

PRELIMINARY MINUTES

POST-SECONDARY TECHNICAL EDUCATION AUTHORITY

September 26-27, 2007

Ramada Inn - Topeka

Members Present

Joseph Glassman, Chair
Clark Coco
Eddie Estes
Sheila Frahm
Jim Garner
Jim Grier
David Kerr
Bill Hagerman
William Quattlebaum
Jack Wempe
Steve Wilkinson

Staff

Blake Flanders, Kansas Board of Regents
Diane Duffy, Kansas Board of Regents
Rita Johnson, Kansas Board of Regents
Pam Greene, Kansas Board of Regents
Julene Miller, Kansas Board of Regents
Kelly Oliver, Kansas Board of Regents
Gary Deeter, Secretary

Conferees

George Fahnestock, Chair, Kansas Technical College and Vocational School
Commission
Lori Usher, Consultant, Post-Secondary Technical Education Authority
Reggie Robinson, President and CEO, Kansas Board of Regents

**Morning Session
Wednesday, September 26, 2007**

The Chairman called the meeting to order at 10:04 a.m., commenting that the newly formed Authority was created by the 2007 Kansas Legislature through **HB 2556**. He asked each member to introduce him/herself and made several announcements:

- He said the Authority would plan to meet monthly.
- He stated that the Authority had hired Lori Usher as a consultant and temporary administrator; he noted that the Authority plans to hire a vice-president, who would provide administrative leadership for the Authority.
- He recommended that members suggest ideas and issues that need to be addressed so that the monthly agendas address ongoing needs.
- He recommended that Authority meetings alternate between Topeka and other institutional settings.

A member expressed interest in structuring meetings to allow input from members of the audience.

George Fahnestock reviewed the work of the Kansas Technical College and Vocational School Commission, forerunner to the Authority, noting that the legislative charge to the Commission was to study the mission, governance, and funding for Kansas technical colleges and vocational schools (Attachment 1). He stated that the Commission recommended to the legislature three things: a state-wide governance structure for technical education, an equitable and adequate funding mechanism, and a standardized curriculum, recommendations that were developed into **HB 2556**, which passed the legislature in 2007. He referenced the “Commission Final Report” section in the information notebook provided to all Authority members.

Mr. Fahnestock continued by commenting on the Commission’s report to the 2007 Kansas Legislature, “The Future of Technical Education in Kansas” (Attachment 2). He highlighted certain items: funding based on program costs, coordination of state resources, and training geared to the Kansas economy. Mr. Fahnestock expanded on the funding recommendation, saying the Commission developed a funding formula base on tiered rates reflecting varied program costs and requested an additional \$41 million for technical education. The Chairman commented that a key component in any funding methodology must include a ROI–Return on Investment. Mr. Fahnestock noted that **HB 2556** created the Authority under the Board of Regents to coordinate the state’s technical education system; the legislation additionally provided \$817,687 from the State General Fund (SGF) and 5 FTEs (Full-Time Equivalent) for the Authority’s administrative costs as well as adding \$4 million to the state’s technical education funding.

**Afternoon Session
Wednesday, September 26, 2007**

Referencing Mr. Fahnestock’s Commission Report, a member suggested that after “Benefits to Students” and “Benefits to Kansas,” another item be included, “Benefits to Institutions,” further noting that the term “governance structure” can be misleading and suggested the term “coordination structure” instead.

Reggie Robinson, President and CEO of the Kansas Board of Regents (KBOR), addressed the Authority, stating that the Authority will help deliver a quality education to Kansas students. He reviewed the statutory authority of the Regents, saying the nine-member board is authorized as the state-level coordinator for all post-secondary institutions and as the governing board for the six state universities, noting that technical education touches on all institutional areas under the purview of the Regents. He then outlined five strategic areas of focus for the Regents:

- Align the expectations of K-12 education and the expectations of post-secondary education;
- Ascertain how many high school graduates continue into post-secondary education, knowledge that will assure that Kansas has sufficient skilled workers for work-force needs and insure that post-secondary education occurs across demographic and age lines;
- Encourage completion of post-secondary education;
- Assure competency regarding specific skills, including human-relation skills; and
- Align post-secondary education with the economy of the state, enabling graduates to fill the state's economic needs.

