

KANSAS BOARD OF REGENTS



HOUSE EDUCATION COMMITTEE

January 27, 2011

Higher Education System Update

Dr. Andy Tompkins, President & CEO

★ LEADING HIGHER EDUCATION ★



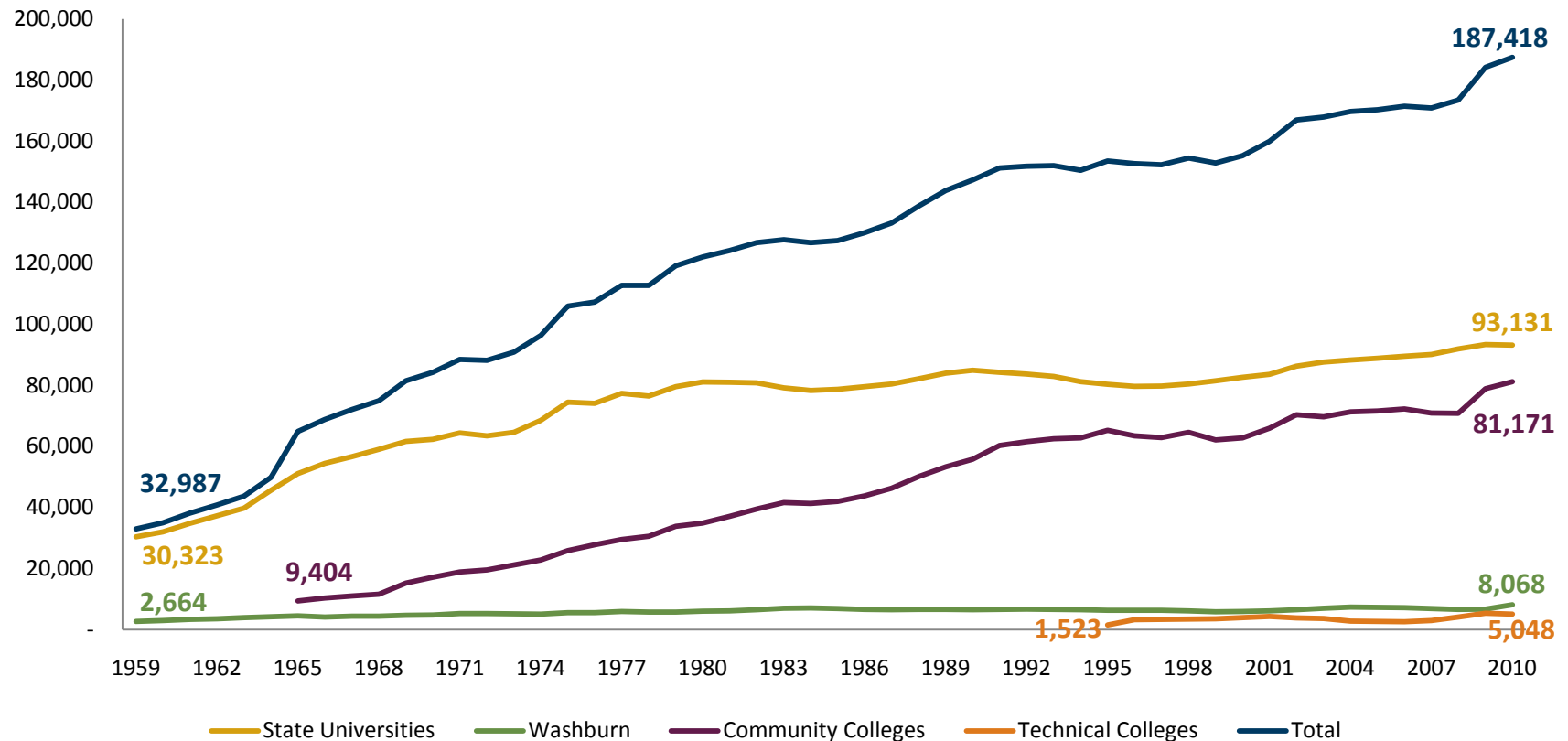
Systemwide Headcount Enrollment Fall 2010 Academic Semester

INSTITUTIONS	STUDENTS	CHANGE (09-10)	% CHANGE (09-10)
State Universities (6)	93,131	-176	-0.18%
Washburn* (1)	8,068	+731	+9.9%
Community Colleges (19)	81,171	+2,306	+2.9%
Technical Colleges (6)	5,048	+396	+8.5%
System Total (32)	187,418	+3,257	+1.8%

