

Approved: February 1, 2010
Date

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:30 p.m. on January 26, 2010, in Room 152-S of the Capitol.

All members were present except:

Senator Anthony Hensley- excused
Senator John Vratil- excused

Committee staff present:

Sharon Wenger, Kansas Legislative Research Department
Dorothy Gerhardt, Committee Assistant

Conferees appearing before the Committee:

Mike Kastle, Superintendent, USD #245, Leroy-Gridley
Reginald Robinson, President, Kansas Board of Regents
Dale Dennis, Deputy Commissioner of Education, Kansas State Department of Education

Others attending:

See attached list.

Presentation: Leroy-Gridley USD #245

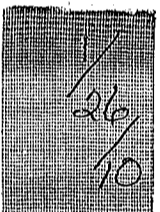
Mike Kastle, Superintendent, USD #245, Leroy-Gridley (Attachment 1), appeared before the Committee with a report on the status of their small school district and the approaches they have implemented in dealing with the current and future decreases in available funding. Board members Kevin Ohl and Jennifer Nauertc accompanied Mr. Kastle. A question and answer session with the Committee followed.

Presentation: Kansas Board of Regents

Reginald Robinson, President, Kansas Board of Regents (Attachment 2), appeared before the Committee with a report of activities of the Board during the past year and also a report regarding the financial status of the state universities. A question and answer session with the Committee followed this report also.

The next meeting is scheduled for January 27, 2010.

The meeting was adjourned at 02:30 p.m.



SENATE EDUCATION COMMITTEE GUEST LIST

DATE: January 26, 2010

NAME	REPRESENTING
MARK DEZETTI	KNET
Marjorie Werly	Emporia State Univ
KEVIN OHL	USD 245
Jennifer Puente	USD 245
Mike Kastle	USD 245
Missy Taylor	KFE
Tracy Russell	SQE
Linda Fintel	KACCT
Diane Gjerstad	U.S.D. 259
Scott Frank	Post Audit
Kristen Gammur	Sen. D. Schmidt
Bernie Koch	KEPC
Bob VanCrumm	Greater KC Chamber ^{+ Blue Valley} ^{HP}
Heri Henry	Sandstone Group LLC
leigh Keck	Hein Law Firm
C. David Pannor	Kearney & Associ.
Mark Tallman	KASB
Andrea Beader	GBA
Dean Tollefson	Brown KSNG
DK Preckor	#HSU

SENATE EDUCATION COMMITTEE GUEST LIST

DATE: 1-26-10

NAME	REPRESENTING
Victoria White	Pittsburg Star

LEROY-GRIDLEY UNIFIED SCHOOL DISTRICT NO. 245

Mike Kastle, Superintendent
Telephone: 620-964-2212
Fax: 620-964-2413
E-mail: kastlem@usd245ks.org
P.O. Box 278 LeRoy, Kansas 66857

Good Afternoon Ladies and Gentlemen:

Thank you for the opportunity to speak to you today about the plight of our school district and most probably that of many small school districts in our state. I am the Superintendent of USD 245, LeRoy-Gridley in Coffey County. I also serve as the Elementary Principal for LeRoy Elementary and Gridley Elementary, the Middle School Principal at the Southern Coffey County Middle School, and the High School Principal at the Southern Coffey County High School. In other words, I am the only administrator in our district of approximately 250 students. Our schools are located in LeRoy and Gridley, which both sit on Kansas Highway 58 about fifteen miles apart.

I have been had the pleasure of working in this school district for six years now and had served in the dual role of Superintendent and principal of the LeRoy Elementary / Southern Coffey County High School until this year when we went to a single administrator because of the anticipated reduction in budget authority due to declining enrollment.

Seven years ago the district re-organized attendance centers and eliminated one high school and one middle school. All high school students attend school in LeRoy and all middle school students attend school in Gridley. As you can imagine we transport a lot of students. This arrangement has worked out well for us and we believe that we are continuing to offer a quality education for ALL of our students. Four years ago we combined the third and fourth grades at the Gridley Elementary School due to a decrease in numbers at that attendance center.