Julene Miller, General Counsel, KBOR, referenced the "Information/General Counsel" tab of members' information notebook. She reviewed the requirements of the Kansas Open Meetings Act and the Kansas Open Records Act, noting regarding the latter that all records created by the Authority are public. She explained that any member being sued for actions of the Authority is provided defense and indemnity by the state under the Kansas Tort Claims Act. She commented that the powers and duties of both KBOR and the Authority are derived from statutes, a fact that provides limited authority to promulgate rules and regulations.

Blake Flanders, Director of Career and Technical Education, KBOR (and also Director of Workforce Education and Training, Kansas Department of Commerce), and Diane Duffy, Vice President, Finance and Administration, KBOR, briefed the Authority on the complexities of the Kansas post-secondary education system (Attachment 3). Mr. Flanders noted that the system received \$2.7 billion in revenues in FY 2006. He referenced the "Career and Technical Education Brief" tab in members' notebooks, a document which follows the development of technical education in Kansas from 1964 to the present, explaining the present existence of area vocational-technical schools, technical colleges, community colleges, universities, and merged institutions, all of which provide technical education through a variety of funding standards, funding mechanisms, and governance. He noted that **HB 2556** seeks to elevate technical education, requiring technical schools to merge with a post-secondary institution, become a technical college with an independent governing board, or return to governance under the State Department of Education. Further, the bill requires all post-secondary institutions to base programs on credit hours, not clock hours. He commented on the influence of the federal Carl D. Perkins funds and the division of Kansas into service areas for post-secondary institutions.

Ms. Duffy continued the briefing, commenting on funding issues; she noted the lack of statutory framework for funding, which has created a patchwork of funding sources and allocations and provides no specific SGF funding stream for technical education. She stated that the \$70-90 million in state funds (FY 2006) and the \$6.8 million Perkins funds must be divided among 30 institutions; a soon-to-be-released study should provide more nearly accurate data to determine what level of funding is needed for technical education; she noted a critical need in six target industries: aviation, advanced manufacturing, communication, health care, energy, and biosciences. She commented that in an attempt to create more accountability, the legislature linked new funding to performance agreements between the Regents and post-secondary institutions. Seeking a cost-based reimbursement rate, the Commission created a technical education state program rate methodology: the rate equals X (instruction costs per credit hour) times 30 (one FTE) divided by Y (% of instructional costs as a percentage of Education and General expenditures).

Members discussed aspects of funding. The Chair emphasized the importance of an equitable and effective funding process that guarantees a return on investment. Ms. Duffy noted that a proviso in the 2007 legislature's omnibus funding bill requires a credit-hour, tiered formula that targets critical business/industry needs.

The Chairman introduced Lori Usher, who is serving as an administrative consultant for the Authority.

The meeting was recessed at 4:30 p.m.

Morning Session Thursday, September 27, 2007

Kelly Oliver, Director of Finance, KBOR, outlined the procedures for payment and reimbursement of Authority members. She said remuneration includes salary (\$86.50 per diem), subsistence allowance (new rate, \$109.00 per diem), and mileage reimbursement. She mentioned the various forms members are required to fill out.

Lori Usher referenced several parts of the information notebook covered by staff, cautioning that, because of Kansas' complex post-secondary system, members would be ill-advised to overlay another state system over the Kansas system. She recommended three short-term strategies in order to establish an effective Authority: assemble the Authority members and staff and develop a structure for meetings; design programs of work; and hire an effective leader. She provided a proposed list of meeting dates, each scheduled two weeks before a KBOR meeting and each with an evening meeting followed by a formal meeting the following day ([Attachment 4](#)). She recommended meeting locations alternating between Topeka and various institutions. Members agreed on the follow dates for meetings, varying slightly from the printed proposal:

- October 17 *(optional) - 18 (Wednesday-Thursday)
- October 30-31 (TW) –offsite at a location to be determined
- December 4-5 (TW)
- January 21-23 (MTW)
- February 20-21 (WT)
- April 1-2 (TW)

*(During the Regents' afternoon meeting, which begins at 1:30 p.m., the Regents are scheduled to receive a key workforce study report: "Positioning Kansas for Competitive Advantage: Aligning Key Industry Clusters and Occupations with Postsecondary Education and Workforce Development." Authority members may wish to attend.)