**Washburn Institute of Technology included.*

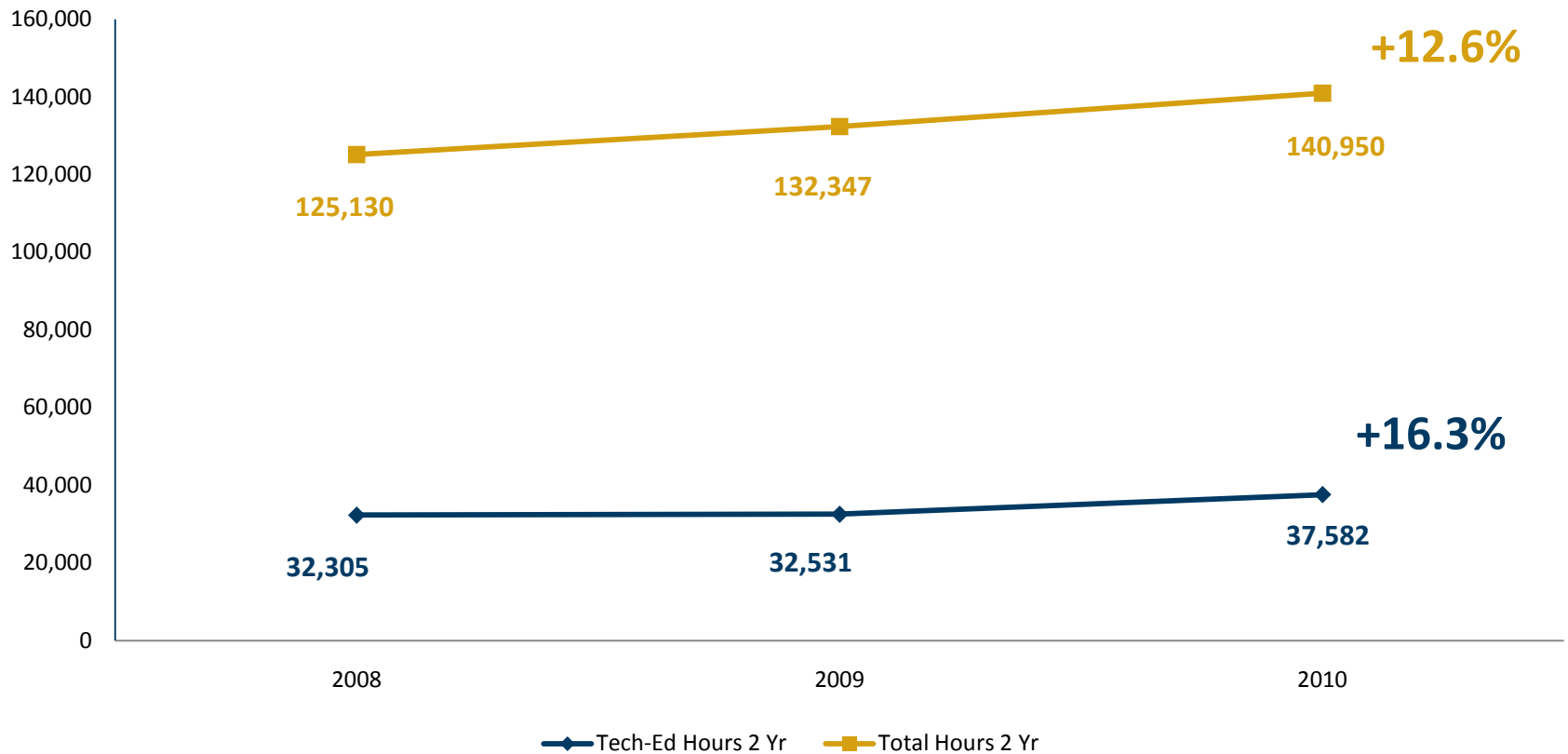


Student Enrollment (Fall Headcount)





Student Credit Hours (2-Year Colleges)





Adult Basic Education and GED

- ★ Provides basic skills instruction in reading, writing, and mathematics, English-as-a-second language instruction, and college readiness and employment preparation.
- ★ Located in 43 counties and 95 instructional sites
- ★ Provided by community and technical colleges, school districts, and two community-based organizations
- ★ Served over 95,000 Kansans over the past 10 years with 18,156 receiving a GED, 4,634 entering postsecondary education, and 5,790 entering employment, and 60,122 who attained an educational functioning level.



Adult Basic Education and GED

- ★ Major changes in last 10 years:
 - Shift from focus on GED preparation to focus on employment and postsecondary education and readiness.
 - Significant increase in average hours per learner from 57 hours in FY01 to 102 hours in FY10.
 - Significant increase in the number of learners who entered postsecondary education from 21 in FY01 to 767 in FY10.
 - Funding based on learner outcomes instead of seat time.



Kan-ed

- ★ Kan-ed, a program administered by the Board of Regents, connects nearly 500 Kansas hospitals, libraries, higher education institutions, and K-12 schools with high-speed internet.
- ★ Kan-ed brings members together through Interactive Distance Learning and the exchange of data. Members have access to shared databases, video-conferencing, telemedicine, and to content that is otherwise unavailable or available at prohibitive costs.
- ★ Kan-ed is a unique public/private partnership that leases 100% of its circuits and partners with over 20 telecom and ISP providers in Kansas.
- ★ Kan-ed is a world-class distance learning and video-conferencing network:
 - Dedicated video operation center with worldwide access and scheduling services and with over 30,000 video sessions conducted last year.
- ★ Kan-ed is an aggregator of services:
 - 430,000 subscribers have access to a variety of databases through an online portal.
 - Kan-ed Live Tutor offers one-on-one tutoring for the K-20 experience, including GED, US Citizenship, and Resume modules.
- ★ Kan-ed helps members obtain dollars available through the federal E-rate program which are used to reduce local broadband costs.