Building level enrollment numbers as of September 20, 2009 were:

Gridley Elementary	31	LeRoy Elementary	65
SCCMS	67	SCCHS	92
DISTRICT TOAL	255		

During the 2008 – 2009 school year our General Fund budget was \$2,434,312; we budget for the 2009 – 2010 school year \$2,337,194 and at present our budget has been reduced to \$2,245,918. How have we adjusted to this cut of over \$188,000? The reduction of the principal position saved us about \$50,000 as I took no increase in salary to take on this position. We did hire two staff members as head teachers at a cost of about \$10,000. In addition beginning on January 4th of this year we went to a four-day week which is saving in transportation costs and food service costs, we have eliminated one position in the district office, have eliminated field trips that are not funded by outside sources, lowered temperatures in all buildings by six degrees, eliminated expected transfers which will impact our ability to deliver services in some areas next year, and frozen all purchases and most of our professional development. Staff are purchasing many items from their own pocket. I know of one staff member who has donated over \$300 during the months of December and January for school related items. Community members and businesses have stepped up and are providing services at reduced costs and / or are donating money for selected programs.

David Kraft, President
Jennifer Nauert
Mike Kastle, Principal, LeRoy

Board of Education
Charlie Patterson, Vice President
Randall Storrer
Sarena Storrer, Clerk

Damon Birk
Greg Yotz
Mike Kastle, Principal, Gridley

Senate Education
1-26-10
Attachment 1

LEROY-GRIDLEY UNIFIED SCHOOL DISTRICT NO. 245

Mike Kastle, Superintendent
Telephone: 620-964-2212
Fax: 620-964-2413
E-mail: kastlem@usd245ks.org
P.O. Box 278 LeRoy, Kansas 66857

What is next for us as we anticipate more cuts if state revenue does not improve? The board has compiled a list of approximately 25 items that we are looking at and will be taking action on during the next couple of months. As I said earlier we have gone to a four-day week which will be considered again for next year as will other means of reducing the number of student contact days, combining classes, eliminating programs, raising the Local Option Budget to the maximum (which by the way is a tax increase for us locally), eliminating and/or scaling back on co-curricular activities such as football, volleyball, basketball, track and field, forensics, and scholars' bowl, eliminating all professional development, freezing salaries, reducing the hours of non-certified staff members, and closing buildings.

We realize that the state economy is not good at this time and that we must share in the pain that comes with declining revenues in the state. However, we also feel that we are one of if not the most important "businesses" in the state because of who we serve. If we continue to have to make cuts in what we are able to offer our students we will no longer be a first class state when it comes to how our students do on assessments and how they do when we graduate them into the workforce or into our colleges, universities, trade schools, or the military. Our students, not just those at USD 245, but also those throughout the state, are well educated. We all work many hours and do the very best we can for our students each day to make sure that they meet or exceed state standards as well as preparing our students for the outside world.

I have told our patrons that we may be our own worst enemy as no matter how we are cut, our teachers will rise to the occasion and continue to strive to and succeed in educating our students to the highest level. We cannot continue to do that as we will be cutting staff, eliminating programs, and reducing student contact time. Each of these by themselves are harmful to students, but when we may have to do all of these, we will see some drastically negative results in student learning.

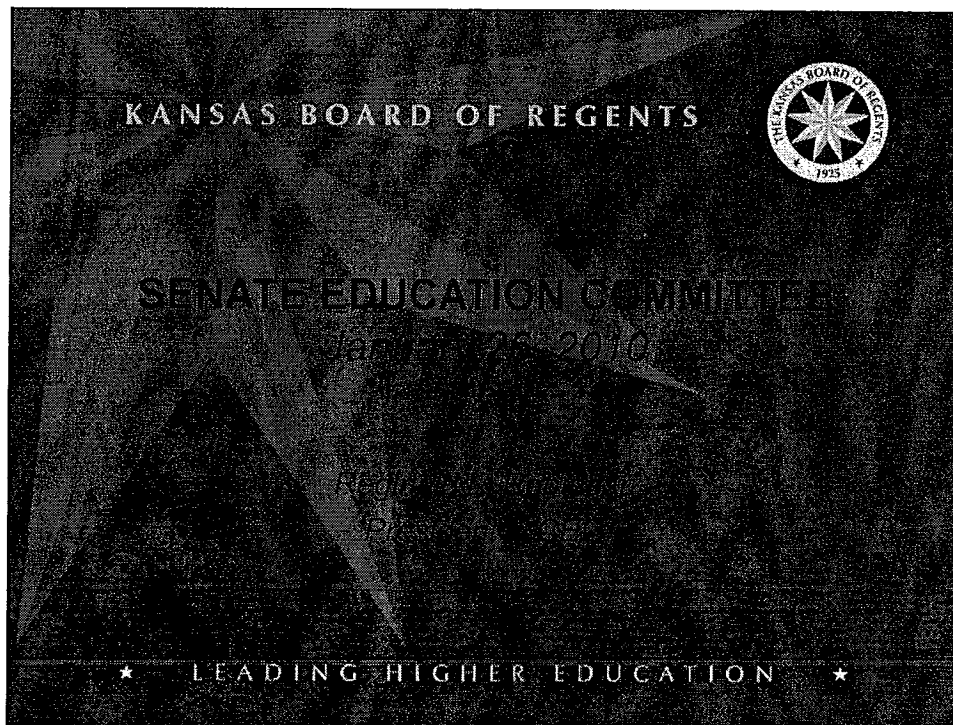
Speaking for the patrons, students, staff, and board of education of USD 245 and hopefully for those groups from all schools in the state, I ask you to look carefully at education and consider the needs of our schools before making further cuts. I would also urge you to find means to increase the per pupil allocations back to previously funded numbers and beyond as rapidly as possible over the next two to three years. Many schools will not survive without adequate funding and the present level of funding is not adequate.

