

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:30 p.m. on February 26, 2009, in Room 446-N of the Capitol.

All members were present except:

Senator Anthony Hensley- absent
Senator Tim Huelskamp- absent
Senator John Vratil- absent

Committee staff present:

Kristen Kellems, Office of the Revisor of Statutes
Theresa Kiernan, Office of the Revisor of Statutes
Martha Dorsey, Kansas Legislative Research Department
Sharon Wenger, Kansas Legislative Research Department
Dorothy Gerhardt, Committee Assistant

Conferees appearing before the committee:

Reginald L. Robinson, President and CEO, Kansas Board of Regents
Doug Penner, President, Kansas Independent College Association
Dr. Diane Steele, President, University of St. Mary

Others attending:

See attached list.

Presentation: Stimulus Package for Higher Education

Reginald L. Robinson, President and CEO, Kansas Board of Regents, (Attachment 1) presented a short overview of the Federal stimulus package regarding postsecondary education components. He pointed out the significant provisions for postsecondary education include increases to student financial assistance, State Fiscal Stabilization funding, and numerous opportunities to seek competitive grants. Student financial assistance included increases in funding for Pell Grants as well as increased funding to the federal work study programs. Also included are grants for institutional development, the statewide longitudinal data systems, and dollars for universities to construct or renovate laboratories and to buy research equipment.

Presentation: Kansas Independent College Association

Doug Penner, President, Kansas Independent College Association, (Attachment 2) provided a short presentation regarding the role of Kansas Independent Colleges within the state's higher education environment.

Dr. Diane Steele, President, University of St. Mary, (Attachment 3) gave a brief presentation on the University of Saint Mary in Leavenworth.

The next meeting is scheduled for March 2, 2009.

The meeting was adjourned at 2:25 p.m.

SENATE EDUCATION COMMITTEE GUEST LIST

DATE: February 26, 2009

NAME	REPRESENTING
ROB MENCH	KEAMNEY f Assoc.
Sandy Braden	Gaches, Braden & Assoc.
James Lowe	Phoebe Smith & Assoc.
David Barclay	
Chris Gigstad	Federico Consulting
Lindsay Holwick	Kansas Bioscience Authority
Berend Koops	Hein Law Firm
Ray Hauke	Emporia State Univ
Debra Rideaux	Fort Hays State Univ
HOWARD SMITH	PITTSBURG STATE UNIV.
Tom Bryant	Pittsburg State Un.
John Patterson	PSU
Steve Scott	PS.U.
Pat Long	Baker University
Alison Steele SCC	University of Saint Mary
Doug Penner	KICA
Kip Peterson	KBOR
Reggie Robinson	KBOR



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Senate Education Committee
February 26, 2009

Update on Federal Stimulus Package – Postsecondary Education Components

Reginald L. Robinson
President and CEO

Good afternoon Chairwoman Schodorf, Ranking Member Hensley, and members of the Committee. Thank you for the opportunity to appear before you this afternoon to provide you with an update on the key provisions in the American Recovery and Reinvestment Act of 2009 relating to postsecondary education. The significant provisions for postsecondary education include increases to student financial assistance, State Fiscal Stabilization funding, and numerous opportunities to seek competitive grants.

Student Financial Assistance

The legislation includes **\$15.8 billion** for student financial assistance in postsecondary education. Of that total \$15.6 billion is available for Pell Grants and \$200 million is available for Work-Study programs.

The funding for the Pell Grants will close the program's current shortfall and boost grant amounts by \$500 to \$5,350 for award year 2009-2010. Because need-based financial aid, at both the federal and state levels, has failed to keep pace with rising costs, low-income students face an increasingly heavy debt burden. That is why the Board asked the Kansas Congressional delegation to support the inclusion of the Pell Grant increase in the economic stimulus package. National estimates predict that \$66.3 million will be received by 65,000 Kansas Pell Grant recipients. These funds flow directly to eligible individuals.

With regard to the federal work study programs, an additional \$1.7 million is estimated to flow through to Kansas institutions using the existing federal formula. The federal work study program is awarded to students based on financial need. Students file the Free Application for Federal Student Aid (FAFSA) and indicate on the FAFSA whether they are interested in work study. The funding is considered campus-based, which means that the federal government disburses the funding to the institutions based on a formula. The work study funding is used for pay the eligible student to perform campus jobs. Students cannot be paid less than federal minimum wage.

