

MINUTES

KANSAS TECHNICAL COLLEGE AND VOCATIONAL SCHOOL COMMISSION

January 3-4, 2007
Room 519-S—Statehouse

Members Present

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

Staff Present

Audrey Dunkel, Kansas Legislative Research Department
Sharon Wenger, Kansas Legislative Research Department
Michele Alishahi, Kansas Legislative Research Department
Art Griggs, Office of the Revisor of Statutes
Theresa Kiernan, Office of the Revisor of Statutes
Gary Deeter, Committee Secretary

Conferees

Reggie Robinson, President, Kansas Board of Regents
Diane Duffy, Vice-President for Finance and Administration, Kansas Board of Regents
Dr. Blake Flanders, Director, Workforce Training and Education Services, Kansas Board of Regents
Andy Schlapp, Director of Government Relations, Sedgwick County
Sandy Pangburn, Practical Nursing Program Coordinator, Hutchinson Community College/Area Vocational Technical School
Dr. Edward Berger, President, Hutchinson Community College/Area Vocational Technical School
Rich Hoffman, President, Kansas Association of Technical Schools and Colleges
Clark Coco, President, North Central Kansas Technical College
Kenneth Clouse, President, Northwest Kansas Technical College
Dr. Jackie Vietti, President, Butler Community College

Others Attending

See attached list.

Wednesday, January 3 Morning Session

After beginning the meeting with a moment of silence, the Chairman referenced the Preliminary Report of the Commission to the 2007 Kansas Legislature (See Executive Summary, Attachment 1), commenting that the final recommendations by the Commission would be made on or before February 15, 2007.

Dr. Edward Berger, President, Hutchinson Community College/Area Vocational Technical School, representing the Kansas Association of Community College Trustees, and Clark Coco, President, North Central Kansas Technical College, representing the Kansas Association of Technical Schools and Colleges, presented areas where technical education could be standardized and coordinated and where collaboration could be achieved (Attachment 2). They stated that statewide standardization could be developed with core competencies, a state/industry program certification, and statewide articulation agreements. They recommended a unified credit-hour funding model, increased state financial support, governance by local boards with a state coordinating agency, and a statewide industry advisory board. They further recommended that all area vocational technical schools merge with another entity, become technical colleges, or provide only secondary education.

Dr. Berger and Mr. Coco responded to members' questions thus:

- Transition to the new structure should take 12-18 months to accomplish.
- The Industry Advisory Board would become an advocate to the Board of Regents for technical education.
- Mr. Coco preferred the statewide coordinating board to be independent of the Board of Regents; Dr. Berger preferred the coordinating board to be under the Board of Regents.
- Statewide uniform student tuition would be unlikely, and federal dollars vary from institution to institution.
- Standardization will help equalize funding disparities.
- Even if the coordinating body is under the Board of Regents, if it is responsible for allocating funds, it will have significant authority.

Commission members responded with several comments and observations:

- Local control with state funding may be a sticking point.
- A process needs to be developed to determine the cost of various programs.
- There is a significant semantic difference between *control* and *coordination*.

- The issue of a local board creating programs and expecting state funding for those programs will be problematic.

Members discussed how governance might be tied to funding.

Sharon Wenger, Kansas Legislative Research Department, reported on how other states (Georgia, Oklahoma, North Carolina, Kentucky, and Wisconsin) dealt with governance, standards, and funding for technical education (Attachments 3, 4, and 5). She provided an organizational chart showing the separation of boards for Ohio's technical and regents education (Attachment 6).

Andy Schlapp, Director of Government Relations, Sedgwick County, provided an organization chart and a flow chart outlining the coordinated governance of technical education in Sedgwick County; he commented that the Sedgwick County Technical Education and Training Authority (SCTETA) had effected coordination, focus, and funding channels to disparate technical education entities (Attachments 7 and 8). He commented that technical education was crucial for the region, since five of the largest aviation manufacturers in the world reside in Sedgwick County and 70 percent of the aviation research done by the Federal Aviation Authority occurs in Wichita. Answering questions, he said the SCTETA was actively pursuing alternate funding sources and that the County Commission appointed the eleven SCTETA board members.

