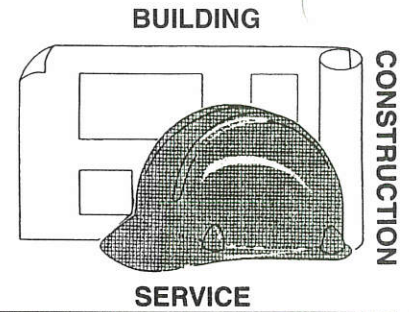


Shared Interests

- ❖ Visionary system for technical education and training
- ❖ Common minimum core program competencies and state/industry program certification
- ❖ Consistency of programs
- ❖ Benchmarked forward-thinking funding model
- ❖ Efficient, effective operation that produces measurable results



BUILDING MECHANICAL & ELECTRICAL SERVICES



TESTIMONY OF
~~ASSOCIATED GENERAL CONTRACTORS OF KANSAS~~
BEFORE HOUSE COMMITTEE ON EDUCATION
HB 2556
March 8, 2007
By Joseph Glassman, Commissioner

- I. Vo-Tech Commission Purpose
 - A. Our Understanding of the Change
 - 1. Kansas Ranking
 - 2. Industry Needs & Requirements
 - B. Delivery of Services
 - 1. Benchmark Basis
 - 2. Outcome Driven by Authority & its Funding Mechanism
 - 3. Must be administered by an Industry/Public represented Board with the authority & advocacy for technical education

- II. Return on Investment Theory
 - A. Skilled Personnel in the Workplace
 - 1. Relevance in the locale with placement
 - 2. Investment into Human Resources
 - a. Proactive education of training based upon industry factors
 - b. Filling the void to Industry & demand on society
 - B. Untrained Kansas Workforce
 - 1. Between 50 & 60 thousand individuals last year were untrained in Kansas without proper skills to make a living wage
 - 2. 67% of all Kansas High School graduate students are not college bound 4 year students
 - 3. 90 days to 1 year minimum training turn around to increase the opportunity of these individuals to a higher earning status
 - 4. Almost immediate to current year terms of return to increased state & federal income tax & a greater possibility of sales tax than earned income. Ad valorem taxes may also increase as the proposing of raised income occurs

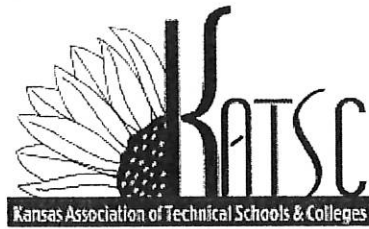
House Education Committee
Date 3-8-07
Attachment # 7

C. The Curve is Simple

1. Increased Workforce
2. Increase Wages
3. Added occurrence of citizens living & working in their home locale
4. Further possibilities of multi-talent Industry engagement in Kansas

D. The Future Is Now

1. Income Returns on many disciplines are increasing with high demand in this state
2. Cannot wait to increase excellence or educate upon the status quo
3. New areas of study & discipline are on the horizon & will be required to keep up & surprise present Kansas technology in Industry



**House Committee on Education
March 8, 2007**

Testimony in Support of HB 2556

Good Morning. I am Richard Hoffman, president of the Kansas Association of Technical Schools and Colleges, (KATSC) and director of Kaw Area Technical School (KATS).

As President of KATSC, I am pleased to say we have majority consensus in support of House Bill 2556. KATSC supports the intent of this bill and the need for better advocacy on behalf of technical education. KATSC also appreciates the recognition that technical education is a statewide initiative that deserves coordinated oversight yet allows institutions to remain under local governance to meet local needs.

Others will present testimony about how HB 2556 will affect community colleges and technical colleges so my testimony will focus on how HB 2556 will affect technical schools, specifically KATS.

First, a little history about KATS and how it operates.

KATS is a type one school and, while we can trace our roots back to the end of World War II and the need to train soldiers returning to civilian occupations, our current mission is three fold. Each area has its' own challenges and opportunities.

