

KACCT

Kansas Association of Community College Trustees

Chairman Waymaster
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Kansas Community College Legislative Budget Committee Testimony 11-19-19

Thank you for the opportunity today to discuss Kansas Community Colleges and the various sources of revenue they receive and how it is distributed. For a little context, Kansas Community Colleges are serving approximately 110,000 students, 80% are Kansans who vary in age and background. Some are following the traditional pathway and intend to advance to a four-year institution. Some are working hard to earn a short term certificate which will quickly provide them skills to receive a good paying job. Others are returning from the workplace for increased skills or embarking on a new career, while others are attending college for the first time. No matter the path that brings students to us, whether to attain a technical certificate or an associate's degree, our community colleges are ready to provide the instruction needed to propel Kansans into their desired professional pathway. Today's community colleges provide certification, credentialing, and associate degrees at an affordable price through flexible delivery methods to fit into each individual's lifestyle and family situation. This enables students to earn a living which will support them and their families at a **third of the cost** of other post-secondary options, which helps ensure students leave with as little student debt as possible as they pursue further education or their future career. Accessible and affordable while producing results, Kansas Community Colleges awarded 8,500 Associates Degrees and 6,900 Certificates in 2018 and placed those students into the workforce or into a four-year transfer institution for them to continue their education. A tremendous number of Kansas Community College students are currently working or immediately go to work after receiving their credentials in the local community, providing positive contributions to the Kansas economy. Each Community College is different, targeting the needs of businesses in their service areas, and are flexible and responsive always striving to meet the unique needs of their community.

Community Colleges serve a number of different types of students. K-12 students are often served by the **SB 155 aka the Excel in CTE** program where they can take technical education classes for free. Excel in CTE enables students to begin working towards technical education certificates and credentials which will help address the skills gap/workforce shortage we continually hear about being experienced by Kansas companies. We are working with our K-12 partners to encourage students to take classes to meet the needs of the Kansas business community. We have seen first-hand the difference it is making for Kansas families, businesses, and the significant increase in the number of students who are now pursuing a technical career in areas of great demand across the state. Last year an additional 2,000 students took advantage of this program. Additionally, completion of Excel in CTE courses while in high school significantly lowers the cost of post-secondary education for families, provides students a jump start on their career, and has been shown to correlate to more successful completion of degrees and certificates. Community Colleges also work closely with the K-12 system for students to take **concurrent or dual enrollment classes** to allow them to get a jump start on general education classes for college credit while still in high school. Kansas Community Colleges also serve what might be thought of as our more traditional population of students through **normal on-campus and online course delivery methods**. A number of Kansas Community Colleges also have robust **adult basic education** classes to ensure all students, regardless of previous academic challenges, have the ability to receive post-secondary education which will allow them to be more successful in the future.

As you can see there are a variety of types of programs being offered by Kansas Community Colleges. Locally elected Boards of Trustees have fiscal responsibility for the operation of the college and to set the local mill levy. Local funds are distributed from the County Clerk directly to each college. State Appropriations for the Kansas Community Colleges flow through the Board of Regents and are then distributed to each individual college. The state **cost model** for community colleges is complex and takes into account a number of factors. There are two models: general education classes are in the **non-tiered model** and technical education classes are in the **tiered model**. Within each model, where a student is from impacts the amount of funding provided through the model. If the student is from the county in which the community college is located they receive less state funding than if they live somewhere else. The premise behind this is that local tax payers pay more to support the college and the education of students from their county than other Kansas citizens. The State contributes more for students who are not from the community colleges taxing jurisdiction.

The cost model is complex, DOES NOT reflect the true cost of operations, and has never been fully funded by the state. This lack of full funding is why you hear talk about “the gap.” The gap between what the model says the state should pay and what they do pay. The FY 2021 gap is calculated as \$8,654,823 for tiered courses and \$18,797,439 for non-tiered courses. (\$27,452,262 combined).