Art Griggs, Revisor reviewed constitutional issues related to creating a statewide independent technical college governance structure. Noting that the *Kansas Constitution* delegates "control and supervision" of post-secondary education to the Kansas Board of Regents, he said that unless a board fell under the control and general supervision of the Board of Regents, a constitutional amendment would be necessary to create a separate technical college system (Attachment 9). Members discussed possible avenues obviating the need for a constitutional amendment: defining technical education as workforce training, or a statutory mandate for the Board of Regents to create a separate board for technical education, or appropriating separate funding for a new technical education system. Mr. Griggs said that for a new system to pass constitutional muster will require a technical education system to be "subject to the general supervision of the Board of Regents." Members commented that if a separate board were created, the board would need staff and funding allocated for its quasi-independent functioning and would need dually aligned board members serving as Board of Regents members and advocates for technical education.

Afternoon Session

Mr. Robinson briefed the Commission on several procedures of the Board of Regents, saying that all sectors of post-secondary education submit proposals for their institutions to the Board and that, although the Regents are authorized to allocate funding, most funds already are designated for certain purposes or institutions.

Clark Coco, addressing the Commission's request for a technical education model, offered a proposal for a Kansas Career and Technical Education System, a board authorized to coordinate technical education for the state (Attachment 10). He said the proposed board, composed of nine members, three of whom also would be members of the Board of Regents, would be authorized by the Board of Regents to set policies and oversee technical education for the 29 two-year institutions in the state, serving as a division of the Board of Regents and receiving funding as a separate division. All board members would be appointed by the Governor; the board would hire an executive director, but local institutions would continue their present governance structure.

Dr. Berger, also responding to the Commission's request for a model, said the present structure is adequate to meet technical education needs; he suggested adding a Business and Industry Advisory Board to advocate for technical education to the Board of Regents. A member noted that universities have effective advocacy in alumni associations, but technical education institutions do not have similar groups as advocates.

Reggie Robinson, speaking on behalf of the Board of Regents, made three observations about an independent technical education model. He said a technical education division under the Board of Regents could work, that legislative oversight was effective in maintaining focus on technical education, and that much of what the Commission envisions with an independent board could be accomplished by the Board of Regents if funding were available. Answering questions, Mr. Robinson said that in recent years the Board of Regents has been increasingly involved in technical education initiatives. Members discussed a statute which established a technical education focus (KSA 74-3205b); the initiative expired on June 30, 2003 (Attachment 11).

Sandy Pangburn, Practical Nursing Program Coordinator, Hutchinson Community College/Area Vocational Technical School, related the process by which practical nursing training programs achieved standardization statewide, a process which developed a core curriculum, core competency, and uniform credit hour requirements (Attachment 12).

Responding to the Commission's request to address the standardization issue, Mr. Coco and Rich Hoffman, President, Kansas Association of Technical Schools and Colleges, said that the process must meet business and industry standards; he cautioned that developing a core competency could create a minimum competency. Responding to questions, Mr Hoffman said core policies must meet Perkins funding requirements; Mr. Coco noted the importance of working from national competency standards. Dr. Berger said the community colleges supported the concept of standardization.

Dr. Blake Flanders, Director, Workforce Training and Education Services, Kansas Board of Regents, and Diane Duffy, Vice-President for Finance and Administration, Kansas Board of Regents, commented on the standardization process, the clock/credit hour conversion, and equitable and adequate funding for technical education. Dr. Flanders noted recommendations for converting clock hours to credit hours: 750 lecture minutes equal one credit hour; 1,125 laboratory minutes equal one credit hour; 2,700 clinical or internship minutes equal one credit hour. He said the deadline for technical institutions to convert from clock hours to credit hours was July 1, 2006, with a one-year grace period.

Ms. Duffy reviewed the current progress on the Commission's request for a funding formula and program standardization (Attachment 13). She noted the strategic plan for standardization and then addressed the difficulties inherent in equitable funding, stating that, with limited data, any conclusion is flawed; she commented that in Kansas, as in other states, different institutions have different missions, different governance, and different funding streams. She expressed confidence that the Workforce Alignment Study due in May 2007 should provide adequate data for making sound judgments about funding. In the meantime, as an interim recommendation, the Board of Regents recommends a 6 percent across-the-board increase in funding, generating an estimated \$3.9 million, a figure consistent with the Higher Education Price Index. The Board also recommends \$17.6 million for community colleges for technical education (with a weighted 2:1 for tech ed), for a total of \$22.3 million in new funding. Ms Duffy offered several possible approaches for funding allocations; among them: incremental increases, complete realignment of state funding streams, replace the 85 percent/15 percent post-secondary aid with an operating grant, establish cost differentials, and create a pool of funding to promote mergers. Members discussed the implications of various approaches to funding.