Deferred Maintenance

- ★ State universities are stewards for:
 - 818 state-owned buildings which encompass 30 million square feet and represent two-thirds of the state's buildings
 - At least 75% of the buildings are 30 years or older
 - 26,214 acres of land
 - Replacement value of \$7.3 billion
- ★ Deferred maintenance is estimated to be over \$800 million.
- ★ Funds needed for annual maintenance is estimated to be approximately \$90 million.

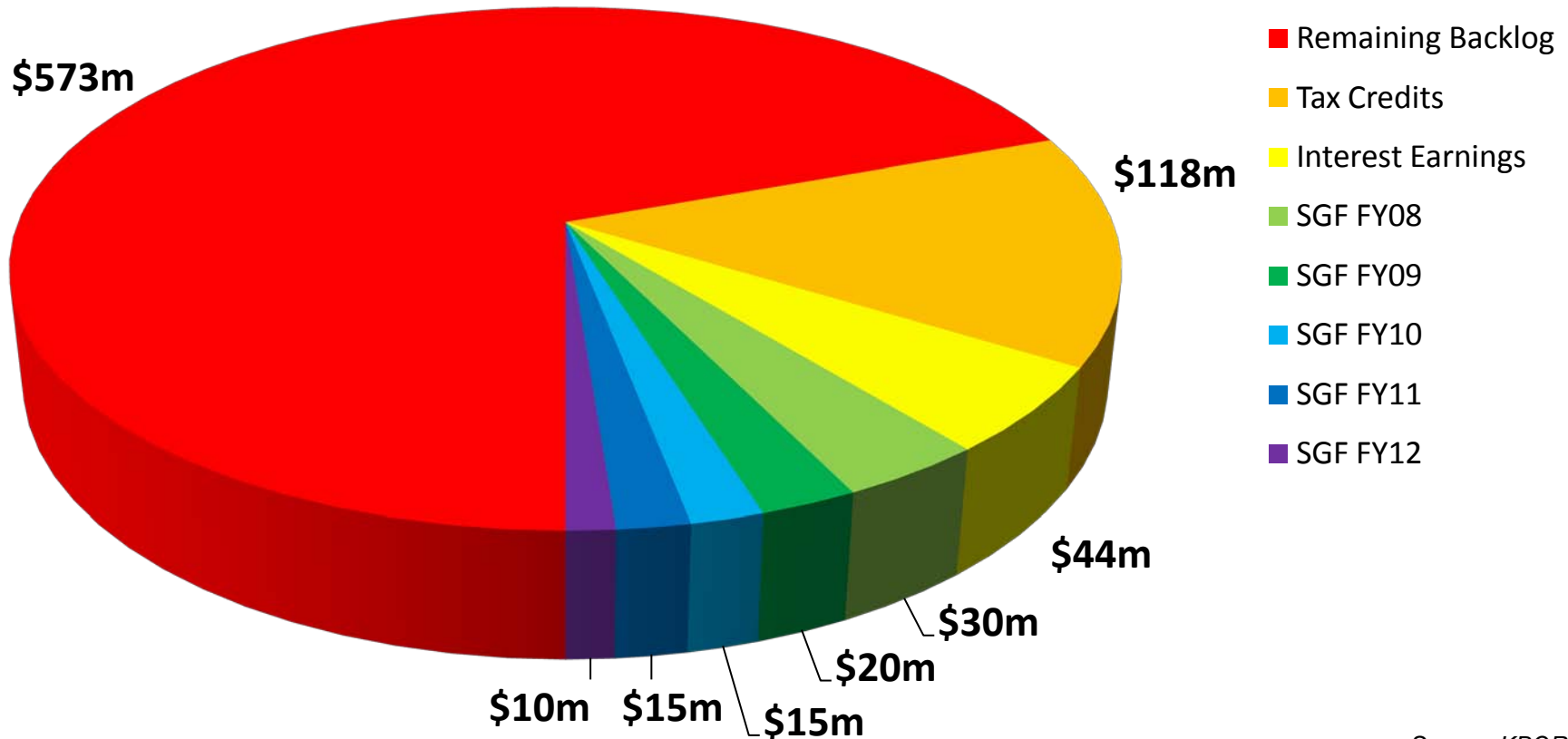


Deferred Maintenance

- ★ In 2007, the Legislature approved a 5-year comprehensive deferred building maintenance plan to help address the State University maintenance backlog estimated at that time to be \$825 million and the maintenance backlog at WU and the Community and Technical Colleges estimated at that time to be \$172 million.



If Fully-Funded, the Legislature's 5-Year Plan Would Have Addressed 31% of the State University Maintenance Backlog:





Deferred Maintenance

- ★ To help balance the State's budget, the Legislature removed \$1.3 million SGF from Year 3 (FY10) and \$15 million SGF from Year 4 (FY11) of the State University deferred maintenance appropriation.
- ★ In addition, the Legislature removed all funding for Year 3 (FY10) and Year 4 (FY11) of the Postsecondary Educational Institution Long-Term Infrastructure Maintenance Program (PEI) no-interest loan program that is utilized by WU and the Community and Technical Colleges.
- ★ However, \$90 million was received for use on deferred maintenance and tuition mitigation from federal ARRA funds.