State Fiscal Stabilization Fund

Each state will receive an allotted share of \$48.3 billion (A state-by-state breakdown estimates a Kansas total for K-12 and Postsecondary Education of **\$367 million**)

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The federal bill does not dictate the apportionment of the \$367 million, but tasks the Governor to use the funds received to “fill the hole” in education accounts designated for both elementary and secondary education, and postsecondary education of any funding deficit in FY 09, FY 10, or FY 11 budgets from the higher of FY 08 or FY 09 spending in those accounts. A state is eligible to receive these funds only if the state funding levels for FY 09, FY 10 and FY 11 in all relevant education accounts are at least equal to the funding level in FY 2006. An institution of higher education receiving funds under this program shall use the funds for education and general expenditures designed to mitigate the need to raise tuition for in-state students or for the modernization, renovation, or repair of facilities that are primarily used for instruction, research, or student living. These funds may not be used toward increasing endowments or for the maintenance of facilities primarily used for athletic events, or religious buildings.

Grants for Institutional Development/National Priority Programs

The act includes **\$100 million** for the Higher Education account, which may be used for various institutional development programs and national priority programs in higher education. The U.S. Secretary of Education will develop guidance on the use and distribution of these funds.

Statewide Longitudinal Data Systems

The Institute of Education Sciences received **\$250 million** for competitive grants to states that will help states implement and use statewide longitudinal data systems that include not only education data for elementary and secondary students, reflecting the 10 essential elements promoted by the Data Quality Campaign, but also postsecondary and workforce information.

Workforce Investment Act Program -- Training in High-Growth and Emerging Industries

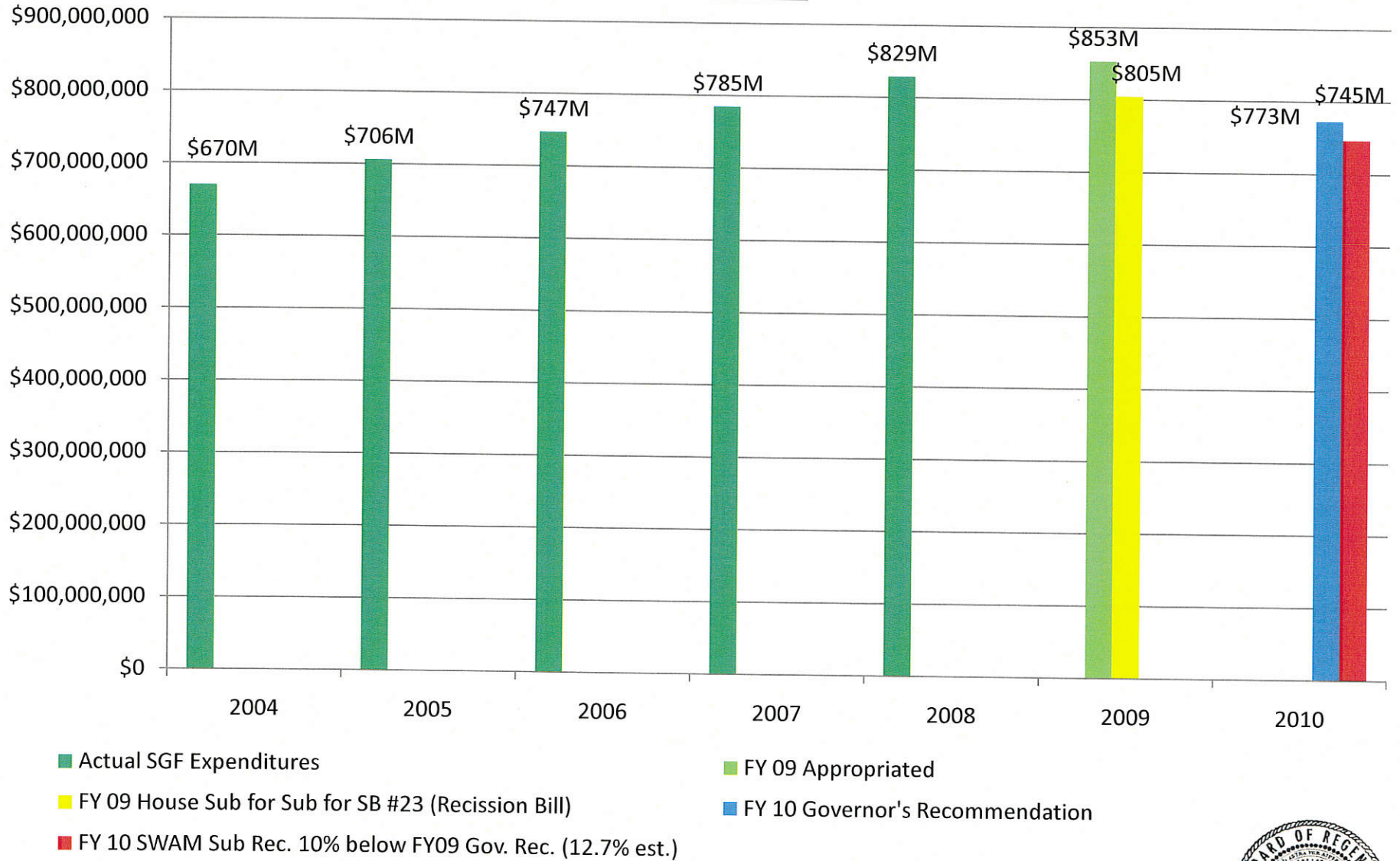
The legislation includes **\$750 million** for a program of competitive grants for worker training and placement in high growth and emerging industry sectors. Within that amount \$500 million is for projects that prepare workers for careers in energy efficiency and renewable energy as described in the Green Jobs Act of 2007. Priority consideration for the remainder of the grants will be given to projects that prepare workers for careers in the health care sector. Other industries mentioned include wireless and broadband deployment and advanced manufacturing.