Dr. Berger, commenting on the clock/credit-hour conversion, said the community colleges support the conversion process. Mr. Hoffman, responding to the funding discussion, said the technical colleges and schools recommend equitable funding for technical education wherever it occurs; he observed that 2:1 funding may not be adequate, that tier funding was needed for costly programs, and that low-enrollment weighting might be needed. He encouraged the commission to develop funding that would promote growth and give local institutions the flexibility to meet local needs. A member reminded the Commission that the goal was to create a system that promoted excellence.

The Chairman gave assignments to the principals, dividing them into two groups to develop consensus regarding a governance model and a funding process. The meeting was recessed at 4:51 p.m.

Thursday, January 4 Morning Session

After calling the meeting to order at 10:05 a.m., the Chairman received a motion to recess the meeting until 11:00 a.m. The motion passed. (Motion by Mr. Grier, seconded by Dr. Edleston) The Chairman called the meeting back to order at 11:04 a.m.

Sharon Wenger relayed further information regarding technical education in other states, commenting that 66 percent of funds in North Carolina come from the state; that Wisconsin's full-time-equivalent cost is \$2,783 per FTE; that North Carolina has a seamless articulation system, but not enough money for salaries and equipment; that North Carolina spends \$5,147 per FTE; and that Wisconsin supports technical education mostly with local funds, has poor articulation, and has set goals to reduce dependence on the property tax and reconsider shared governance.

Kenneth Clouse, President, Northwest Kansas Technical College, representing the Kansas Association of Technical Colleges and Vocational Schools, and Dr. Jackie Vietti, President, Butler Community College, representing the Association of Community College Trustees, offered sample legislation creating a commission for post-secondary technical education (Attachment 14). The proposed legislation creates a 9-member commission appointed by the Governor, three of whom must be members of the Board of Regents. The commission shall propose rules and regulations to be adopted by the Board of Regents; shall, in coordination with federal and state agencies and business and industry, provide statewide planning for post-secondary technical education; shall make program recommendations to the Board of Regents; and shall review funding and make recommendations to the Board of Regents.

Members discussed several issues related to the proposed legislation:

- Whether or not a regular meeting sequence should be set.
- What should constitute a decision-making vote of the Board of Regents regarding the commission's recommendations. Most members seemed to feel most comfortable with a vote of five or six as a decision-making majority.
- Whether or not the commission "shall" or "may" appoint an executive director.

Members offered various comments about the document:

- The focus of the proposed commission should be initiated by business and industry, not tied to approval of the Board of Regents.

- Funding should be “subject to appropriations”; the language should include a more direct funding component.
- Members should be wary of writing too many details into statute.
- Support for the document will depend upon whether or not the language can establish that the commission has autonomy and authority to make decisions.
- Funding must be based on accountability.
- Having an executive director for the commission could set up a conflict with the President of the Board of Regents.
- By having approval control of rules and regulations, the Board of Regents could dilute the authority of a tech-ed commission.

Mr. Robinson observed that currently the Board of Regents functions with a quasi-independent entity under its authority—the Research and Development Corporation; he suggested that a technical education commission might be established in the same way.

Afternoon Session

Dr. Berger and Mr. Hoffman discussed the need for a funding model for post-secondary technical education. They suggested increasing present funding by \$30 million for FY 2008, creating a business/industry fund and a venture capital fund for FY 2009, as well as developing a capital-outlay fund and an operating budget fund. They also recommended developing an accountability plan and connecting the program approval process to funding.

Dr. Flanders, returning to the discussion of standardization, requested clarification on what standardization means, since local needs create variations in programs. He recommended that competency, not credit hours, should drive programs. A member suggested that common elements of programs be the starting point for standardization. Members discussed at length funding streams and the need for a funding formula.

Dr. Farley distributed Attachment 15 as a talking point for developing a funding mechanism, saying that a model must have three components: a rational budget request to the state, an institutional budget based on the differential costs of programs, and a logical distribution plan. He listed three possibilities: develop a base budget with incremental increases; use the tech-ed budgets of neighboring states as a benchmark; or determine the cost of programs, average them, and fund accordingly. Another member suggested a two-step process, with the Commission establishing a funding framework, and then using Dr. Farley’s third point, in consultation with the institutions and business and industry, to determine a funding formula. The Chairman requested that Regents staff create a funding model and that Legislative Research staff develop a governance model for the January 26 meeting.

The meeting was adjourned at 2:40 p.m. The next meeting is scheduled for Friday, January 26, the time and place to be determined.

Approved by Commission on:

February 14, 2007
(Date)