

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

The October 29, 2015 meeting of the Kansas Postsecondary Technical Education Authority (TEA) was held at the Kansas Board of Regents, 1000 SW Jackson Street, Suite 520, Topeka, Kansas.

Members Present

Ray Frederick Jr., Chair	Steve Kearney
Kathy Howell	Eddie Estes
Thomas Burke	Lana Gordon
Linda Fund	Michael Copeland
Debbie Gann	Jay Scott for Randy Watson
Joe Glassman, via conference call	

Members Absent

Bruce Akin, Vice Chair

Others Represented

Cloud County Community College	Pratt Community College
Labette Community College	Dodge City Community College
Hutchinson Community College	Johnson County Community College
Kansas City Kansas Community College	Manhattan Area Technical College
North Central Kansas Technical College	Allen Community College
Northwest Kansas Technical College	Coffeyville Community College
Wichita Area Technical College	Stan Ahlerich, Kansas Department of Commerce

Kansas Board of Regents Staff Present

Rita Johnson	Zoe Gruber
Connie Beene	April Henry
Charmine Chambers	Eric Tincher
Pam Greene	Susan Henry
Laura Leite	Katherine Cochran

CALL TO ORDER

The meeting was called to order by Chair Frederick at 10:04 AM.

Approval of Minutes

Motion: Member Kearney moved to approve the minutes of September 24, 2015. Following a second by Member Burke, the motion carried.

REPORTS

Introductions

Chair Frederick re-introduced Member Debbie Gann, Vice President, Corporate Communications and Administration for Spirit AeroSystems and welcomed her to the TEA.

Vice President Johnson re-introduced Executive Assistant Susan Henry, who joined the Workforce Development team on September 14, 2015.

Member Fund introduced the new Seward Community College President, Ken Trzaska, and Dawn Ash, Trustee at Kansas City Kansas Community College. Member Fund also recognized and welcomed the presence of community college presidents and vice-presidents in attendance.

Chair Report

Chair Frederick informed the members of the TEA that he attended the Butler Community College Manufacturing Day at the Andover campus on October 2, 2015. On October 6, 2015, he met with the Governor to speak about Workforce Aid, along with representatives of the U.S. Chamber, the State Chamber, and the Kansas Department of Commerce. On October 20, 2015, he toured the simulation center at Washburn Institute of Technology, and attended the KSDE annual conference in Wichita on October 27, 2015.

Member Liaison Report

Chair Frederick recognized Jay Scott who reported that the annual KSDE conference took place last week. He stated it was the largest ever, with over 1100 educators from across Kansas in attendance, as well as KBOR President and CEO Dr. Blake Flanders and TEA Chair Frederick. Dr. Watson, Commissioner of the Kansas Department of Education, unveiled their new vision for education, with the goal of “Kansas leading the world in the success of every student”, along with the tag line “Kansans Can”.

Chair Frederick recognized Member Howell, who reported she worked with KBOR Director Beene, Vice President Johnson, and KBOR staff regarding the Kansas Nursing Initiative Grant. A Business and Industry group, consisting of both rural and urban chief nursing executives was convened to discuss the future needs of the nursing field in Kansas.

Vice President for Workforce Development Report

Vice President Johnson reported that on October 13, 2015, Member Howell, and KBOR staff members met with nursing representatives from Stormont-Vail Healthcare, University of Kansas Hospital, Hays Medical Center and the Kansas Board of Nursing. Discussion included a review of the nursing initiative outcomes, accreditation, NCLEX pass rates, employer-identified skill requirements, and emphasis for the continuation of the Nursing Grant Initiative. On October 27, 2015 Vice President Johnson and KBOR staff met with Directors of Nursing from the universities and colleges to share this information. Recommendations for modifications to the Nursing Grant Initiative proposals will be provided for consideration at a later date.

Approximately 15 colleges held Manufacturing Day events this month, focusing on hands-on experiences related to various manufacturing occupations.