I thank you for your time today and for your interest in the schools and students of this great state.


David Kraft, President
Jennifer Nauertc Kevin Ohl
Mike Kastle, Principal, LeRoy

Board of Education
Charlie Patterson, Vice President
Randall Storrer
Sarena Storrer, Clerk

Damon Birk
Greg Yotz
Mike Kastle, Principal, Gridley



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The 2009 Legislative Session:

- ★ SB 8, KUMC Tort Claims (Signed Into Law)
- ★ SB 9, State University Capital Improvements (Signed Into Law)
- ★ SB 11, Community College Property Ownership (Signed Into Law)
- ★ SB 285, Multi-Year Kan-ed Funding (Approved by Senate)
- ★ HB 2003, Technical Education Statutory Clean-Up (Signed Into Law)
- ★ HB 2004, Regents Mandatory Retirement Plan Amendments (Signed Into Law)
- ★ HB 2007, State University Tuition Waivers (Signed Into Law)
- ★ HB 2197, State University Admissions (Signed Into Law)

*Senate Education
1-26-10
Attachment 2*

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Since the 2009 Legislative Session:

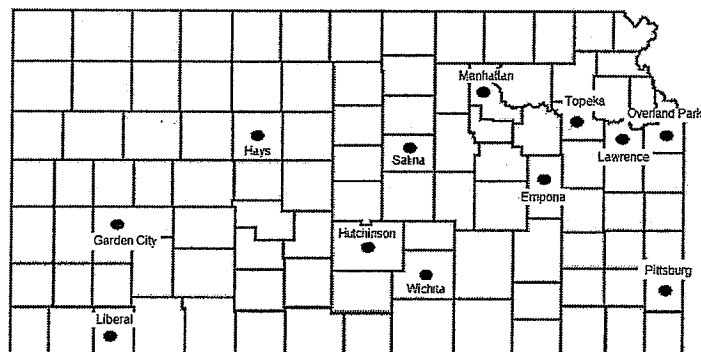
- ★ 3 new State University CEOs (KSU, KU, PSU).
- ★ 6 Independent State University Management Reviews.
- ★ State University Efficiencies Audit (Legislative Post Audit).
- ★ 6 State University Efficiency Task Forces.
- ★ State University Campus Security Consultant.
- ★ Technical Education Authority.
- ★ P-20 Council.
- ★ Building A Public Agenda for Higher Education in Kansas (The 5 Questions).
- ★ Statewide Business & Industry Roundtable Tour.

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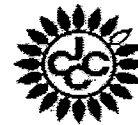
Business & Industry Roundtables:

- ★ 12-city tour took place in October and November.
- ★ Over 400 business and community leaders attended the events.



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Hosts:



Seward County Community College
• Area Technical School



**Pittsburg State
University**

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★ **Purpose:** To enhance and strengthen the critical link between the state's higher education system and the workforce and economic goals of the state.

★ **Message:**

- Higher education institutions and local businesses are in this together.
- The Kansas economy won't grow without successful businesses.
- Businesses won't reach their full potential without highly-skilled workers, and the Kansas public higher education system produces those workers.