Federal Research and Development Funding

The final stimulus bill provides billions of dollars for universities to construct or renovate laboratories and to buy research equipment, including \$1.4 billion for competitively selected R & D projects, nearly entirely at universities, through programs at NIH, NSF and NIST.

Thank you for the opportunity to provide you with this brief update. I would be happy to address any questions that you might have.

SGF Expenditures for Higher Education





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January 21, 2009

To the Kansas Congressional Delegation:

On behalf of the Kansas Board of Regents and the state's 32 public higher education institutions (7 public universities, 19 community colleges, and 6 technical colleges), we write to urge your support for the inclusion of funding for vital student financial aid support and important infrastructure projects in the federal economic stimulus package that the Congress will soon consider.

More than 18 million Americans – roughly 6 percent of the nation's population – are currently enrolled in higher education, and, in Kansas, over 64,000 students are enrolled at our state's 32 public higher education institutions. We know from experience that many seek to finish a degree or return to school to acquire new job skills when the economy falters. Thus, enrollments are likely to rise in the coming months. As the federal government acts to bolster our nation's economy, America's higher education institutions can and should be called upon to play a pivotal role in getting us back on the path to recovery and future prosperity.

Even before the current recession, students were borrowing at increasing levels to pursue higher education. Nationwide studies have indicated that two out of every three students who complete a four-year degree have student loans, and their average debt is more than \$22,000. Because need-based financial aid, at both the federal and state levels, has failed to keep pace with rising costs, low-income students face an increasingly heavy debt burden. That is why we urge you to support the inclusion of a Pell Grant increase/general student financial aid component in the emerging economic stimulus package. An increase in student financial aid would provide immediate relief to hard-working students and their families who are struggling to pay tuition and other educational costs during the current economic downturn.

In addition, we urge you to support the inclusion of a higher education infrastructure stimulus package component that would provide funding to undertake "shovel-ready" campus construction projects to repair or renovate academic facilities.

As you may know, the six state universities currently face a maintenance backlog of \$825 million. In addition, the state's municipal university, 19 community colleges, and 6 technical colleges currently face a maintenance backlog of at least \$172 million. The Board has worked with all of the public higher education institutions over the past two weeks to compile a list of potential "shovel-ready" infrastructure projects. Because we currently lack a concrete definition of this term, we established the following parameters to guide our compilation of a project list:

- 1) Projects must be completely designed by February 15. This means that drawings/specifications, purchase requisitions, etc., must be 100% complete and ready to bid.
- 2) Projects must be completely permitted by February 15. This means that all reviews for code compliance, ADA compliance, etc., are approved and complete.
- 3) Projects must be capable of beginning construction within 120 days of fund allocation.
- 4) Projects related to building maintenance, utility and infrastructure improvement, and energy conservation should be given highest priority.