KBOR staff is working on the Credit for Prior Learning (CPL) statewide initiative, and the articulation of military training credit within CTE programs. Staff shared updates with the System Council of Academic Officers on October 14, 2015, and the Kansas Council of Instructional Administrators on October 15, 2015. On October 22, Registrars from the universities and colleges and the system task force met to draft a system-wide policy for standardizing the awarding of credit to be forwarded for consideration by KBOR in January 2016.

APPROVAL OF CONSENT AGENDA

Committee Chair Howell stated that the Technical Program and Curriculum Committee met October 23, 2015, and recommended approval of two of the Tiered to Non-Tiered Course Status Appeals submitted by

Johnson County Community College, and non-approval of the course appeal submitted by Cowley Community College.

Motion: Member Estes moved to approve the program decisions of the Tiered to Non-Tiered Course Status Appeals as submitted. Following a second from Member Gann, the motion carried.

CONSIDERATION OF DISCUSSION AGENDA

Review of Extraordinary Costs

Committee Chair Glassman recognized Associate Director Chambers to present the Budget and Finance Committee Review of Extraordinary Costs. Associate Director Chambers explained that because extraordinary cost is the one component of the four included in the Cost Model for which no national data source exists, the calculation of a state rate utilizes system-wide cost data directly submitted by institutions for each program reviewed. Once the total amount of annual expenditure data for five years was compiled, annualized tiered credit hours were derived based on the program data entered in the KHEDS data system by institutions, and concentrators for each of the five years for each program were identified using the K-TIP report. The following calculation methodology approved by the TEA was used to calculate the variance between the current extraordinary costs rates applied to the selected programs and the system cost:

$$\begin{aligned} & \text{Total 5-year reported expenditures} / \\ & \quad \text{annualized tiered credit hours} / \\ & \quad \text{average number of concentrators} / \\ & \quad \quad 5 \text{ years} \\ & = \text{annualized extraordinary cost state rate} \end{aligned}$$

The institutional costs were then averaged to arrive at a system-wide cost per credit hour for each program. Members discussed the wide variances in the institution rates, inquiring whether a best practice standard exists that could be used in determining costs, the use of “averages,” and the individual components included in such a calculation. Members also discussed the relationship of program costs to outcomes, the importance of system-wide program alignment, and programs critical to the state of Kansas currently demonstrating a wide variance in costs between institutions. Vice President Johnson explained that the use of concentrators in the calculations is to the advantage of the institutions by dividing the costs among a smaller number of students, rather than all declared majors for each program.

Recommendation: Member Howell recommended further review of the methodology, and the research of a method to increase the statistical validity for the calculations.

Innovative Technology Grant Awards

Chair Glassman recognized KBOR Director Beene to present the proposals submitted for the Innovative Technology Grant awards. Director Beene thanked Member Howell for her assistance in organizing the attendees for the nursing grant initiative discussions.

Director Beene presented two grants that were submitted under the legislation that supports Innovative Technology and Internship Grants. The following is a summary of the proposals submitted and award amounts requested for consideration:

- \$76,342 Washburn Institute of Technology
Project: Requested grant funds will be used to enhance three programs to better serve business and industry with credentialed employees. The targeted programs are Diesel Technology, Commercial and Heavy Construction and Auto Collision. Grant funds will be used to purchase a “CDL course suitable” fifth wheel trailer with air brakes, allowing expanded/improved

curriculum delivery and enhancement of the electronically controlled air suspension system training. In addition, a Pro-Link Heavy Duty Scanner certification kit will provide training needed for NC3 certification in Diagnostic Scanners.

Business/Industry Match: The required business/industry match for this project totals \$137,113 which includes a combination of a transit bus and engine from the Topeka Transit Authority, cash from the KCA Foundation and a dozer and dual compaction roller from CASE Construction. In addition, the Topeka Transit Authority is committed to interviewing successful graduates for Diesel Technician positions as well as serving on the Advisory Board. They will also preferentially hire those students who are NC3 certified in Pro-Link Scanners.

