



Legislative Task Force on Community and Technical College State Funding

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Kansas Board of Regents
Building a Future for Kansas Families, Businesses and the Economy



Legislation

- ★ 1999 SB 345 – Higher Education Coordination Act public postsecondary education coordinated by the Board of Regents (KBOR)
- ★ 2007 Senate Sub for HB 2556 – created the Postsecondary Technical Education Authority (TEA)
- ★ **2011 SB 143** – Postsecondary Tiered Technical Education State Aid Act established the instructional cost model
- ★ 2012 SB 155 – established the Excel in CTE Program for high school students



2011 Senate Bill 143

★ **Instructional Cost Model for Kansas Resident Students**

- ★ The 2011 legislation was the result of long-standing discussions about postsecondary technical education
- ★ The TEA and KBOR requested introduction of SB 143
- ★ Established a new methodology for determining state aid to colleges
- ★ State aid is calculated every year using an instructional cost model, in accordance with the Act
- ★ The model focused initially on tiered courses; it was also applied to non-tiered courses, at the request of the community colleges



2011 Senate Bill 143

★ **Instructional Cost Model for Kansas Resident Students**

- ★ Applies to Kansas resident students only
- ★ Features include:
 - ★ Credit hour cost calculations
 - ★ Courses arranged into categories or tiers, recognizing cost differentials
 - ★ Consideration of target industries critical to the Kansas economy
 - ★ Responsiveness to program growth
 - ★ Consideration of local taxing authority for credit hours generated by in-district community college students
 - ★ Inclusion of other factors and considerations determined necessary by the Board of Regents



2011 Senate Bill 143

★ **Instructional Cost Model for Kansas Resident Students**

How are Costs Calculated? *At the course level.*

Tiered Courses

Instructor Costs + Instructional Support Costs + Institutional Support Costs +
Extraordinary Costs = Course Rate

Non-Tiered Courses

Instructor Costs + Instructional Support Costs + Institutional Support Costs
= Course Rate

Course Rate X Eligible Student Credit Hours (SCH) = Total Course Cost

Total Course Costs for each college are then aggregated to arrive at the instructional cost model costs for that college.



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★ Course Rate Elements

		Costs	Description	Source
Non-Tiered Courses	Tiered Courses	Instructor	Salaries and benefits of instructors	Cost and Productivity Study, a national instructor cost study conducted annually by Johnson County Community College
		Instructional Support	Student and academic support services	Kansas community and technical colleges' annual financial audits and published in Board of Regents' data books
		Institutional Support	Operation and maintenance of physical plant, Administration	Kansas community and technical colleges' annual financial audits and published in Board of Regents' data books
N/A		Extraordinary	Specialized equipment & materials to deliver tiered courses	Kansas community and technical colleges; colleges identified programs with "extraordinary" costs and submitted five years of actual expenditure data. Costs based on these data were grouped into course tiers and adjusted annually for inflation, with periodic data refreshes for actual costs.



2011 Senate Bill 143

★ **Instructional Cost Model for Kansas Resident Students**

How is the Financing of Those Costs Calculated? *At the SCH level.*

- ★ Community College In-District SCH = 1/3 student, 1/3 local taxing district, 1/3 state
- ★ Community College Out-District SCH = 1/3 student, 2/3 state
- ★ All Technical College SCH = 1/3 student, 2/3 state
- ★ Secondary Students in Excel in CTE = 100% state

There are 25 cost model composite rates, organized into six groups, ranging from \$222 to \$519 per credit hour for 2021 enrollments/FY 2023 state aid payments.