1. KATS provides secondary students from seventeen school districts with technical training that is cost prohibitive for each district to offer on its' own. KATS has the largest enrollment of secondary students of all the technical schools and colleges. Forty percent of KATS FTE is secondary students. The 40% FTE corresponds with approximately 40% of the total funding KATS receives coming from secondary sources.

Unfortunately, secondary student enrollment has declined because:

- More requirements of general education classes have been added at the participating high schools.
- There are more requirements on the amount of time high school students spend to participate in advanced placement classes only offered one time during the day and extra-curricular activities require enrollment in additional classes.
- Previous budget problems at secondary schools caused cuts to basic exploratory vocational classes.

KATS meets the challenge of enrolling high school students by recruiting those who may not be able to complete a program at KATS while in high school with the hope they will choose to continue at KATS after high school graduation.

HB 2556 addresses the need to coordinate the development of a seamless system for the delivery of technical education between the secondary-school level and postsecondary-school level.

House Education Committee
Date 3-8-07
Attachment # 8

2. KATS provides postsecondary instruction to students seeking entry-level employment. This should be the crown jewel of KATS' mission. However it is not. Previous budget cuts and inequities in the funding formula pitted the various technical institutions and post secondary sectors against each other. In order for one tech school to receive additional funding, another tech institution had to receive less.

Because of impending losses, no program, no matter how viable, was safe from the budget ax. With few exceptions, any employee who left was not replaced. Equipment purchases and needed repairs were deferred until money would hopefully become available. Through the extraordinary efforts of a dedicated staff willing to take on ever increasing responsibilities, we were able to balance the budget.

Then following the recommendation of KATSC, KBOR changed the funding formula. But because there was not direct advocacy at KBOR that could focus on all aspects of what the change in funding would do and the unintended consequences it would cause, KATS ended up being penalized for being efficient. By providing the best education in the shortest time frame, KATS receives less money per graduate than many other technical institutions. Additionally, with the shortest programs in the state, KATS can not take time away from technical instruction without adding additional classes. Yet, if we add these general education classes, it will put us in direct competition with Washburn University that already meets this need in the Topeka area.

The technical education authority authorized by HB 2556 will enable KBOR to have the staff needed to focus on all issues of technical education and all the implications of decisions that need to be made and limit the unintended consequences.

3. Assist Business and Industry (B&I) clients with specific training for their employees.

One challenge of B&I training currently hit home with the strike by Goodyear. As you may know, KATS has a showcase program providing maintenance training for Goodyear. Students in this program are Goodyear employees paid to attend class and have a 100% placement rate in jobs with pay and benefit packages worth over \$85,000—after just two years of training.

When Goodyear was on strike, no training took place and the facilities remained idle. KATS still had the expenses of overhead on equipment, classrooms and labs without the income.

Another challenge is the number of companies that are not as far sighted as Goodyear. While these companies want KATS to provide training, they are not willing to pay for it. These companies expect KATS to be able to provide training with the erroneous thought that the more hours of instruction KATS provides, the more state aid we receive. While the recent change to the postsecondary aid funding formula does provide for redistribution of funding based on hours of instruction, it does not increase the total dollars available.

HB 2556 will provide assistance to meet the needs of business and industry clients and help Kansas remain competitive by developing strategies and programs focused on leveraging the dollars provided to educate employees of Kansas companies. (i.e., KATS would receive incentives for offering training programs to help companies such as Hill's and Innovia meet the training needs of their employees as well as assist Payless employees in being retrained when Payless closes it's distribution center).

In conclusion, as director of Kaw Area Technical School, I believe I speak for all technical schools when I say passing HB 2556 will put into place the support needed to give technical institutions governed by USD's the assistance required to make decisions that will meet the needs of as many of your constituents as possible. Specifically, a Technical Authority, created to focus on the issues facing all of technical education, will greatly assist Kaw Area Technical School in deciding the best course of action in choosing the path that will help the majority of its students.

Kansas Technical Education



*Presented to the
House Education Committee*

*By Clark Coco, President
North Central Kansas Technical College
March 8, 2007*

House Education Committee
Date 3-8-07
Attachment # 9

**Testimony on H.B. 2556
Clark Coco – March 7, 2007**

Good Morning,

I am Clark Coco, President of the North Central Kansas Technical College (NCKTC), with campuses in Beloit and Hays. The purpose of my testimony today is to address H.B. 2556 as it relates to previous and future funding and allocations for technical education, statewide leadership for technical education and the development of new economic opportunities for the State of Kansas through the expansion of offerings at all institutions delivering technical education.