Given these guidelines, the estimated project total for the six state universities is \$364.1 million, and the project total for the municipal university, 19 community colleges, and 6 technical colleges is \$75.6 million, for a system-wide total of \$439.7 million.

In a recent study, the Docking Institute of Public Affairs noted that every \$1 million spent on university deferred maintenance projects generates an economic impact of \$2.2 million in increased economic output of goods and services (gross state product), \$644,500 in increased state earnings, and 19 new jobs created in Kansas. Thus, addressing the \$439.7 million in "shovel-ready" campus infrastructure projects would produce an immediate and profound statewide impact, increasing the economic output of goods and services by \$967.3 million, increasing earnings by \$283.4 million, and creating 8,354 new jobs.

Thank you for your consideration of these critical economic stimulus components. Kansas higher education institutions play a vital role in meeting our state's economic and workforce development needs, and we stand ready to assist in your efforts to steer our nation towards economic recovery, and to position Kansas for a healthy and prosperous future. Thank you for your continued dedication and work in Washington on behalf of our great state.

Sincerely,



Donna Shank
Chair



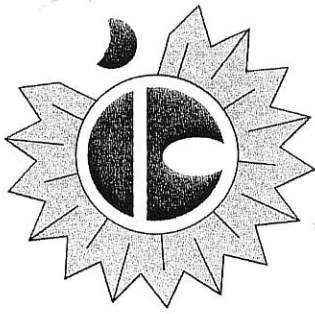
Jill Docking
Vice Chair



Reginald L. Robinson
President and CEO

cc: Governor Kathleen Sebelius
Rep. Mike O'Neil, Speaker of the House
Rep. Ray Merrick, House Majority Leader
Rep. Paul Davis, House Minority Leader
Rep. Kevin Yoder, House Appropriations Committee Chair

Rep. Terrie Huntington, House Higher Education Committee Chair
Sen. Steve Morris, President of the Senate
Sen. Derek Schmidt, Senate Majority Leader
Sen. Anthony Hensley, Senate Minority Leader
Sen. Jay Emler, Senate Ways & Means Committee Chair
Sen. Jean Schodorf, Senate Education Committee Chair
Members, Kansas Board of Regents
President Michael Lane, Emporia State University
President Ed Hammond, Fort Hays State University
President Jon Wefald, Kansas State University
President Tom Bryant, Pittsburg State University
Chancellor Robert Hemenway, University of Kansas
President Donald Beggs, Wichita State University
President Jerry Farley, Washburn University
President John Masterson, Allen County Community College
President Carl Heilman, Barton County Community College
President Jacqueline Vietti, Butler County Community College
President Richard Underbakke, Cloud County Community College
President Don Woodburn, Coffeyville Community College
President Lynn Kreider, Colby Community College
President Patrick McAtee, Cowley County Community College
President Richard Burke, Dodge City Community College
President Clayton Tatro, Fort Scott Community College
President Carol Ballantyne, Garden City Community College
President David Reist, Highland Community College
President Ed Berger, Hutchinson Community College
President Daniel Bain, Independence Community College
President Terry Calaway, Johnson County Community College
President Thomas Burke, Kansas City Kansas Community College
President George Knox, Labette Community College
President Vicky Smith, Neosho County Community College
President William Wojciechowski, Pratt Community College
President Duane Dunn, Seward County Community College
President Dean Hollenbeck, Flint Hills Technical College
President Robert Edleston, Manhattan Area Technical College
President Clark Coco, North Central Kansas Technical School
President Kenneth Clouse, Northwest Kansas Technical College
President Duane Custer, Salina Area Technical College
President Peter Gustaf, Wichita Area Technical College



Kansas Independent College Association

Testimony for the Senate Education Committee
February 26, 2009

Doug Penner, President
Kansas Independent College Association

Madam Chair and members of the committee, thank you for the opportunity to appear and provide testimony regarding the Kansas Independent Colleges. I am Doug Penner, president of the association that represents 18 of the state's independent colleges, all of whom are North Central Association, Higher Learning Commission accredited and not for profit. I'm joined this afternoon by presidents of two of those institutions, Dr. Pat Long, President of Baker University and Dr. Diane Steele, President of the University of St. Mary. President Steele will follow my general comments about our colleges with more focused testimony about her own university and some of the ways in which it contributes to the well being of the state and of its students.

