



Testimony to House Education Committee
SB 193 Postsecondary Degree Program Transparency
May 6, 2015
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Chairman Highland and members of the Committee,

We appreciate this opportunity to present testimony in support of SB 193, which requires postsecondary institutions to publish a single-page degree prospectus for each degree program offered that summarizes information and statistics on such degree program.

A prospectus would allow students and their parents to make informed decisions on their investment in higher education. Important information provided in the prospectus would include:

- ✓ the aggregate cost and the cost per year incurred by an individual to obtain the degree from such postsecondary educational institution, including tuition, room and board, books and student fees;
- ✓ the average amount of time between graduation and full-time employment for an individual who obtains the degree from such postsecondary educational institution;
- ✓ a graphical representation of the salary distribution among students who obtain the degree from such postsecondary educational institution and who become employed in the degree field, which shall display a range from negative three standard deviations of the average salary to three standard deviations of the average salary;
- ✓ the percentage of graduates who obtain the degree from such postsecondary educational institution and who become employed in the degree field;
- ✓ the percentage of graduates who are employed within three months from the date of graduation from such postsecondary educational institution;
- ✓ a chart displaying the number of years required to fully pay off a federal student loan under an income-driven repayment plan.

Having this information and being able to compare against other postsecondary institutions in Kansas will enable parents and students to make more informed decisions in choosing a field of study that will be both personally rewarding and financially viable over the course of their careers.

The cost of acquiring a degree varies greatly across Kansas. The average increase in tuition and required fees for in-state tuition at the six state-funded universities is 175% between the academic years of 2002 and 2014 (fiscal years 2003 and 2015). Fort Hays State had the smallest increase of 96% and the University of Kansas had the highest at 222%. By comparison, inflation would be up just 28% between fiscal 2003 and fiscal 2015.ⁱ

Tuition increases have often been blamed on lack of State Funding, but the facts show that to be a relatively minor issue. Total support of higher education increased 19% over the same time that tuition increased 175%. If anything is to be 'blamed' for large tuition increases, we believe it is choices made by universities to increase spending.

Resident Standard Tuition & Required Fees (per semester)			
Institution	AY 2002	AY 2014	% Change
University of Kansas	\$1,442	\$4,639	222%
Kansas State Univ.	\$1,417	\$4,293	203%
Wichita State Univ.	\$1,428	\$3,463	143%
Emporia State Univ.	\$1,142	\$2,807	146%
Pittsburg State Univ.	\$1,169	\$2,953	153%
Fort Hays State Univ.	\$1,109	\$2,179	96%

Source: Kansas Board of Regents Databook

General Fund Support of Higher Education (millions)			
Institution	FY 2003	FY 2015	% Change
6 universities	\$385.8	\$423.3	10%
Board of Regents	\$128.8	\$203.4	58%
KU Medical Center	\$99.4	\$110.4	11%
K-State ESARP	\$46.5	\$47.5	2%
K-State Vet. Center	\$9.5	\$15.0	58%
Total	\$670.0	\$799.6	19%

Source: Kansas Division of the Budget

Educational Program Spending Per Student FY 2014						
General Use Spending Category	University of Kansas	K-State	Wichita State	Emporia State	Pittsburg State	Fort Hays State
Instruction	\$ 9,310	\$ 6,767	\$ 5,025	\$ 5,250	\$ 4,680	\$ 3,328
Academic Support	\$ 1,920	\$ 1,798	\$ 1,768	\$ 1,895	\$ 1,253	\$ 1,291
Student Services	\$ 671	\$ 629	\$ 972	\$ 1,057	\$ 870	\$ 788
Administration	\$ 1,279	\$ 1,276	\$ 1,675	\$ 954	\$ 950	\$ 708
	\$ 13,180	\$ 10,470	\$ 9,440	\$ 9,156	\$ 7,753	\$ 6,115
FY 2002 total per-pupil	\$ 8,112	\$ 6,949	\$ 7,447	\$ 7,104	\$ 6,495	\$ 7,614
% change 2002-2014	62%	51%	27%	29%	19%	-20%
Inflation 2002-2014	29%	29%	29%	29%	29%	29%
FTE enrolled	22,056	20,880	11,924	4,830	6,915	8,951
5-year enrollment chg.	-8.3%	9.7%	9.4%	-10.2%	1.1%	33.4%

Source: Kansas Board of Regents Databooks; Bureau of Labor Statistics, Consumer Price Index Midwest Urban Cities on a fiscal year basis. Education Program Spending excludes spending on Physical Plant, Research, Public Service, Scholarships, and Other.

The two universities with the largest tuition increases also have the greatest spending increase on educational programs on a per-student basis; Fort Hays State actually reduced its per-student cost, which may be the reason they have the smallest tuition increase.

Annual savings across the other five universities would total \$312 million if they operated at FHSU's cost of \$6,115 per student. Even if one assumes that research universities (KU, K-State and

WSU) should be examined separately from non-research universities, annual savings would total \$170 million if Wichita State and Fort Hays State are used as the benchmarks for the two groups.

Given the disparity in tuition and costs across universities, publishing degree program prospectuses may also help members of the Board of Regents make management recommendations that could make higher education more affordable.

We support SB 193 and encourage the Committee to recommend it favorably.

ⁱ Bureau of Labor Statistics, CPI for Midwest Urban Cities; assumes inflation for FY 2015 is at the same rate as FY 2014.