During the legislative session last spring, legislators voted to form the Technical Education Commission for the purpose of evaluating and developing a plan to enhance technical education within the state. Over the past several months, the five technical colleges (Northwest Technical College, North Central Kansas Technical College, Flint Hills Technical College, Manhattan Area Technical College and Wichita Technical College) have testified to the Technical Commission numerous times concerning the need of stronger leadership which is focused on technical education along with additional funding. My testimony today will summarize what the technical colleges have presented to the Technical Commission.

Funding History

Documentation from the Kansas Legislative Research Department indicated from fiscal years 1997-2006 that technical education received 18.5% increase from the state general fund. In contrast, the state universities of Kansas over the same period of time, received a 31.4% increase, community colleges a 76% increase, Washburn University a 55% increase. If you add in additional funding from the Economic Development Initiative Fund, this 10-year funding percentage moves from 18.5% to 19.9% for technical education.

As a reminder, I would like to point out to this committee that the technical colleges and schools do not have the availability of a local tax to generate

operational income or funds for capital outlay improvements. As it is today, technical schools associated with a unified school district cannot use funds from the unified school district for capital improvements of buildings on their campuses. If the technical colleges need to make capital improvements to buildings, those funds must come from the operating general fund of each institution. (See Appendix 1, State General Fund Summary)

Technical Education Doesn't Cost – It Pays

As a legislator in the State of Kansas, one of the questions you may be asking is “What is the return of investment for appropriations designated for technical education?”

Expansion of Practical Nursing Program

The North Central Kansas Technical College offers three programs for students who qualify and wish to achieve vocational licenses to work in the nursing field. Practical Nursing programs are offered to thirty students at both the Beloit and Hays campuses, and the Registered Nurse program is offered to twenty students at the Hays campus. The NCKTC administration made a strategic decision in the spring of 2006 to expand the classes offered at the Beloit campus for Practical Nursing from one to two per year, increasing the number of student graduates from 30 to 60 each twelve months. This decision was predicated on the reported shortage of nurses in the State of Kansas, as well as nationally, and the large number of applications (86) submitted to the college in consideration for acceptance into one of the thirty available slots for the fall class. This endeavor is currently in place with 30 students beginning the program on January 3, 2007 and successful students will graduate in September of 2007.

With thought and planning, the Nursing/Business Building was realigned to accommodate the infusion of two classes of nursing students participating in classroom instruction at the same time. The college then began the recruitment and hiring of additional nursing instructors to provide for the classroom and clinical training of two concurrent programs. This increased the number of instructional FTE's in the department from 2.8 to 5.45, and was accomplished by virtue of hiring part-time instructor's verses full-time staff. Projected additional costs for new instructors are \$100,598.

Some remodeling was performed by NCKTC maintenance personnel and contracted craftsmen to provide better space utilization, and also provide a mild "facelift" to the existing building. These improvements were scheduled to be performed in the next several years without regard to the expansion of the nursing program. Approximately \$5,700 was expended to purchase tables, chairs, and multimedia equipment for the new classroom and lab areas, which is a one-time purchase and cost factor in the first year of the expanded enrollment only. New and larger lockers were purchased for the entire student nursing population, and the cost of this initiative was incorporated into the annual state-funded capital outlay process for all educational departments.

Given all the factors associated with the expansion of the Practical Nursing program it is projected that the investment of \$113,707 in increased operating costs will net an increase in revenue from tuition and state aid in the amount of \$219,701. This relationship produces a rate of return of \$1.93 in revenue for each dollar expended for the college, and as importantly, introduces a significant number of additional practical nurses into the workforce or as candidates for higher degreed programs (RN, BSN, MSN). The North Central Kansas Technical College staff and Board of Trustees believe that these are significant positive outcomes for student nurses, NCKTC and the healthcare facilities in Kansas and nationally.