Deferred Maintenance

★ State University Summary:

Anticipated in 2007 (in millions)		Actual (To Date)
Tax Credits	\$118	\$ 1.3
Interest Earnings	\$ 44	\$32.7
SGF Through FY11	\$ 80	\$63.7
Federal Stimulus	<u>\$ 0</u>	<u>\$45.8</u>
Total	\$242	\$143.5

★ Coordinated Institutions:

Tax Credits	\$40.5	\$ 3.2
PEI	\$100	\$40.0
Federal Stimulus	<u>\$ 0</u>	<u>\$17.7</u>
Total	\$140.5	\$60.9



State University Progress

- ★ 96 maintenance projects have been approved by the Joint Committee on State Building Construction, 79 have been initiated, and 42 have been completed.
- ★ Projects include utility tunnel improvements, boiler replacement, waterline improvements, electrical switchgear replacements, ADA improvements, life-safety improvements, and the re-roofing of facilities, among others.



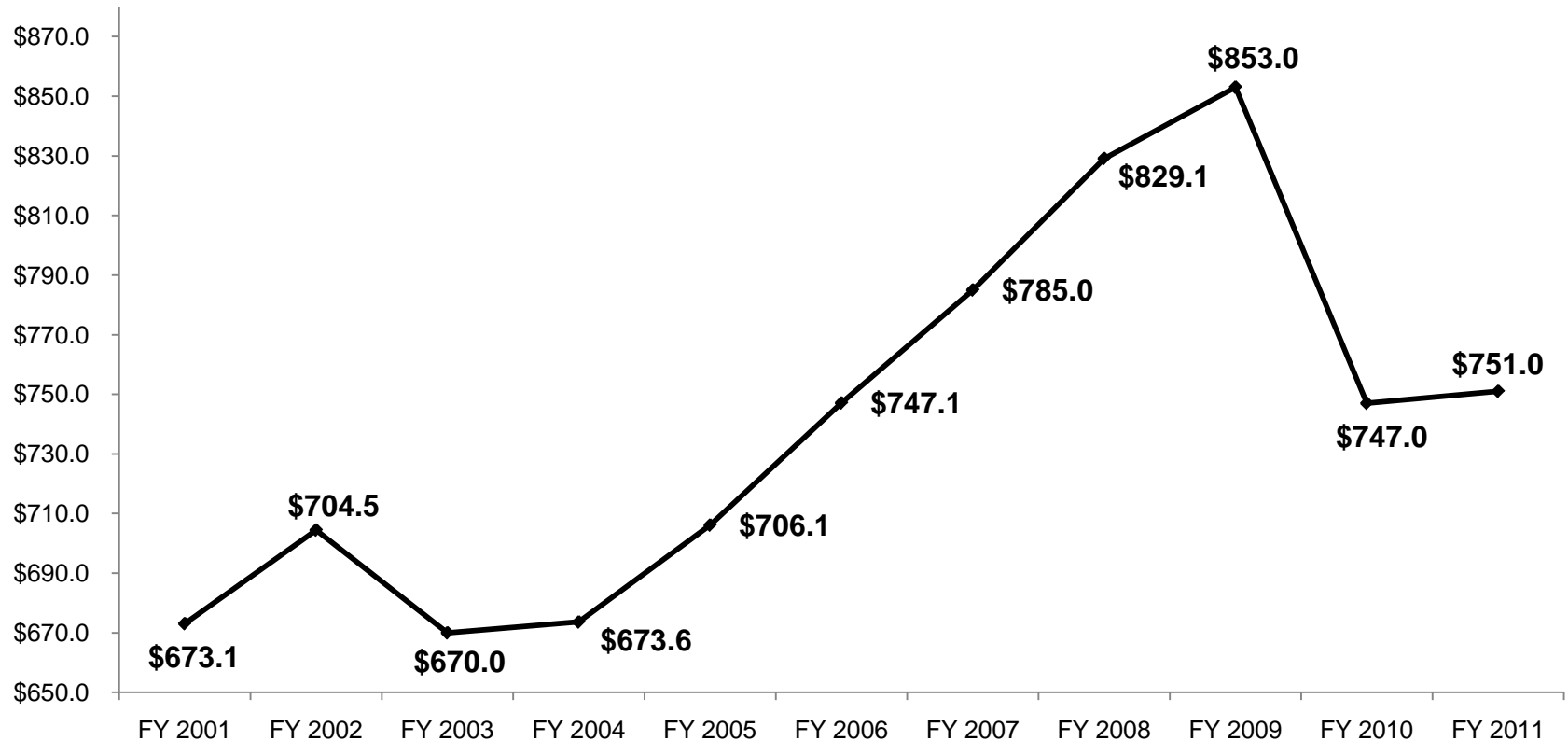
PEI Loan Progress

★ 17 of the 25 eligible coordinated institutions have utilized the no-interest loan program:

- ★ Barton Community College
- ★ Butler Community College
- ★ Cloud County Community College
- ★ Coffeyville Community College
- ★ Dodge City Community College
- ★ Garden City Community College
- ★ Highland Community College
- ★ Hutchinson Community College
- ★ Independence Community College
- ★ Johnson County Community College
- ★ Kansas City Kansas Community College
- ★ Labette County Community College
- ★ Manhattan Area Technical College
- ★ Northwest Kansas Technical College
- ★ Pratt Community College
- ★ Seward County Community College
- ★ Washburn University