- \$44,201 Johnson County Community College
Project: Requested grant funds will be used to purchase both a Robotics/Computer Programming, and Flexible Manufacturing Learning system which support the Automation Engineering Technology program, preparing students to become electrical and electronics technicians. This program provides students in the Electrical Technology program training with courses in Industrial Maintenance, Industrial Robotics and Wiring. Following the completion of the program, students are required to take the Control Systems Technician Certification assessment which is an industry-recognized certification assessment administered through the International Society of Automation, and will have the option of taking the Journeyman Electrical Exam.
Business/Industry Match: The business/industry match by HP Pelzer is \$59,280, which supports a paid student internship program.

Motion: Member Burke moved to approve proposals to award \$76,342 to Washburn Institute of Technology and \$44,201 to Johnson County Community College. Following a second by Member Howell, the motion carried.

OTHER MATTERS

Workforce AID Update

Chair Frederick recognized Director Gruber and Stan Ahlerich from the Department of Commerce to present an overview and update of the Workforce Aligned with Industry Demand (Workforce AID) initiative.

Director Gruber explained that Workforce AID is a statewide project, driven by industry in partnership with KBOR, which results in customized training for college credit to provide Kansas companies with a skilled, credentialed workforce. Since February 2014, over 150 individuals have become employed as a result of the Workforce AID initiative. Current projects include training for positions with Spirit AeroSystems, Caterpillar, and Rubbermaid which should provide employment for over 200 individuals by December 2015.

Director Gruber invited Mr. Ahlerich to share information on the U.S. Chamber of Commerce Foundation Grant, and he explained that a well-documented need exists for talent pipeline management strategies to meet employer demand. The U.S. Chamber of Commerce Foundation is building a national model in response to this need, and Kansas is one of seven states receiving funding to build a statewide management model. This project will concentrate on key industry sectors in the Kansas City metropolitan area, with a focus on occupations in Information Technology. Mr. Ahlerich suggested that an opportunity exists for Kansas to take a leading role in these on-going efforts, but continued resources and funding remain a primary consideration.

Member Howell shared that Saint Luke's Hospital currently must contract for Information Technology support staff at a premium cost due to the shortage of trained personnel in Kansas City, and Member

Gann added that the project has been very beneficial for Spirit AeroSystems in Wichita. Interim Secretary of Commerce Copeland added that this program has been very well received and the Department of Commerce is excited by the success of this pilot.

Tiered Funding Proviso Plan

Vice President Johnson reported that the preliminary funding proviso plan recommendation approved by the TEA was presented to the Board of Regents for consideration at the October 14, 2015 meeting. The plan included the recommendations that; (1), the Board include a request for an additional \$8.3 million for postsecondary tiered technical education state aid to fully fund the current (FY2016) gap between the state share of the calculated costs and the current appropriated amount, (2), any new funding appropriated to the line item be distributed only to those institutions with a funding shortfall (institutions with no funding shortfall would maintain their current base), (3), a plan to address the remaining gap for institutions with a continued funding shortfall (approximately \$2.9 million) be addressed the following year, and (4), discussions regarding non-tiered funding would move forward since no additional non-tiered course funding has been received since FY 2012, and courses have been moved from the tier-funded into the non-tiered line item during this time.

Vice President Johnson explained that the Board requested that the TEA provide additional recommendations to fully implement the cost model in the event that no additional funding is appropriated, to provide for potential adjustments to non-tiered course credit hour funding, and to provide a timeline for full implementation of the plan. The accompanying spreadsheets containing three potential funding proviso plan examples for TEA review and recommendation to KBOR were reviewed. Chair Frederick suggested that members focus on the concept of ensuring distributions are aligned with calculations rather than the specific dollar amounts on the spreadsheets, and that a number of institutions are currently operating – and growing – while experiencing a funding shortfall compared to their respective calculated costs.

