

**APPROVED MINUTES  
KANSAS POSTSECONDARY  
TECHNICAL EDUCATION AUTHORITY  
MEETING**

The April 24, 2013 meeting of the Kansas Postsecondary Technical Education Authority (Authority) was held at the Kansas Board of Regents, 1000 SW Jackson, Suite 520, Topeka, Kansas.

**Members Present:**

Kathy Howell, Chair	Keith Meyers
Eddie Estes, Vice Chair	Joe Glassman
Bruce Akin	Lana Gordon
Thomas Burke	Connie Hubbell
Tom Foster representing Diane DeBacker	Steve Kearney
Sheila Frahm	

**Members Absent:**

David Coleal  
Diane DeBacker

**Others Represented**

Barton County Community College	North Central Kansas Technical College
Flint Hills Technical College	Northwest Kansas Technical College
Highland Community College	Salina Area Technical College
Hutchinson Community College	Washburn Institute of Technology
Manhattan Area Technical College	Linda Fund
Neosho County Community College	

The meeting was called to order by Chair Howell at 10:00 AM.

**APPROVAL OF MINUTES**

**Motion:** Member Burke moved to approve the minutes of March 27, 2013. Following a second by Member Akin, the motion carried.

**REPORTS**

**Member Liaison Report**

Member Meyers reported the Kansas Department of Commerce (Commerce) is waiting on a final report regarding how funds will be impacted by the sequester in the next fiscal year. Although not originally anticipated, Wagner-Peyser Act funding is expected to be cut about five percent. Meyers also reported the \$92.5 million bond issue to improve facilities, enhance technology and expand career and technical educational opportunities for Douglas County Unified School District 497 passed on April 2, 2013. The local Workforce Investment Boards are looking at statewide efforts and considering how they can help to support grant proposals.

**Vice President for Workforce Development Report**

Vice President Flanders introduced Connie Beene, Director of Federal Initiatives for Technical Education, and welcomed her to the Workforce Development team.

Vice President Flanders reported thirteen colleges in Kansas deliver technical education to students who are also receiving GED instruction through Accelerating Opportunities-Kansas (AO-K). Kansas has performed highly in

the AO-K initiative with enrollment of over 1,000 students receiving about 1,400 credentials and over 360 employed. A report on the progress of Accelerating Opportunity in Kansas will be presented to the Washington state board in May 2013 where the Accelerating Opportunity initiative began.

Vice President Flanders reported business and industry partners have met regarding curriculum alignment for the diesel technology program and electrical technology program and the state faculty curriculum committee is scheduled to meet the first week of May 2013.

Vice President Flanders told the Authority that work continues on the strategic plan item to address the needs of veterans and their families through the Military Taskforce (Adjutant General Tafanelli, the Executive Director of the Commission on Veterans Affairs, the Secretary of Commerce and Vice President Flanders). The veterans' website initiative will roll out soon with a single site for veteran educational benefits. Colleges are required to have a specific web page designated for veterans to be included in the website initiative.

Veterans still experience employment challenges in the current economy and those lacking a specific skill set may have difficulties acquiring employment. Recent legislation has passed which will assist veterans. House Bill 2078 (HB 2078) allows state agencies to accept military training/education for licensing requirements for employment. Agencies have previously recognized military education for licensing requirements and HB 2078 makes it official across all state agencies. Senate Bill 27 (SB 27) expands financial aid available to veterans from the Kansas Board of Regents (KBOR) to include all conflicts on international waters or foreign soil.

Vice President Flanders reminded Authority members that lunch would be provided at Washburn Institute of Technology following the meeting with a tour of the Midwest Training Center for Climate and Energy Control Technologies.

### **CONSENT AGENDA**

#### **Technical Program and Curriculum Committee**

After discussion and a thorough review of the application materials, the Technical Program and Curriculum Committee recommended the Authority approval of the AAS degree and technical certificates in Precision Agriculture submitted by Highland Community College (HCC) as listed below and that these programs be forwarded to KBOR for final approval.

- Highland Community College  
Precision Agriculture (01.0308) - AAS degree-63 credit hours; Technical Certificate - 45 credits;  
Technical Certificate - 18 credits

**Motion:** Member Hubbell moved to recommend the approval of the Precision Agriculture AAS degree/technical certificates submitted by Highland Community College and forward to KBOR for final approval. Following a second by Member Frahm, the motion passed unanimously.

### **CONSIDERATION OF DISCUSSION AGENDA**

#### **Budget and Finance Committee Report**

Member Glassman recognized Vice President Duffy for a budget and finance report.