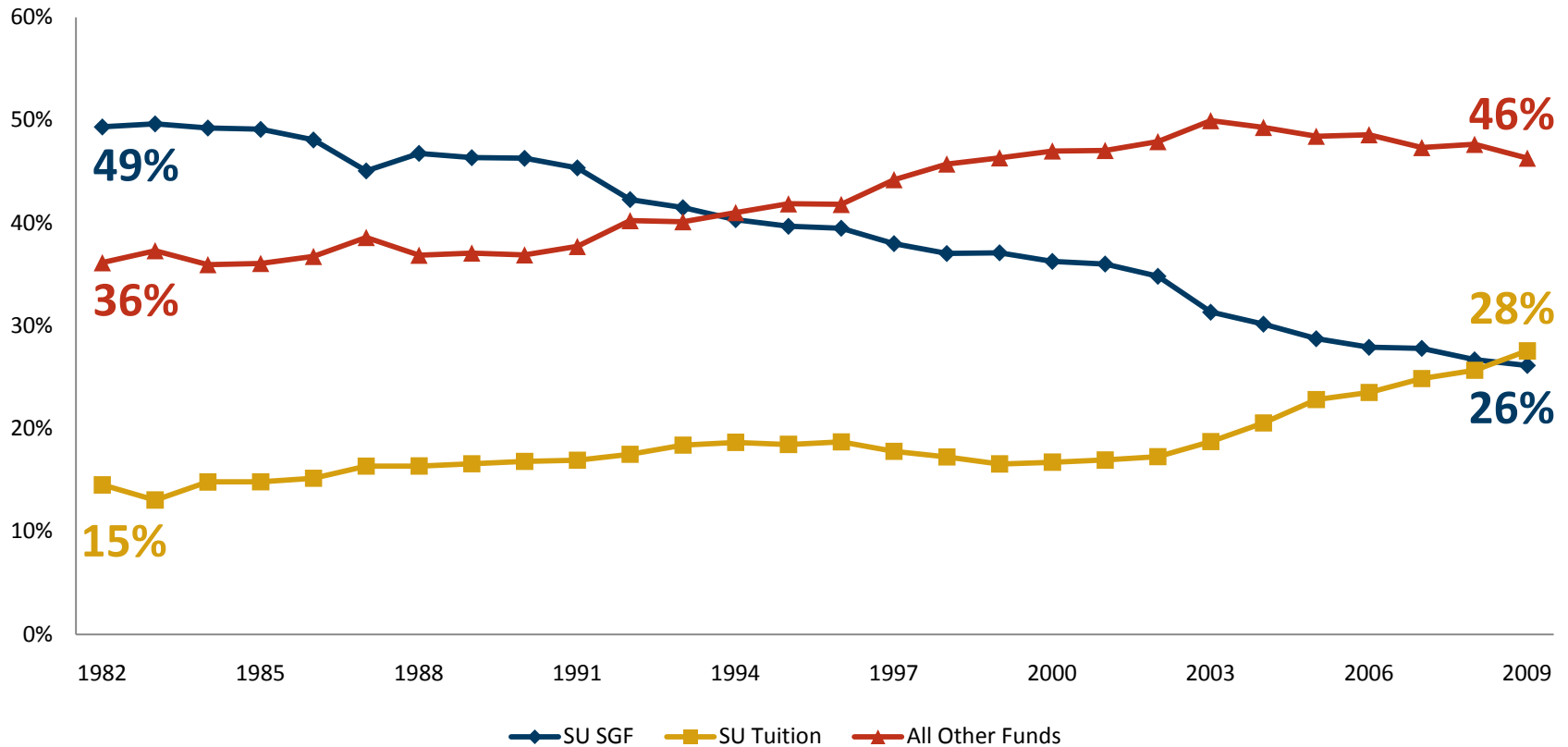
State Higher Education Funding (FY01 – FY11)



*Systemwide, In Millions.