Expansion of Heavy Equipment Program

In the Fall of 2006, North Central Kansas Technical College Board of Trustees approved the purchase of Caterpillar Corporation's state-of-the-art simulation software for operating an excavator and the M-Series motor grader. By making this purchase, the College was able to expand their Heavy Equipment enrollment from 30 students to 45. This 50% increase in enrollment not only generated over \$45,000 in new tuition for the College, it more importantly will train 15 additional heavy equipment operators for employment with beginning salaries ranging from \$30,000 to \$35,000 per year. Our problem at NCKTC is not the recruitment of students, but rather the lack of funds necessary to purchase newer models of Heavy Equipment. Over the past six years, NCKTC has spent \$600,000 on repairs of our existing equipment.

Benefits of Focused Leadership

At the last Technical Commission meeting held on February 26, the five technical colleges presented a revised proposal for the creation of the Kansas Post-secondary Technical Education Authority. The purpose of the Authority would be to establish statewide policies and standards for technical educational programs and services provided by technical institutions that cover the state. The statewide post-secondary authority board would appoint an executive director for the purpose of coordinating and promoting technical education with business and industry throughout the state. The executive director and their staff would submit to the Authority program approval, standardization of curriculum, and oversee accreditation, while advocating for technical education throughout the state. The Post-secondary Authority would also administer all state and federal funds and would also work to strengthen coordination with the Department of Commerce on workforce and economic development.

Some of the areas the Authority along with the executive director and his or her staff would be responsible for are:

- 1) Coordination of technical education including certification, benchmarks and accreditation
- 2) Statewide data collection and reporting
- 3) Statewide marketing
- 4) Advocacy for funding
- 5) Approval of local budgets and tuition rates
- 6) Statewide coordination from multiple agencies
- 7) Approval of major capital projects
- 8) Administration of capital improvements
- 9) Institutional research
- 10) Statewide grant initiative

In summary, let me share with some of the demographics of our students:

Cost of Tuition, Books, Fees, Room & Board	\$7,500
Average ACT of Student Entering NCKTC	17

Average Combined Parents' Household Income 40,000

Percent of Students Qualifying for Financial Aid 73%

Percent of Students Completing the Program 82%

Percent of Placement 91%

Average Starting Salary of our Graduate \$30,000 – 40,000

Once again, I would like to thank you for your time, consideration, and your support of House Bill 2556.

Clark Coco

9-7

State General Fund Expenditures for Higher Education
 FY 1997 - FY 2006 Approved

Fiscal Year	State Universities	Community Colleges	Washburn University	Vocational Education	Financial Assistance	Adult Basic Education	Board Ops & Other	Total
FY1997	\$ 453,162,667	\$ 53,548,877	\$ 7,168,150	\$ 17,439,555	\$ 13,752,901	\$ 814,739	\$ 1,859,863	\$ 547,746,752
FY1998	477,629,352	55,692,817	7,454,876	18,405,779	15,200,993	904,135	2,508,034	577,795,986
FY1999	505,838,775	58,688,909	7,902,169	18,865,924	16,891,967	987,920	1,957,109	611,132,773
FY2000	524,135,731	60,937,104	8,187,783	20,007,958	19,263,034	1,099,897	2,493,874	636,125,381
FY2001	547,308,029	74,086,918	9,270,411	19,507,958	16,766,434	1,099,261	3,363,260	671,402,271
FY2002	561,824,368	85,174,486	10,561,191	20,083,890	19,244,350	1,100,000	4,199,371	702,187,656
FY2003	539,807,163	80,942,158	10,100,858	19,486,488	12,963,369	1,048,998	4,276,164	668,625,198
FY2004	542,339,319	80,958,169	10,102,336	15,299,515	15,080,316	951,881	5,239,345	669,970,881
FY2005App	565,560,255	86,028,123	10,555,928	20,542,730	16,734,023	1,048,998	5,547,799	706,017,856
FY2006App	595,581,989	94,230,331	11,112,456	20,673,603	17,334,162	1,148,998	5,698,876	745,780,415