Cost Calculation

Tiered (Technical Courses)

$$\text{Total Course Rate} = \text{Instructor Costs} + \text{Extraordinary Costs} + \text{Instructional Support Costs} + \text{Institutional Support Costs}$$

Non-Tiered (General Education Courses)

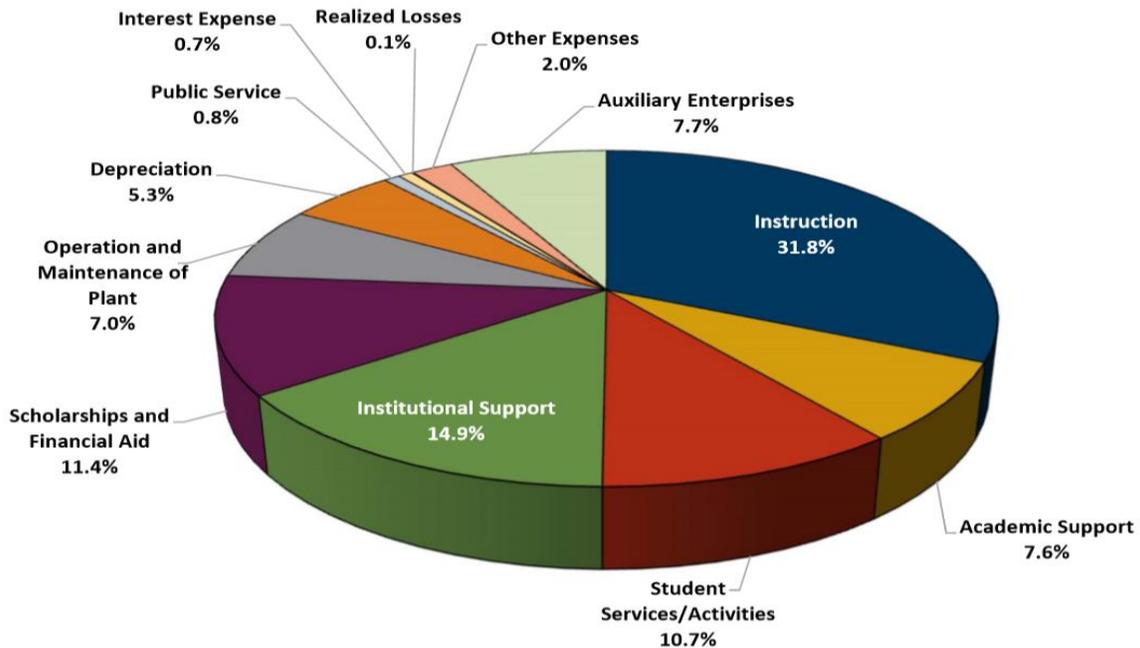
$$\text{Total Course Rate} = \text{Instructor Costs} + \text{Instructional Support Costs} + \text{Institutional Support Costs}$$

Funding for Excel in CTE is distributed to colleges outside of the cost model as a direct reimbursement for educational classes already provided. The funding sources for Kansas Community Colleges are varied and differ by percentage at each institution. As an average, the table below outlines the general funding percentage breakdowns for Kansas Community Colleges.

Source	State Universities	Community Colleges	Technical Colleges	Washburn University
Tuition & Fees	27.2%	17.0%	27.2%	31.2%
Federal Funds	13.3%	13.7%	20.2%	11.7%
State Funds	22.3%	19.7%	38.8%	12.3%
Local/Private Funds	4.7%	35.3%	1.6%	25.8%
Aux. & Ed. Activities Sales	20.8%	7.3%	6.9%	8.6%
All Other Revenues	11.7%	7.0%	5.3%	10.4%

Source: IPEDS Finance Surveys, <http://nces.ed.gov/ipeds/>. Totals may not add due to rounding.

**Grand Total All Funds Audited Expenses
Fiscal Year 2017**



The cost model was developed with extensive input and took a significant amount of time to develop. It has been in place for a number of years and works relatively well. However, it is important to remember that the model was never intended to reflect the full cost of college operations. We thank you for your interest in learning more about the Kansas Community Colleges and take seriously the role of local Boards of Trustees and the power vested in them by statute to govern the operations of the college to best meet the needs of students, the local business community, and local citizens. If you have any questions or would like further information please contact: Heather Morgan, hmorgan@kacct.org, 785-221-2828 (cell).