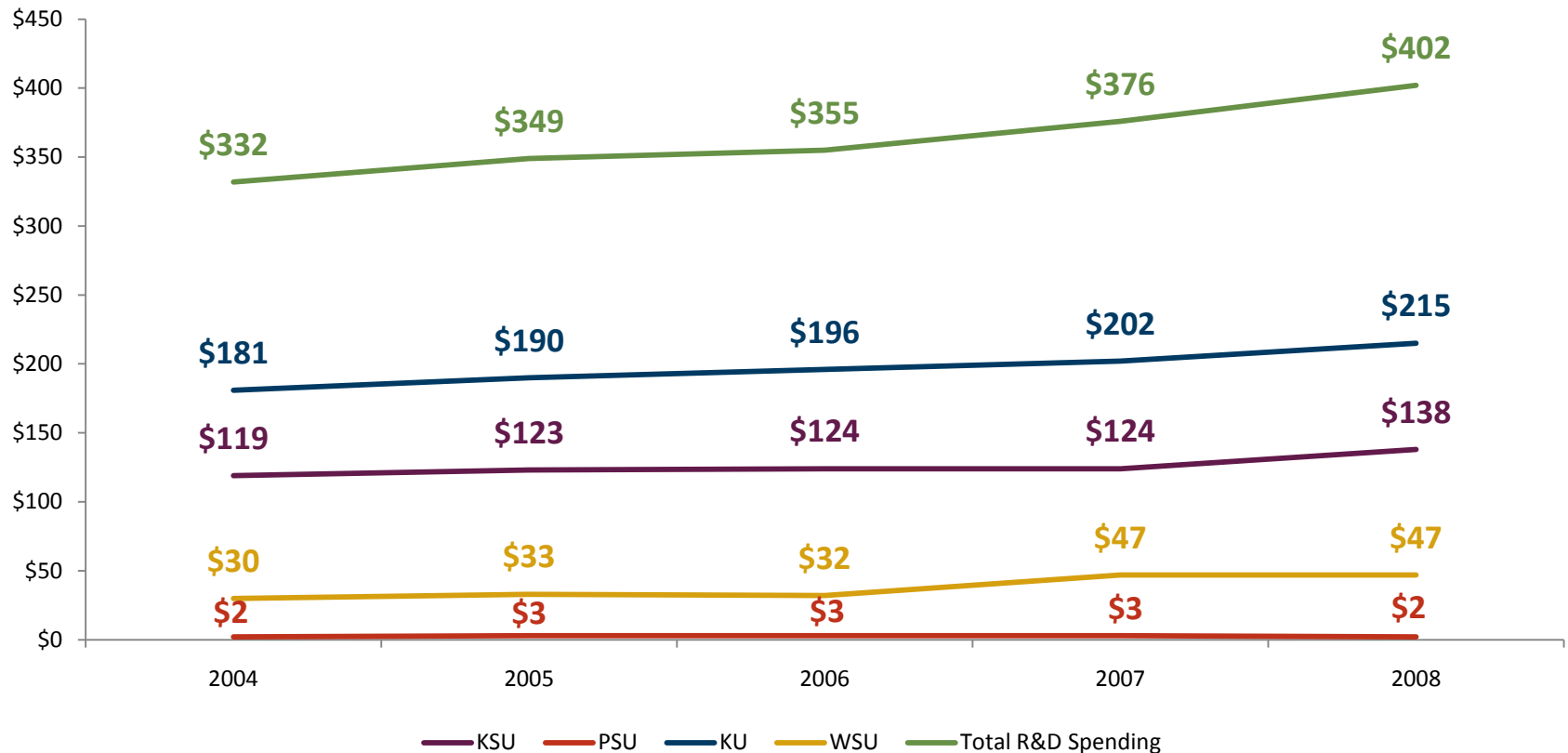


Funding for State Universities: State Funding, Tuition, Other Funding Sources (1982-2009)





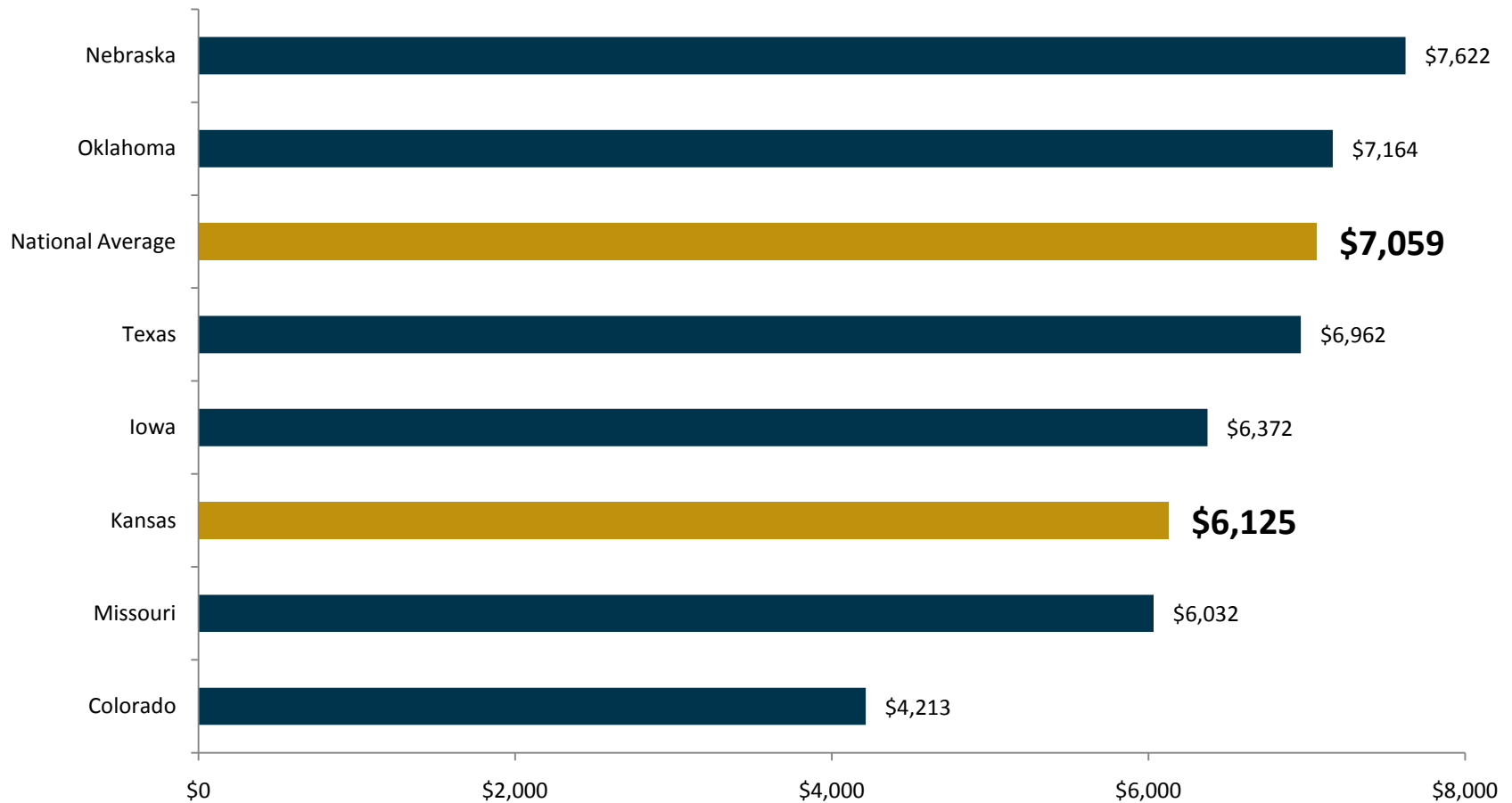
University Research & Development Spending