Five-Year Percent Change (FY 2001-FY2006App)	8.8 %	27.2 %	19.9 %	6.0 %	3.4 %	4.5 %	69.4 %	11.1 %
Six-Year Percent Change (FY 2000-FY2006App)	13.6 %	54.6 %	35.7 %	3.3 %	(10.0) %	4.5 %	128.5 %	17.2 %
Ten-Year Percent Change (FY1997-FY2006App)	31.4 %	76.0 %	55.0 %	18.5 %	26.0 %	41.0 %	206.4 %	36.2 %

Note: The Board of Regents assumed responsibility for the community colleges, Washburn University, and the technical colleges in FY 2000. FY 2001 was the first year of 1999 SB 345 funding (which did not address technical college funding).

**State Funding for Vocational Education
FY 1997 - FY 2006 Approved**

Fiscal Year	State General Fund	Economic Development Initiatives Fund	Total
FY1997	\$ 17,439,555	\$ 7,898,655	\$ 25,338,210
FY1998	18,405,779	8,914,007	27,319,786
FY1999	18,865,924	9,896,494	28,762,418
FY2000	20,007,958	8,907,128	28,915,086
FY2001	19,507,958	9,781,180	29,289,138
FY2002	20,083,890	9,744,178	29,828,068
FY2003	19,486,488	8,899,952	28,386,440
FY2004	15,299,515	13,078,289	28,377,804
FY2005App	20,542,730	9,706,107	30,248,837
FY2006App	20,673,603	9,702,662	30,376,265

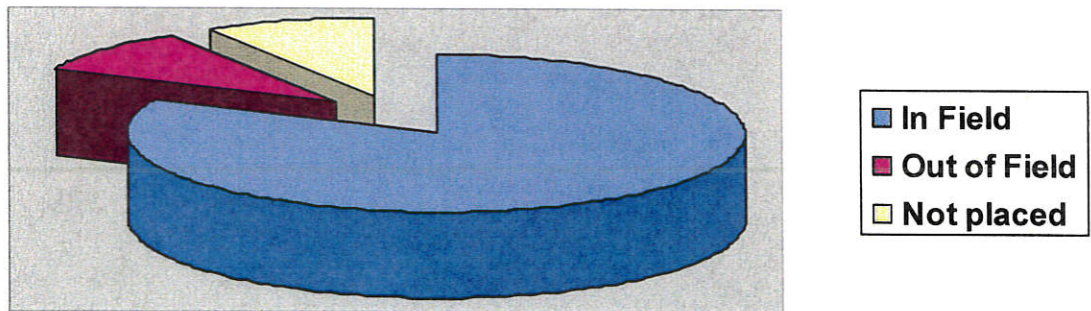
Five-Year Percent Change (FY 2001 - FY 2006 App)	6.0 %	(0.8) %	3.7 %
Six-Year Percent Change (FY 2000 - FY 2006 App)	3.3 %	8.9 %	5.1 %
Ten-Year Percent Change (FY 1997 - FY 2006 App)	18.5 %	22.8 %	19.9 %

Note: The Board of Regents assumed responsibility for the community colleges, Washburn University, and the technical colleges in FY 2000. FY 2001 was the first year of 1999 SB 345 funding (which did not address technical college funding).

Fast Facts about Technical Sector in Kansas

- Technical colleges provide quality career specific and general education courses which prepare individuals to pursue advanced economically vital jobs.
- According to the Kansas Department of Labor and the Board of Regents, in 2003 Kansas produced 7,292 graduates with 2 year degrees. This represented an estimated \$236,000,000 in payroll revenue and approximately \$27,000,000 in state sales and income tax.
- Kansas Technical Colleges offer certificate and degree programs that let students complete specialized and degree training in 6 months to 2 years.
- According to the Kansas Department of Labor, over the next 10 years, 80% of the occupations will require education and training above a high school diploma and only 20% will require a four year degree.
- Ultimately, technical colleges and business and industry in Kansas work closely together to educate students. This partnership creates a well educated work force capable of competing in a global economy.