##### **Legislative Budget Update**

Vice President Duffy reviewed the current status of the state budget and the programs and associated funding within the statutory charge of the Authority. For FY 2013 the State General Fund (SGF) is \$6.2 billion with higher education funding at \$772 million and technical education programs at \$77.2 million. The Governor has recommended stable state higher education funding for FY 2014 and FY 2015: FY 2014 - \$6.1 billion SGF, \$775 million higher education; FY 2015 - \$6.1 billion SGF, \$776 million higher education. At \$77.2 million for technical education for FY 2013, the Authority oversees about ten percent of the higher education budget. The FY 2013 state funded technical education programs include \$58.3 million for postsecondary tiered technical education state aid (SB 143), \$14.75 million for the Governor's

CTE initiative (SB 155) which is comprised of tuition for technical education (\$11.75 million) and the incentive program (\$3 million), \$3 million for vocational education capital outlay and technology grants, \$900,000 for nursing faculty and supplies, \$179,725 for technology innovation and internships and \$114,000 for workforce scholarships.

The legislative budget bills include supplemental appropriations for FY 2013, appropriations (operating and capital) for FY 2014 and FY 2015 and any Omnibus items. A list of budget items still under discussion and in conference committees was provided as well as the budget items decided as of April 5, 2013. The House budget bill as it passed the House is almost an eight percent cut to SGF funding for higher education, \$60.2 million reduction, from FY 2013. The Senate budget bill as it passed the Senate is a two percent cut, \$13 million reduction. The current budget bill reductions are in addition to the 15 percent reduction incurred since FY 2008.

Vice President Duffy provided a report on the revised FY 2013 and FY 2014 Consensus Revenue Estimates. The revised FY 2013 SGF estimate is three percent less than the FY 2012 actual. The new forecast for FY 2014 is a 12 percent reduction below the FY 2013 estimate. Vice President Duffy noted the estimated reduction in the sales tax estimates is because the estimates are based on the current law and the sunset of a portion of the sales tax that was enacted during the recession. A detailed report will be released at the end of the month containing the economic forecast for Kansas which is the basis for the estimates.

#### Approve Recommendation to KBOR for Distribution of FY 2013 Tuition for Technical Education Appropriation

Vice President Duffy provided an issue paper on the Authority's recommendation for the distribution of FY 2013 tuition for technical education appropriation and noted the distribution would be subject to any change made in the final appropriation that becomes law. The appropriation is for the Governor's new CTE program (SB 155). A draft recommendation was distributed at the Authority meeting on April 24, 2013. The KBOR cost model (eligible secondary student credit hours multiplied by the course rates) is utilized to determine a total for each institution. The cost and courses use the same system as is used for the tiered technical education state aid; however, financing for the Governor's CTE Initiative is provided solely through state funding as there is no assumed student share or local tax share of the total cost. The staff recommendations were also distributed to the colleges and no concerns have been received regarding the distribution methodology. Staff recommended the approval of the distribution, subject to any changes made to the final appropriation, and that credit hours be verified per the Kansas Higher Education Data System (KHEDS) certified AY 2013 data collection in the fall with reconciliation adjustments made if necessary.

**Motion:** Member Kearney moved to recommend to KBOR the approval of the distribution of the appropriation titled tuition funds for technical education based on the KBOR cost model and estimated enrollments to eligible institutions, subject to any changes made to the final appropriation, and that credit hours be verified per the KHEDS certified AY 2013 data collection in the fall with reconciliation adjustments made if necessary as part of the FY 2014 distribution. The motion was seconded by Member Burke. Following discussion, the motion passed unanimously.

#### Discuss Scenarios for Distribution of FY 2014 and FY 2015 State Appropriations

Vice President Duffy noted that a recommendation to KBOR will need to be made at the Authority meeting on May 29, 2013 regarding the distribution of FY 2014 state appropriations.

Vice President Duffy explained with regard to the FY 2014 distribution for postsecondary tiered technical education state aid, the current understanding allows for a distribution based on the same methodology utilized last year if there would be an increase in the state appropriation and the new funds would be distributed to those with gaps above the average. If funding is flat there would be no change in the distribution. If there is a reduction, the decrease would be shared across the board. Duffy reminded the

Authority that considerable variation exists in the range of the institution gaps which is the difference in what the formula indicates an institution should receive and what they are actually receiving. Through the work of the Process Management Committee (PMC) a re-centering approach was developed last year to narrow the gap. Institutions with gaps above the median would receive new funding from the increase in the state appropriation and those below the median would be held at the previous year's level and not receive new funding. Vice President Duffy presented several draft scenarios. One scenario demonstrates an across-the-board reduction for 2014 tiered technical education state aid if there is a two percent cut which currently is in the Senate budget bill and a four percent cut which currently is in the House budget bill.

With regard to the FY 2015 appropriation for tiered technical education state aid, Vice President Duffy presented several scenarios to serve as a "conversation starter" regarding the topic of re-centering. The scenarios are provided as a model only and are not to be interpreted as actual numbers. The other scenarios provided include re-centering the total budget appropriation amount for 2015 tiered technical education state aid, a re-centering of the budget appropriation increase only and a re-centering of 20 percent of the 2014 base plus 2015 budget appropriation increase. Vice President Duffy reminded the Authority that the enrollment numbers and costs will be different for FY 2015 and there could also be changes for the FY 2015 appropriation made in the next legislative session. The PMC will meet on April 26, 2013 and will begin discussing the topic of re-centering for FY 2015.