I've distributed a booklet we prepare annually that shows in some detail the role played by our colleges within the state's higher education environment. The booklet summarizes a variety of data for the sector as a whole and for individual institutions. The data includes 10 year trends in enrollment and graduation patterns, our colleges' role in the state and local economies, patterns of student costs, and finally, financial aid sources for our students. The booklet may serve as a reference document for you as issues arise during the session—and of course, I'd be pleased to answer any questions you might have as you look more carefully at the booklet later.

This afternoon I'd like to make a few general observations, ending with some comments about student financial aid and the critical role played by the Kansas Comprehensive Grant in providing support for high need students, at both public and private four year colleges in the state.

First, where the independent sector fits into the state's higher education system: The private not for profit colleges occupy an important niche in the range of post secondary options available for Kansas students and students from out of state.

Member Colleges and Universities

Baker University 1858 • Benedictine College 1858 • Bethany College 1881 • Bethel College 1887 • Central Christian College 1884
Donnelly College 1949 • Friends University 1898 • Hesston College 1909 • Kansas Wesleyan University 1886
Manhattan Christian College 1927 • McPherson College 1887 • MidAmerica Nazarene University 1966 • Newman University 1933
Ottawa University 1865 • Southwestern College 1885 • Sterling College 1887 • Tabor College 1908 • University of Saint Mary 1923

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- The KICA colleges consistently enroll around 13% of the state's total post-secondary enrollment, two and four year combined, and about 20% of the state's enrollment of students at four year colleges and universities.
- The colleges annually award about 20% of the state's bachelor's degrees and about 30% of the state's master's degrees.
- Our colleges play a particularly important role in reaching out to older students, advancing their technical or managerial skills for a current employment role, or preparing for a shift in career path.
- The profile of students attending independent colleges in Kansas is virtually identical to that of students attending public institutions in the state—our students are slightly more ethnically diverse than those attending the publics, and they come from virtually the same family economic backgrounds as those attending the publics. It's important to communicate the reality that in contrast to a common public image, Kansas independent colleges serve all students, not just students from privileged backgrounds.

Our colleges, both individually and as a group, have focused a good deal of their strategic attention and resources on managing costs and staying affordable to students from diverse financial circumstances. By national standards, tuitions at our colleges are relatively low, and institutional financial aid to students is substantial. On average, our colleges return 40% of their tuition dollars to students in the form of financial aid. The average institutional grant or scholarship to students is significantly larger than grant aid coming to them from federal government aid programs or from the state's scholarship and grant programs. All of this to make the point that the independent colleges are doing and consistently have done their part to try to control the cost of a college education and to provide educational opportunity to the students of our state.

Our colleges do not receive direct appropriations from the state budget. But for decades now, the state has provided significant support indirectly, via awards of the Kansas Comprehensive Grant to qualified students who attend a qualified college. The comprehensive grant program was created in 1998 by a statute that merged three need based grant programs—one at the regents institutions, one at Washburn University and the Tuition Grant program for independent colleges. The grant program annually serves about 11,000 students, 2,700 of whom attend our colleges and the balance at regents institutions and Washburn. The dollars that end up supporting students in our colleges represent about 1% of the state's total expenditure on higher education, but that 1% has a powerful impact. There is little question that the fiscal viability of our colleges is closely tied to the comprehensive grant program and its continuing role in providing access and affordability to needy Kansas students.

Our colleges, while generally small, are important players in the state's economy, both today and in the years to come. The operating budgets of our colleges ripple out into the local economies of their communities, providing some of the most important sources of financial stability during a trying economic time. But more important, our colleges are

strengthening our communities, our state and our nation's capacity to respond to economic challenges, today and five and ten years from now, by preparing teachers and nurses, business leaders, legislators, pastors, software designers, pilots, and on and on and on.