Members discussed that the recommendation forwarded to KBOR was the product of many hours spent meeting as a sub-committee, reflecting feedback received directly from the community and technical colleges which was sought during each phase of the discussion, and that the original recommendation reflected the need for the legislature to commit to the additional funding required according to the cost model calculations. Member Kearney asked for details on the Board's action on the plan recommendation. President Flanders explained that KBOR agrees with the \$8.3M request, but that the Board's interpretation of the proviso plan requirement is that an option should be included for implementation if no new funding is allocated. KBOR requested options to consider in the December meeting before approval of the final report in January to meet the requirement to present the plan to the legislature in February. Member Gann asked for clarification how the current distribution is implemented each year. Vice President Johnson explained that if the "hold harmless" proviso language is removed, (that no institution receive less than the previous year) and no additional funding is appropriated, then the cost model is to be implemented and re-centering would take place during a single year. Members discussed the timeline required if returned to the sub-committee for additional recommendations, and Vice President Johnson explained that November meetings will have to be scheduled as the TEA meets December 10, 2015, and KBOR meets December 16, 2015.

Motion: Member Howell moved to send the tiered funding proviso plan back to sub-committee for further discussion on options, to be presented in the December TEA meeting for consideration. Following a second by Member Gann the motion carried.

Member Kearney proposed a discussion between KBOR and TEA members before additional work is done on the funding proviso plan. President Flanders recommended that KBOR staff arrange for a meeting between the KBOR Chair and Vice-Chair, with the TEA Chair and Vice-Chair.

Chair Frederick called for lunch recess at 12:16 PM, meeting to resume at 1:00 PM. The meeting resumed at 1:03 PM

2014 Kansas Training Information Program

Chair Frederick recognized Associate Director Charmine Chambers to share the 2014 K-TIP report highlights. Associate Director Chambers presented an overview of the 2014 K-TIP report, reviewing highlights at the academic discipline, institution, and individual program levels. To further highlight how K-TIP data might be utilized in the development of a program evaluation framework; 11 programs were identified with high average salaries, identified as “High Demand” occupations in the 2015 Kansas Department of Labor High Demand list, and reported a positive demand increase needed in the Occupational Outlook report for 2012-2022. Utilizing Outcome Metrics measures and targets as a basic framework in addition to Department of Labor data provides a critical view of how individual programs impact the workforce, and the employment outlook program completers should expect. The K-TIP report will continue to be published each July, and potential adjustments for AY2015 including the addition of “median wage” for each program are in progress.

Members discussed state funding for high performing programs corresponding to high wage/high demand occupations. The current cost model components are calculated on credit hours based on course state rates and do not reflect current or future occupational outlook information in the calculation. Members suggested that while some programs may not correspond specifically to high wage/high demand occupations, individual program competencies may be required in such occupations.

Outcome Metrics

Chair Frederick recognized Associate Director Chambers to present Outcome Metrics highlights. Associate Director Chambers provided a brief update, explaining that AY2014 institutional data is currently being finalized. Full results for AY2014, including the credentials earned by graduates exiting postsecondary education, will be provided in the December meeting as well as highlights from the Outcome Metrics Performance Enhancement grant (based on AY2013 results for 1st year of pilot). A recommendation was provided to maintain the current 14 program areas, to recognize the programs meeting all three targets which participated in the 2nd year of the pilot, to continue to offer the Outcome Metrics Performance Enhancement grant, and to expand the 3rd pilot year to include all institutions. Each institution would participate in all programs that they offer which are in the pilot program list. The participation of all institutions in the pilot will increase the development and sharing of best practices as well as allow access to incentive funding that may generate new processes for which needs are identified.

Motion: Member Kearney moved to approve a third year of the Outcome Metrics pilot program and approve expanding the pilot to all institutions. Following a second by Member Burke, the motion carried.

OPEN COMMENT PERIOD

Eric Burks from North Central Kansas Technical College commented regarding his institution’s concerns with the funding proviso plan options.

ADJOURNMENT

Chair Frederick adjourned the meeting at 1:32PM.

Respectfully submitted by:
Susan Henry, Executive Assistant