Fast Facts about North Central Kansas Technical College Student Placement 2005-06



Percentage of students who where available for work:

Directly Related to Training in Field	82%
Not Directly Related.....	9%
Not place.....	9%
 Total Placed.....	 91%

2006 SKILLS USA COMPETITION

Fifty-nine students from The North Central Kansas Technical College attended the 2006 Kansas Skills USA competition in Wichita on April 20th & 21st. NCKTC students swept nine different categories and won numerous other contests at the state competition. A total of 39 medals were brought home by the students and 13 students qualified for the national championships.



Skills USA is a national organization that serves trade, technical, industrial, and health occupation students in public high schools and two-year technical colleges. The students compete by taking a written test along with a skills test to determine the top three contestants in each area. The 1st place winners of each area earn the right to compete at the national Skills USA Championships in Kansas City held in June. Here are the results of the 2006 state and national contest for NCKTC students:



Skills USA - 2006 State Contest Results

Plumbing

- 3rd Place Mark Walker – Minneapolis
- 2nd Place Jase Merry – Delphos
- 1st Place Kirk Lang – Wakeeney

Welding

- 3rd Place Daniel Ruff – Logan
- 2nd Place Justin Wendland – Leonardville
- 1st Place Nolan Collier – Garden City

Residential Wiring

- 3rd Place Dustin Horacek – Kinsley
- 2nd Place Bryon White – Dodge City
- 1st Place Brett Haden – Clay Center

Masonry

- 3rd Place Matt Winkel – Jewell
- 2nd Place Paul Larson – Tescott
- 1st Place Austin Rising – Winfield

Auto Service Technology

- 3rd Place Jon Favre – Salina
- 2nd Place Cody Pacha – Marysville
- 1st Place Whitney Stults – Ottawa

Vehicle Written Knowledge

- 3rd Place Bryan Waters – Harveyville
- 2nd Place Bryan Hendrich – Russell
- 1st Place Deric Hulett – Garnett

Electronic Technology

- 3rd Place Chris Wildfong – Beloit
- 2nd Place Jesse Sutter – Beloit
- 1st Place Kyle Clark – Great Bend

Electronic Applications

- 3rd Place Tomas Colby – Beloit
- 2nd Place Mark Roe – Glen Elder
- 1st Place Matt Morrison – Osborne

Auto Parts Management

- 3rd Place Bryan Waters – Harveyville
- 2nd Place Gavin Neuforth – Great Bend
- 1st Place Deric Hulett – Garnett

Heating, Ventilation, Air-Cond.

- 3rd Place Kolt Ringer – Concordia
- 1st Place Kirk Lang – Wakeeney

Cabinetmaking

- 2nd Place Keith Baker – Caldwell
- 1st Place Jeremy Frad – Everest

Diesel Technology

- 3rd Place Kevin Haug – Vermillion

Skills USA Knowledge

- 2nd Place Gabriel Culbertson – Iola

Written Safety Knowledge

- 3rd Place Jon Favre – Salina

Technical Spelling

- 1st Place Matthew Parks – Osage City

Teamworks

- 1st Place Paul Larson – Bricklaying – Tescott
- Kolt Ringer – PHAC – Concordia
- Korey Schulte – Carpentry – Goodland
- Derek Dougherty – Electricity – Agra

Skills USA - 2006 National Contest Results

Medal Winners:

Masonry / Bricklaying

- 1st Place Austin Rising – Winfield

Residential Wiring / Electricity

- 2nd Place Brett Haden – Clay Center

Auto Service Technology

- 3rd Place Whitney Stults – Ottawa

Plumbing

- 3rd Place Kirk Lang – Wakeeney

Finalists:

Electronics Applications

- 4th Place Matt Morrison – Osborne

Electronics Technology

- 7th Place Kyle Clark – Great Bend

Cabinetmaking

- 14th Place Jeremy Frad – Everest

Welding

- 18th Place Nolan Collier – Garden City

Teamworks

- 5th Place Paul Larson – Bricklaying – Tescott
- Kolt Ringer – PHAC – Concordia
- Korey Schulte – Carpentry – Goodland
- Derek Dougherty – Electricity – Agra

9-10



Building a Better Kansas Since 1934

200 SW 33rd St. Topeka, KS 66611 785-266-4015

**TESTIMONY OF
ASSOCIATED GENERAL CONTRACTORS OF KANSAS
BEFORE HOUSE COMMITTEE ON EDUCATION**

HB 2556

March 8, 2007

By Corey D Peterson, Associated General Contractors of Kansas, Inc.