As I mentioned at the outset, President Steele of the University of St. Mary has prepared some remarks that illustrate in more concrete terms the roots and mission of one of our independent colleges and the way in which the mission today serves students and our states. After she has testified, if there are questions for me, I'll be happy to respond.



**Testimony before the Senate Education Committee
February 26, 2009
Sister Diane Steele, Ph.D., President
University of Saint Mary**

Chair Schodorf and members of the committee, thank you for the opportunity to testify today. I am Diane Steele, president of the University of Saint Mary in Leavenworth, and I'm pleased to be here and to have the opportunity to share with you a few important understandings about our university.

The Sisters of Charity of Leavenworth came up the Missouri River 150 years ago to heal and to teach. A week later, they were teaching Kansas schoolchildren. A decade later, they were building the boarding school that would eventually grow into the institution of higher learning I serve today. Since 1923, our school has helped thousands of students — most of whom call Kansas home — realize their God-given potential.

Today, the University of Saint Mary boasts three locations beyond the main campus in Leavenworth: two in Johnson County and one in Wyandotte County. We have more than 900 students over those four campuses, and, in the fall, we ushered in our largest freshman class in a decade — 119 strong.

This semester, we have just over 470 full-time undergraduates — our highest enrollment in three decades. And 62 percent of them are Kansans. Our student body remains diverse, though, as minorities make up 20 percent of our enrollment. And despite that Kansas majority, we remain a draw for Leavenworth County. We've attracted students from 39 states and six foreign countries, some of which end up finding their jobs and building their lives here.

One hundred and fifty years ago, the Sisters believed education should be well within reach of those who want to learn. And we continue to uphold that standard. We're proud to say that 95 percent of our students receive financial aid of some kind, including scholarships. And we currently have 189 Pell Grant recipients. Also, the university takes strides to help students with no family tradition of college education realize their dream, as 176 of our current undergraduates are first-generation students. Overall, USM awards \$2.5 million a year in financial aid, with the average student receiving a package worth just under \$14,000.

With 26 undergraduate programs and six graduate degree offerings, we prepare students for a wide range of professions. And, of particular note in this economy, we have a

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renewed focus on high-demand career fields including nursing and education. To that end, we offer a wealth of avenues for students ready and willing to fill some of the state's most critical job openings.

Kansas, like the rest of the country, is weathering a record nursing shortage. By 2016, experts foresee the need for one million new nurses nationwide. At Saint Mary, we've recently re-launched our Bachelor of Science in Nursing program. And last year, that effort paid off, as the restored program graduated its first class of 33 newly-minted nurses. This year, the program continues to build on our success with 32 more slated to graduate in May, and 34 juniors waiting in the wings behind them.

For nurses looking for degree advancement, our fully-accredited, 100 percent online RN-to-BSN program provides a convenient and increasingly popular avenue of advancement for busy, working nurses. The program now claims an enrollment of 67 students.

Our initiatives aren't limited to nursing. We offer a variety of programs for Kansas teachers to both start and advance their careers. For undergraduates, we offer elementary and secondary education majors — with 90 percent of the programs' graduates quickly landing teaching jobs. And we offer two masters programs, in education and adaptive special ed. The University of Saint Mary works in concert with Baker University and Mid-America Nazarene University as part of the Midwest Associated College Consortium to meet the most pressing needs of area school districts. And, as you well know, Special Education is designated as a "High Need" area for Kansas. Through the consortium program, teacher candidates work under a restricted license in areas of local need while working toward the appropriate licensure. In January, one of USM's recent graduates of this program, Jodi Berve, won the 2009 Kansas Horizon Award. Jodi teaches in the Louisberg school district.

All of our graduate degree programs are designed with the working professional in mind. With our satellite locations in Overland Park, Shawnee, and Kansas City, Kan., we're within easy reach of many working Kansans who need that MBA or that Masters in Teaching to bolster their career prospects. And we offer six program start-dates each year. Our campuses and our classrooms are there for one reason: the success of our students.

With our on-line offerings and cutting-edge majors, the University of Saint Mary continues to take bold strides into a brighter future. But we're happy to say we haven't ignored our history. We came to Kansas to teach. And for over 80 years, that's exactly what we've done.

Again, thank you for the opportunity to testify. I would be happy to stand for questions.