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Recurring Statewide Themes:

- ★ Generally, workforce shortages exist in every community.
- ★ More specifically, a profound shortage of health care professionals exists statewide. Some recognized the capacity issue. Some were frustrated that qualified applicants are being turned away from high demand programs.
- ★ In western KS, communities are having trouble attracting & retaining qualified workers.
- ★ In central & eastern KS, communities need more engineers.
- ★ General recognition of the need for life-long learning opportunities. As the world changes, employees will have to continually adapt and re-tool.

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- ★ Educational institutions need to be more nimble/agile when it comes to meeting local business needs.
- ★ Don't ignore the liberal arts. All students, whether they're pursuing a 2-year technical degree or an advanced professional degree, need to be able to communicate, work collaboratively, etc.
- ★ Employers had general concerns about relating to "millennials" – their work ethic, what motivates them, etc.
- ★ K-12's graduation expectations need to better-align with higher education's admissions expectations.
- ★ Statewide perception that KS is experiencing "brain drain."
- ★ Concerns about students taking on too much debt to finance their higher education.

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**Results (21 Question Survey):**

- ★ 75% say the quality of higher education available in KS today is “above average” or “excellent.”
- ★ 78% say the quality of higher education in KS today is better than it was 20 years ago.
- ★ 100% say their impression of the state’s 32 public higher education institutions is favorable.
- ★ 60% say the state’s 32 public higher education institutions are doing a “good” or “excellent” job when it comes to providing highly trained and skilled workers and professionals to meet the state’s workforce needs.

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- ★ 100% agree that higher education is critical for economic development in KS.
- ★ 100% agree that higher education will help supply the future workforce needed for KS to succeed.
- ★ 100% agree that higher education improves the general quality of life in the state.
- ★ 95% agree that higher education should be made as accessible in the 21st century as high school was in the 20th century.
- ★ 90% believe that achieving a higher level of education is more important today than it was 20 years ago.

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- ★ 72% say state funding for higher education should be increased, 28% say funding should be maintained at its current level, and 0% say funding should be decreased.
- ★ 75% say the percentage of state support for the state universities (27% SGF) is "somewhat" or "far too" low. 0% say the percentage is too much.
- ★ 88% say elected officials in Topeka should make higher education a higher priority. 0% say it should be a lower priority.
- ★ 83% believe that further reductions in state funding will put the quality of higher education in KS at risk.

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- ★ The best reason not to cut state higher education funding? 40% say because it will increase tuition costs making higher education less affordable. 35% say because it will lower the quality of education.
- ★ If state budget challenges continue, 45% say a combination of budget cuts and revenue enhancements should be used to balance the state's budget.
- ★ If revenue enhancements are necessary, 47% prefer sales taxes.
- ★ 93% say improving state university graduation and retention rates is "very" or "somewhat" important.
- ★ 89% say their community has a shortage of qualified workers.

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What could higher education institutions do to better serve your local community/region?

- ★ Increase accessibility by providing more online classes.
- ★ HS students should be allowed to pursue technical education beginning their junior year. The last 2 years of HS are often wasted.
- ★ Local businesses are able to work with 2-year colleges but 4-year universities have little to no interest.
- ★ Recruiting students from KS should be a higher priority. Too many are leaving the state.
- ★ Coordinate better with K-12.
- ★ Encourage more private sector involvement through advisory councils.
- ★ More "after hours" or evening classes need to be offered to accommodate those who work full-time.

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If you could suggest one improvement for higher education in KS, what would it be and why?

- ★ High school graduates need to be better prepared for college.
- ★ Improve university outreach programs in rural areas.
- ★ Students need to complete a mandatory "finance 101" class – how to budget their finances, avoid credit card debt, etc.
- ★ Address capacity issues (adequate lab space, high demand programs, buildings, teachers, etc.).
- ★ Place more emphasis on outcomes.
- ★ Increase funding, don't reduce it.
- ★ Better align workforce needs with educational programs.
- ★ Encourage investment in higher education by companies such as Boeing, Koch, & Sprint through tax incentives.
- ★ Legislature needs to find a dedicated funding source for higher education and provide annual inflationary funding increases.
- ★ Encourage students to graduate in 4 years.

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Additional thoughts, suggestions, or comments for the Regents?