Mister Chairman and members of the committee, my name is Corey Peterson. I am the Executive Vice President of the Associated General Contractors of Kansas, Inc. The AGC of Kansas is a trade association representing the commercial building construction industry, including general contractors, subcontractors and suppliers throughout Kansas (with the exception of Johnson and Wyandotte counties).

The AGC of Kansas supports House Bill 2556 and requests that you report it favorably for passage.

As I recently testified before your committee on HB 2343, developing the future workforce has been a top priority for AGC of Kansas for several years. Demographics show that the construction industry will soon be losing a significant portion of its skilled workforce due to retirement. While our industry has realized this is looming and has been working desperately to prepare for it...the future is now...as companies are turning away work because they can not staff the projects. AGC recognizes that challenges lie ahead and they are great.

AGC has been working on developing a statewide, seamless construction program that would feature Kansas technical schools, colleges and community colleges. It has been AGC's vision to be create an opportunity for Kansas' young people to advance through a system, beginning in high school, that will best prepare them for a rewarding career in the construction industry. HB 2556 is a good first step in allowing this to happen.

Education and workforce development is critical to economic development in the state of Kansas. I applaud the legislature for recognizing this, but if the Kansas is serious about doing something about it, a major investment is needed in the technical education and training system. Without adequate funding, efforts by this newly proposed authority and other stakeholders, such as those from industry, will fall far short of what is needed to keep Kansas competitive with other states when competing for new businesses and jobs.

The benefits of technical education should not be ignored, both for the opportunities it creates for the citizens of Kansas and for our state's ability to grow economically. Again, for Kansas to be successful, it must have a trained workforce, including technical professions.

In closing, the state of Kansas desperately needs a coordinated, well funded, technical education system that is responsive to the industries that will eventually be providing jobs to the students graduating from these programs. While HB 2556 does not address funding, it will provide much needed coordination and responsiveness.

The AGC of Kansas respectfully requests that you recommend HB 2556 for passage. Thank you for your consideration.

House Education Committee
Date 3-8-07
Attachment # 10



JAMES LUDWIG
Vice President, Regulatory & Public Affairs

March 7, 2007

The Honorable Clay Aurand
Chairman House Education Committee
300 SW 10th Avenue, Room 143-N
State Capitol
Topeka, KS 66612

Dear Chairman Aurand,

I am writing to express Westar Energy's support of House Bill 2556. Technical education is important in providing qualified employees for our industry. As an example, our mechanical maintenance workforce is aging, almost 50% are 50 years of age or older. We will need qualified employees to replace the current workers as they retire. Skilled maintenance staff is critical for efficient operation of our plants. The U.S. Bureau of Labor Statistics estimates the demand for entry-level line workers, power plant operators, pipe fitters, and other positions that require technical knowledge is expected to grow by 9 percent annually. Technical education plays an important role in the development of this workforce.

We view technical colleges as a partner. A few years ago, Westar Energy and Wolf Creek Nuclear Operating Corporation established a partnership with the Flint Hills Technical College in Emporia to develop and implement a power plant technology program. The college trains students on the skills they will need to compete for power plant maintenance jobs. The program continues to be an asset to both companies and for other utilities looking for skilled applicants.

House Bill 2556 strengthens the technical college system in Kansas through the creation of a postsecondary technical education authority. The authority would provide statewide coordination of technical education and would study ways to maximize our state's technical education resources. We are pleased with our association with the technical education system in Kansas. We would urge your support of House Bill 2556.

Sincerely,

818 South Kansas Avenue / P.O. Box 889 / Topeka, Kansas
Telephone: (785) 575-8411 / Fax: (785) 575-8119 / Mobile: (785) 575-8119
james.ludwig@WestarEnergy.com

House Education Committee
Date 3-8-07
Attachment # 11