With regard to the appropriation for the Governor's CTE program, currently, the Legislature has concurred with the Governor's recommendation for FY 2014 and FY 2015 of \$8.75 million for tuition for technical education. Staff will be working with the colleges to provide enrollment and cost information based on the fall census and will be in a position to provide a good estimate to the Governor for his consideration and inclusion of supplemental SGF funding for FY 2014 and FY 2015 for his initiative.

Chair Howell asked for verification of the decision-making timeline for a distribution to the colleges. Vice President Duffy explained the decision for FY 2014 will need to be made in June 2013 and the decision for FY 2015 would be made in June of 2014. KBOR would take official action after the state has approved the final FY 2015 appropriation which would probably be in June 2014.

Vice President Duffy reported the following information on higher education state appropriations per in-state FTE student for Kansas and area states: Kansas - \$4,959, Missouri - \$5,701, Nebraska - \$6,896, Oklahoma - \$7,613, Texas - \$7,904.

### **Marketing Committee Report**

Member Kearney provided a Marketing Committee PowerPoint update. The second year of the Marketing Campaign will kick-off at the 2013 Career and Technical Education (CTE) Summer Conference, July 28-31, 2013 at the Hyatt Regency Hotel in Wichita. A marketing presentation will be provided to an audience of about 500 educators, primarily secondary educators but also including some postsecondary educators, at the conference sponsored by the Kansas Association for Career and Technical Education (K-ACTE), the Kansas State Department of Education and KBOR. Two manufacturing videos, one aviation specific and one featuring high tech manufacturing, are in production with an estimated completion date in May 2013. A second marketing campaign mailing to high school teachers and counselors will include a letter from the Governor highlighting campaign achievements to date, updated posters and brochures in English and Spanish. Member Kearney reported the committee discussed reaching out to additional audiences including local chambers of commerce and industry-specific business associations and non-profit organizations. The second phase of the social media campaign kicked off in March 2013. After a 56-day run on Facebook, the welder video had 1,826 clicks to the **KANSASWORKS**/Career Zoom site and 1,100 clicks for the utility video. On YouTube the welder video had 37,841 views and 3,637 clicks to **KANSASWORKS**/Career Zoom site. Thirty-second and fifteen-second theater ads ran from November and December 2012 to January 2013 in 20 theater locations.

A lengthy discussion followed the marketing report. Chair Howell asked the Marketing Committee to present the manufacturing videos at the next Authority meeting on May 29, 2013. Chair Howell affirmed reaching out to local chambers, business associations and non-profit organizations as a good marketing strategy to promote industry recognized credentials and business partnerships and suggested the development of a work plan by the committee. The connection between students, institutions and business and industry is important for the education pathway, job placement, business planning and the state's economy. Member Frahm requested that a report from the Kansas Department of Labor be provided at the Authority meeting on May 29, 2013 and also for information from the colleges regarding their interaction with employers and business and industry.

## **OTHER MATTERS**

### **Open Comment Period**

Dr. Carl Heilman, president of Barton County Community College, explained, as a perspective for new members, that when asked about the benefit of the Authority he responds with the following three comments.

- The Authority is a tremendous advocate for career technical education.
- The Authority developed a cost funding model as required by the legislature as well as an alignment program and established the PMC with the task to deal with funding matters.
- The ongoing focus on re-centering is important and will play a critical role in the future.

Eric Burks, president of North Central Kansas Technical College, expressed concern that the cost model only rewards the quantity side and refinement of the model to implement the measurement of a quality side is needed. He explained that NCKTC may not produce a large quantity of credit hours but does produce quality graduates who secure employment when other institutions may produce a large quantity of graduates but only a percentage secure employment.

Greg Goode, president of Salina Area Technical College (SATC), thanked the Authority for their work. He expressed the need for the re-centering model to be passed and for the implementation of a model that will minimize the damage to the institutions.

Ed Mills, president of Northwest Kansas Technical College (NWKTC), told the Authority that, according to the distribution scenario for 2015, NWKTC would receive \$1,884,434 less than in the 2014 distribution and the outcome would be the closing of the college. He expressed his concern and hoped there was an error in the calculations. President Mills explained that NWKTC has been one of the fastest growing institutions and has received awards from the Aspen Institute, Apple and the Huck Boyd National Institute for Rural Development. He also reported that NWKTC graduates 75 percent of their students and 90 percent are employed. NWKTC provides a skilled workforce for the area agriculture industry and has an excellent diesel technology program. President Mills noted NWKTC is doing what they have been asked to do and quality needs to be a consideration. He indicated a need for a discussion regarding the performance of the institutions and the direction reflected in the formula that would close educational access to rural Kansans.

## **ADJOURNMENT**

Chair Howell called for adjournment. The next Authority meeting is scheduled for May 29, 2013 at 10:00 AM.

Respectfully submitted by:

Deej Cowling, Executive Assistant