- ★ Roundtables are important tools for escaping the "beltway mentality" of Topeka. It's important to visit with "real" Kansans.
- ★ Today's workers lack "real life" skills – how to communicate, collaborate, make decisions, basic office skills, etc.
- ★ Thank you for coming out to western KS.
- ★ Waive in-state tuition for non-resident National Merit Scholars.
- ★ Not all businesses are anti-tax and anti-education.
- ★ This dialogue is important. Please continue to get out and listen to folks across the state.
- ★ Kansas is lucky to have a single unified higher education system.
- ★ Is there really any correlation between cost and quality? Today's graduates have way too much debt.
- ★ In regards to state funding issues, look at eliminating tax exemptions. "I don't mind paying tax on Girl Scout cookies."

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The 2010 Legislative Session:

- ★ SB ____, Private Postsecondary Statutes Revision
- ★ HB 2414, FHSU Land Sale
- ★ HB 2415, State University Surplus Property
- ★ HB 2433, State University Purchasing Pilot Project
- ★ HB 2446, State University Investment Statutes Update

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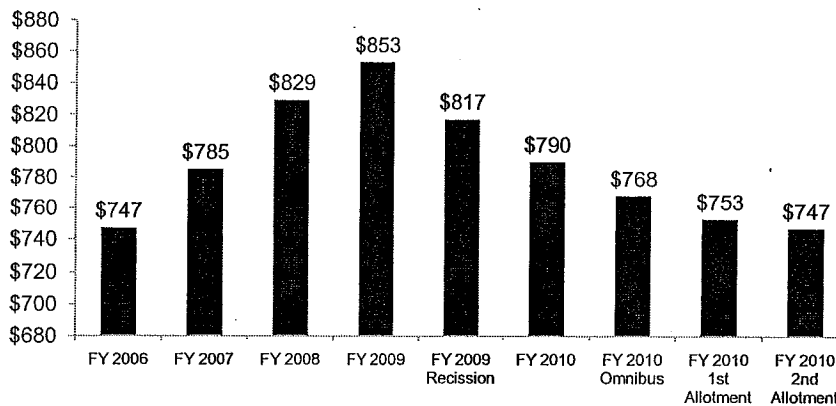
BUDGET UPDATE

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We're Operating in FY10 at FY06 Levels...

The State's Higher Education Budget (FY06-FY10):



**In Millions*

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Impact of Budget Cuts (Systemwide):

- * Employee Layoffs, Positions Held Vacant, & Positions Eliminated: **Over 1,000.**
- * Programs/Classes Eliminated: **Over 450.**
- * Increased class sizes & reduced course offerings.
- * Reduced library resources (books, databases, & publications) & hours of operation.
- * Students less likely to graduate in 4 years.
- * Reduced operating support for equipment & technology upgrades.
- * Student counseling services reduced.
- * Eliminated purchases of research & educational equipment.
- * Reduced or eliminated overtime and student labor budgets.
- * Increased faculty teaching loads.
- * Increased tuition costs.

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Federal Stimulus Funding:

	<u>FY 2009</u>	<u>FY 2010</u>	<u>2-Year Total</u>
State Universities (6):	\$7,715,773	\$32,151,982	\$39,867,755
Washburn University (1):	\$181,507	\$756,280	\$937,787
Community Colleges (19):	\$1,447,198	\$6,029,986	\$7,477,184
Technical Colleges (6):	\$254,821	\$1,061,752	\$1,316,573
Total (32 institutions):	\$9,599,299	\$40,000,000	\$49,599,299

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State University Federal Stimulus Allocation:

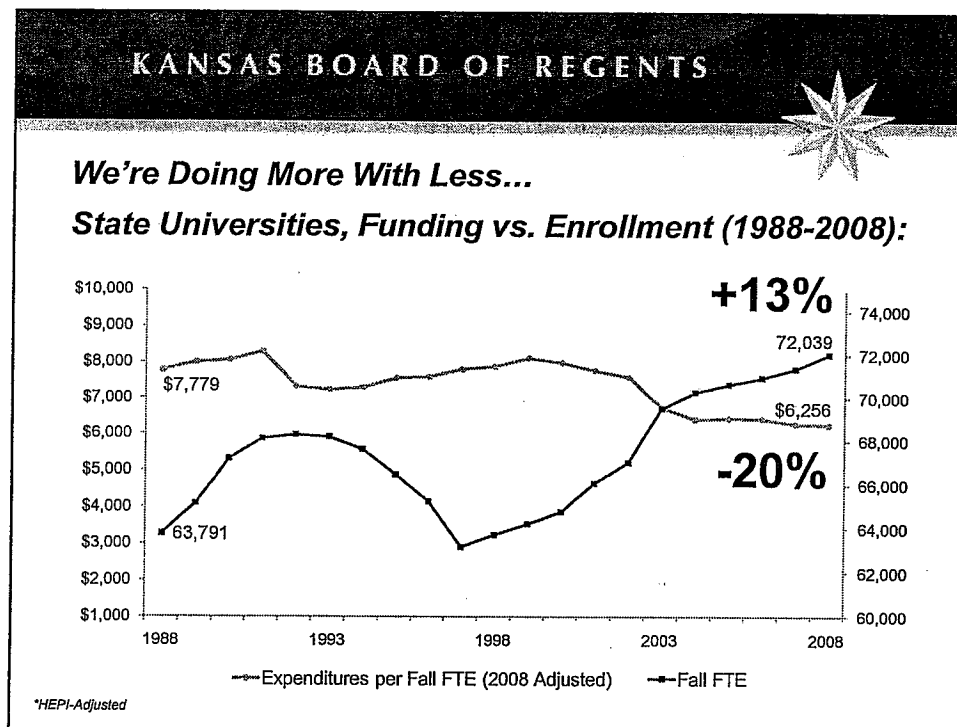
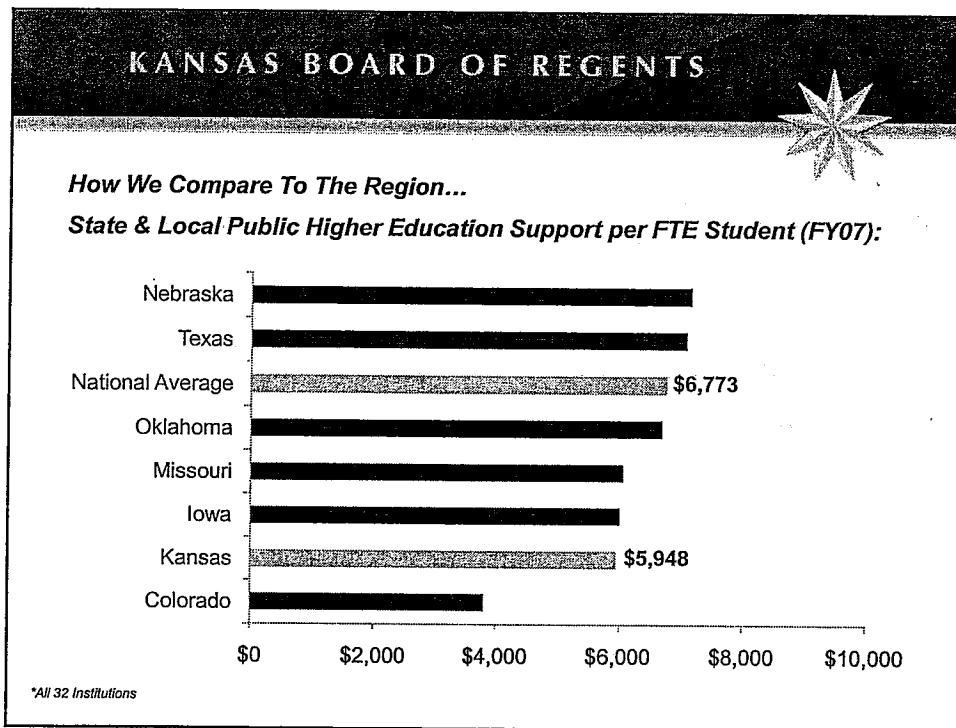
	<u>FY 2009 & FY 2010</u>
Deferred Maintenance (2/3):	\$26,578,503
Tuition Mitigation (1/3):	\$13,289,252
Total:	\$39,867,755