*In Millions



How Kansas Compares To The Region... State & Local Public Higher Education Support per FTE Student (FY08):



*Systemwide



Student Debt

- ★ In 2008, 62% (3 out of every 5) of graduates from public universities had student loans, and the average student debt was \$20,200 – 20% higher than in 2004, when the average was \$16,850 (www.projectonstudentdebt.org).
- ★ In Kansas, 55% of graduates from public universities have student debt (www.projectonstudentdebt.org).
- ★ In the United States, total student loan debt (\$850 billion) now exceeds total credit card debt (\$828 billion)

(USA Today 9-10-10).

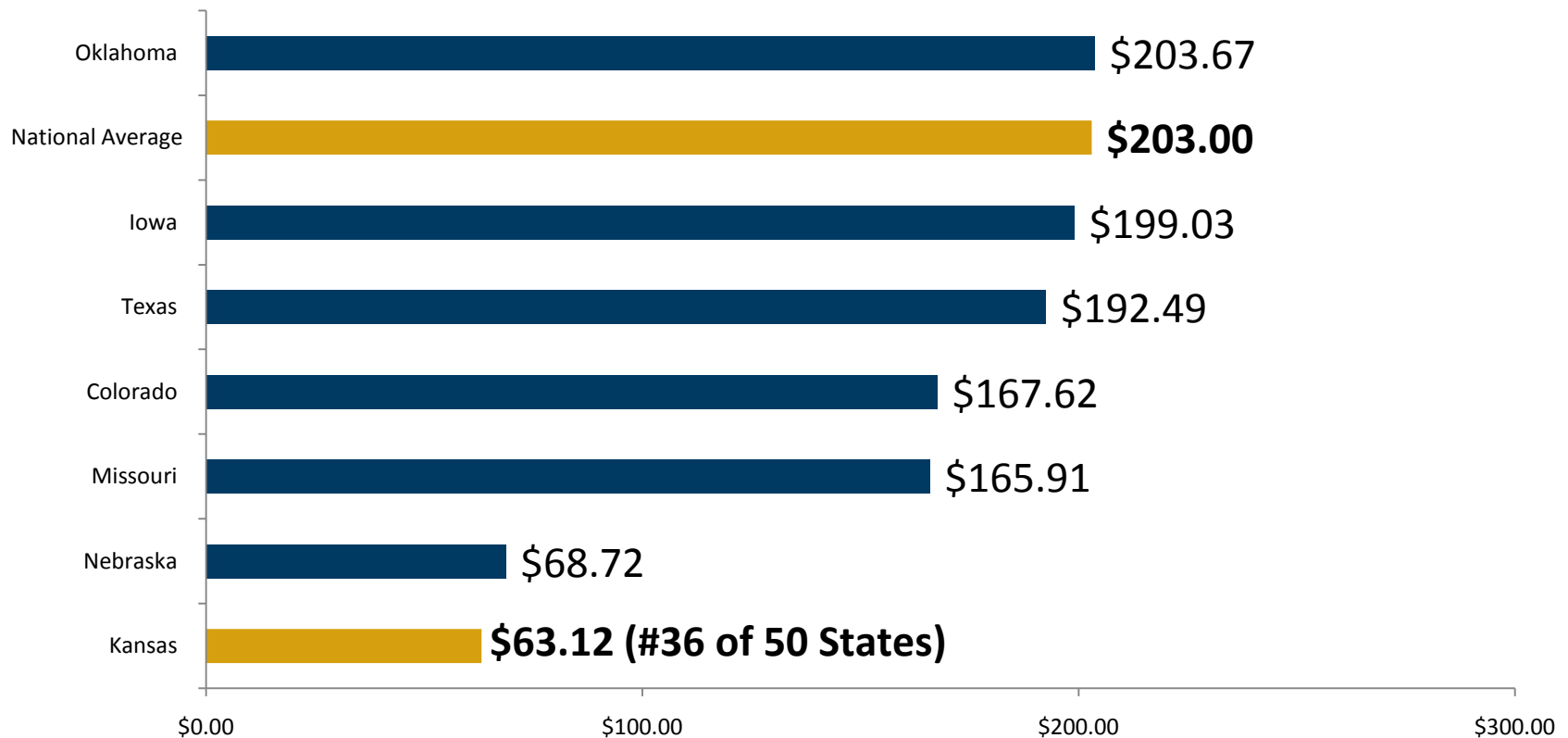


Average Debt of Graduates

KU	\$23,227
K-State	\$20,704
Emporia State	\$20,226
Pittsburg State	\$19,558
Wichita State	\$18,950
Fort Hays State	\$18,310
Combined Average	\$20,163



Per Capita State Need-Based Financial Aid Contributions per Student (2008-2009):



*Chart includes Big 12 States and national average.