Members did not discuss dates beyond April 1-2.

Ms. Usher recommended the following topics for meetings:

Through the use of studies, develop strategies and programs to meet the needs of business and industry;
Develop benchmarks and accountability indicators for technical education programs as an ancillary factor for funding;
Coordinate development of a seamless system for technical education articulation;
Evaluate new and existing post-secondary technical education programs;
Review technical education funding processes and utilization of resources;
Coordinate state-wide planning;
Consider for adoption rules and regulations for the supervision of post-secondary technical education;
Develop an annual policy agenda;
Prepare reports for the KBOR and the Kansas Legislature on the Authority's activities, including the Authority's proposals and recommendations.

Members commented on Ms. Usher's proposals. A member noted that the Authority needs to understand what impact the performance agreements have on programs and funding. Another member recommended that members and staff collect as many studies as can be obtained regarding technical education issues. Ms. Usher commented that a gap analysis would be helpful to the Authority. A member noted that the workforce study report being presented to the Regents in October may provide crucial information for the Authority.

Ms. Usher presented a draft job description for the Vice President of Workforce Development, a position that will provide administrative leadership for the Authority (Attachment 5). She noted the present KBOR staff structure in members' information notebook, commenting that present staff will be available for Authority assignment subject to time constraints for other Regents duties, noting further that the statute creates five new FTE positions.

Members discussed at length the “required” and “preferred” qualifications for the VP position, agreeing that the more specific the wording under the “required” section, the fewer applicants will respond. Members agreed to the following changes in position qualifications:*

Required

Bachelor’s degree *or higher* in Business Administration, ~~Adult Education~~, *Career and Technical Education*, or related field
~~Seven years of r~~ *Relevant experience in a management team role.*

Preferred

Experience with training or retraining of entry level, incumbent, or displaced workers.
Experience with business and industry.

*Italics indicated new wording.

Members discussed the process for hiring a Vice-President of Workforce Development. Ms. Miller said the open-meetings act applies to the process. Ms. Usher recommended that the Search Committee be exclusively Authority members. Members reviewed the statutory stipulations associated with the position, selecting Mr. Quattlebaum (Chairman), Ms. Frahm (representing the Community College Trustees), and Mr. Coco (representing the Technical College Association) as Search Committee members, and agreeing to submit the Search Committee for approval by the Board of Regents at the Regents’ October meeting. Assuming the Search Committee to be approved, the Authority set out the following procedure for the Search Committee:

- Post the position of Vice-President;
- Select the top 10 applicants;
- Refine to the top 3 applicants, interviewing as appropriate;
- Invite Chairman Glassman and/or CEO Robinson to be involved in selecting from the top three applicants;
- Present the top candidate to the Authority for a final interview;
- Recommend the candidate to the Board of Regents for final approval.

The Chairman eloquently and passionately set forth his vision for the Authority (Attachment 6). He listed three objectives he considers priorities:

- Develop a baseline standardization of curricula synchronized with K-12 education and articulated among Kansas post-secondary institutions, these curricula establishing minimum standards, with checks and balances built into the system to assure quality programs;
- Implement levels of excellence by rating programs, by creating incentive/disincentive measures for programs, by developing quick-start

innovative responses to new industry initiatives, and by raising the level of expectation for technical education, all of which will positively impact society and the economy;

- Creating levels of excellence will provide the basis for funding, which must integrate and streamline various revenue streams; through marketing initiatives, additional revenue streams may be developed.

Responding to a member's question, Mr. Glassman said initial goals to prepare for the 2008 legislative session should be at least to develop a curriculum baseline and establish some checks and balances in relation to various curricula. Another member commented that articulation has improved among post-secondary institutions; developing an equitable funding system will be the key to achieving Authority goals. A member suggested that Mr. Glassman give his speech to educators as he has opportunity to do so.

Members discussed the meetings in October (17-18, 30-31). The Chairman suggested members bring relevant tech-ed studies and other pertinent documents to the October 18 meeting. The meeting was adjourned at 11:55 a.m.