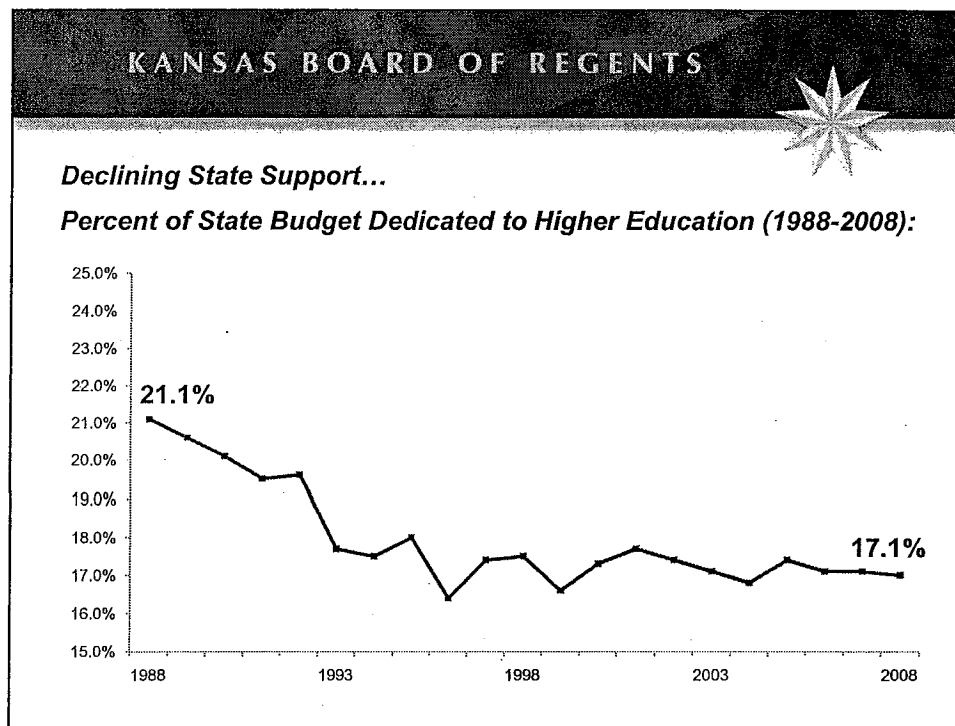
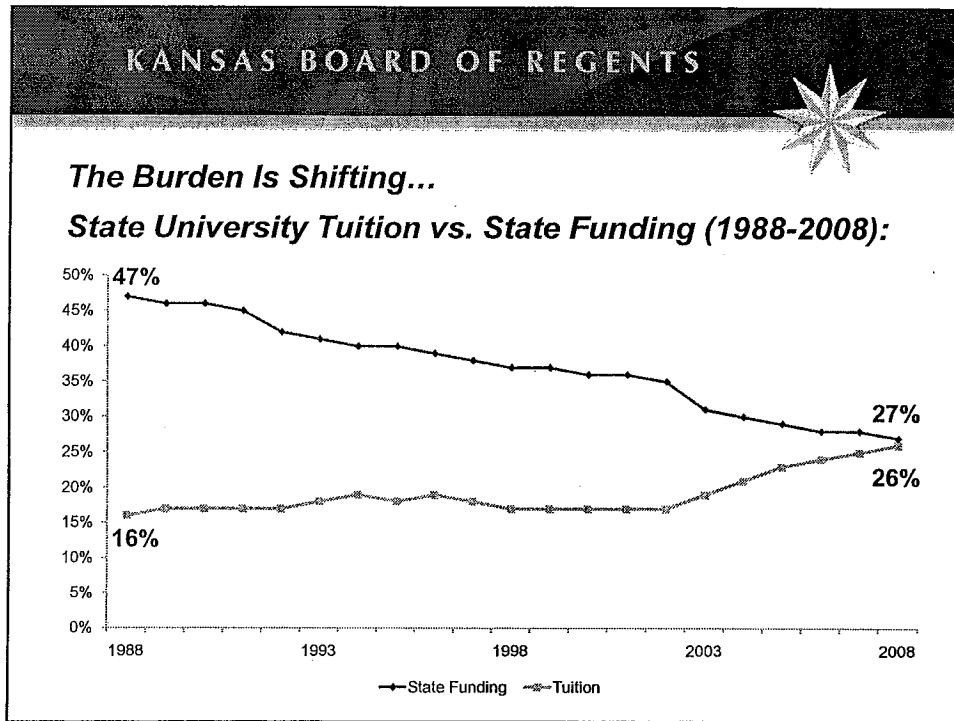
Note: Most states have used the vast majority of their stimulus funding to back-fill operating budgets.

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FUNDING TRENDS





KANSAS BOARD OF REGENTS



"The Kansas Board of Regents shall pursue measurable continuous improvement in the quality and effectiveness of the public postsecondary educational system in Kansas, while expanding participation for all qualified Kansans. To achieve that mission, the Board will demand accountability, focus resources, and advocate powerfully."

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