**Per capita based on population aged 18-24, represents aid to all institutions within a state, both public and private.



2010-11 Board Initiatives

- ★ Visit each two year college, three university campuses, and each university president
- ★ Improve the CEO evaluation system
- ★ Revise program review policy
- ★ Review and emphasize growth of distance education
- ★ Adopt a 10 year strategic agenda
- ★ Coordinate more closely with preK-12
- ★ Adopt enhanced qualified admissions standards
- ★ Improve transfer and articulation
- ★ Respond to legislative directive to develop a tiered funding formula for technical education



National Reports on Education and the Workforce

- ★ Lumina Foundation for Education has set a goal of increasing the percentage of Americans with college degrees and credentials to 60% by 2025.
- ★ College Completion Agenda developed by the College Board in collaboration with National Conference of State Legislators has set a goal of 55% of Americans with an associate degree or higher by 2025.
- ★ Georgetown University Center on Education and the Workforce:
 - By 2018, 64% of jobs in the Kansas economy will require some level of postsecondary education and 54% will require an associate degree or higher.
- ★ Kansas currently has approximately 40% of its adults age 25 or older with an associate degree or higher.



College Complete Agenda

★ Recommendations:

- Early Childhood
- Improving Middle School and High School College and Career Counseling
- Dropout Prevention
- Standards and Alignment
- Educator Quality
- College Admission Process
- Financial Aid and Affordability
- College Completion
- Adult Education



★ FORESIGHT 2020 ★

A 10-Year Strategic Agenda for Public Higher Education

- ★ Achieve alignment between the state's preK-12 and higher education systems and continue to enhance alignment between higher education institutions.
- ★ Achieve participation in the state's higher education system that better reflects the state's demography and more fully engages adult learners.
- ★ Achieve measurable improvement in persistence and completion rates for higher education institutions.
- ★ Ensure that students earning credentials and degrees possess the foundational skills essential for success in work and in life.
- ★ Enhance alignment between the work of the state's higher education system and the needs of the Kansas economy.
- ★ Enhance the regional and national reputation of Kansas universities through aspirational initiatives.



Qualified Admissions Standards

Current Through 2014-15

- ★ Meet 1 of the following:
 - Minimum 21 ACT/980 SAT
 - Graduate top third of class
 - Complete precollege curriculum with 2.0 GPA
 - ▶ 4 Units English
 - ▶ 3 Units Math
 - ▶ 3 Units Natural Science
 - ▶ 3 Units Social Science

Begin Academic Year 2015-16

- ★ Meet 1 of the following:
 - Minimum 21 ACT/980 SAT
 - Graduate top third of class

AND

- ★ Complete revised precollege curriculum with 2.0 GPA
 - ▶ 4 Units English – Speech ½ unit option
 - ▶ Math – 3 Units AND meet ACT benchmark OR 4 Units with one unit taken in graduating year
 - ▶ 3 Units Natural Science
 - ▶ 3 Units Social Science
 - ▶ 3 Units Electives



Technical Education Funding Legislative Charge (K.S.A.72-4482)

- ★ “(11) (A) develop and recommend to the state board of regents a credit hour funding distribution formula for postsecondary technical training programs that
 - (i) is tiered to recognize and support cost differentials in providing high-demand, high-tech training,
 - (ii) takes into consideration target industries critical to the Kansas economy,
 - (iii) is responsive to program growth and
 - (iv) includes other factors and considerations as deemed necessary or advisable; and
- ★ (B) establish and recommend to the state board of regents the rates to be used in such funding distribution formula.”



New Model

- ★ Fund technical education courses “the same” regardless of which institution delivers the course.
- ★ Base the model on data.
- ★ Encourage high-wage, demand-driven education.
- ★ Encourage program growth.
- ★ Establish a “calculated cost” based on data for technical programs.
- ★ Programs are divided into 6 tier rates and tier rates are based on program costs.



Benefits to New Approach

- ★ Long-term system incentives for increased production of a high-wage workforce.
- ★ Uniform state funding for technical education regardless of sector.
- ★ Data-driven method of funding distribution.
- ★ Allows for strategic investments at the course level.
- ★ Improves linkage between secondary and postsecondary levels.



Board Legislative Priorities

- ★ Seek Continued Support for the Higher Education System including Kan-ed.
- ★ Provide Aid to Students in Need.
- ★ Address Deferred Maintenance.
- ★ Target Specific Program Initiatives to Support High Need Areas of the Economy.
- ★ Implement a Tiered Technical Education Funding Model.