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Composite Rates	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Change 2020-2021	Change 2011-2021
Non-Tiered	\$146	\$146	\$147	\$155	\$162	\$172	\$183	\$199	\$207	\$208	\$222	\$14	\$76
1	\$174	\$179	\$173	\$181	\$184	\$195	\$211	\$228	\$229	\$234	\$261	\$27	\$87
1	\$200	\$206	\$200	\$208	\$212	\$223	\$239	\$257	\$259	\$265	\$292	\$27	\$92
1	\$227	\$233	\$228	\$235	\$240	\$251	\$268	\$286	\$288	\$294	\$322	\$28	\$95
1	\$279	\$287	\$283	\$289	\$296	\$307	\$324	\$343	\$347	\$354	\$382	\$28	\$103
2	\$198	\$202	\$197	\$207	\$213	\$227	\$239	\$259	\$267	\$273	\$297	\$24	\$99
2	\$224	\$229	\$224	\$234	\$241	\$255	\$267	\$288	\$297	\$304	\$328	\$24	\$104
2	\$251	\$256	\$252	\$261	\$269	\$283	\$296	\$317	\$326	\$333	\$358	\$25	\$107
2	\$303	\$310	\$307	\$315	\$325	\$339	\$352	\$374	\$385	\$393	\$418	\$25	\$115
3	\$212	\$211	\$211	\$220	\$229	\$239	\$251	\$273	\$283	\$289	\$312	\$23	\$100
3	\$238	\$238	\$238	\$247	\$257	\$267	\$279	\$302	\$313	\$320	\$343	\$23	\$105
3	\$265	\$265	\$266	\$274	\$285	\$295	\$308	\$331	\$342	\$349	\$373	\$24	\$108
3	\$317	\$319	\$321	\$328	\$341	\$351	\$364	\$388	\$401	\$409	\$433	\$24	\$116
4	\$219	\$224	\$219	\$229	\$238	\$253	\$264	\$284	\$298	\$306	\$321	\$15	\$102
4	\$245	\$251	\$246	\$256	\$266	\$281	\$292	\$313	\$328	\$337	\$352	\$15	\$107
4	\$272	\$278	\$274	\$283	\$294	\$309	\$321	\$342	\$357	\$366	\$382	\$16	\$110
4	\$324	\$332	\$329	\$337	\$350	\$365	\$377	\$399	\$416	\$426	\$442	\$16	\$118
5	\$232	\$235	\$230	\$243	\$250	\$269	\$277	\$294	\$310	\$319	\$339	\$20	\$107
5	\$258	\$262	\$257	\$270	\$278	\$297	\$305	\$323	\$340	\$350	\$370	\$20	\$112
5	\$285	\$289	\$285	\$297	\$306	\$325	\$334	\$352	\$369	\$379	\$400	\$21	\$115
5	\$337	\$343	\$340	\$351	\$362	\$381	\$390	\$409	\$428	\$439	\$460	\$21	\$123
6	\$270	\$274	\$272	\$292	\$322	\$350	\$351	\$356	\$379	\$389	\$398	\$9	\$128
6	\$296	\$301	\$299	\$319	\$350	\$378	\$379	\$385	\$409	\$420	\$429	\$9	\$133
6	\$323	\$328	\$327	\$346	\$378	\$406	\$408	\$414	\$438	\$449	\$459	\$10	\$136
6	\$375	\$382	\$382	\$400	\$434	\$462	\$464	\$471	\$497	\$509	\$519	\$10	\$144



2011 Senate Bill 143

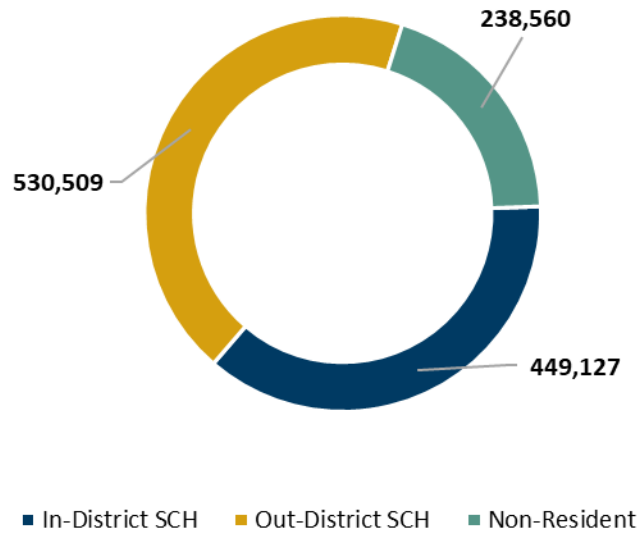
★ Example Students

- ★ John is an In-District Student at Green Valley Community College, studying Computer and Information Systems, taking Applied Networking 1, (Composite Rate 1)
 - ★ Course rate is \$292, multiplied by 2 credit hours = \$584 total
 - ★ State aid would be \$195 (1/3 of the course rate)
- ★ Jane is a Student at Russell Area Technical College, studying Wind Energy Technology, taking Small Wind Turbine, (Composite Rate 2)
 - ★ Course rate is \$297, multiplied by 3 credit hours = \$891 total
 - ★ State aid would be \$593 (2/3 of the course rate)

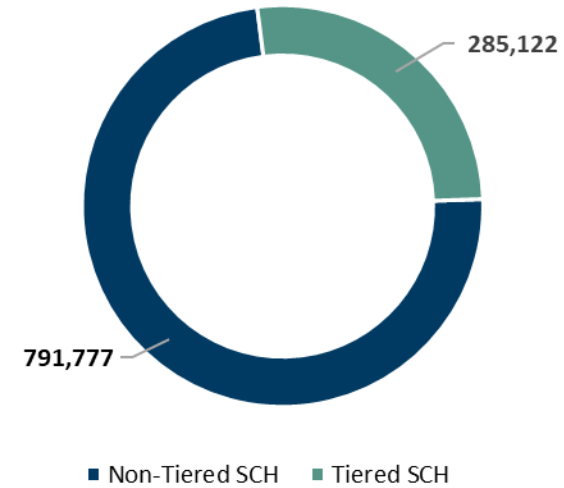


AY 2021 Student Credit Hour Production

Community College In-District/Out-District vs Non-Resident SCH 2020-2021

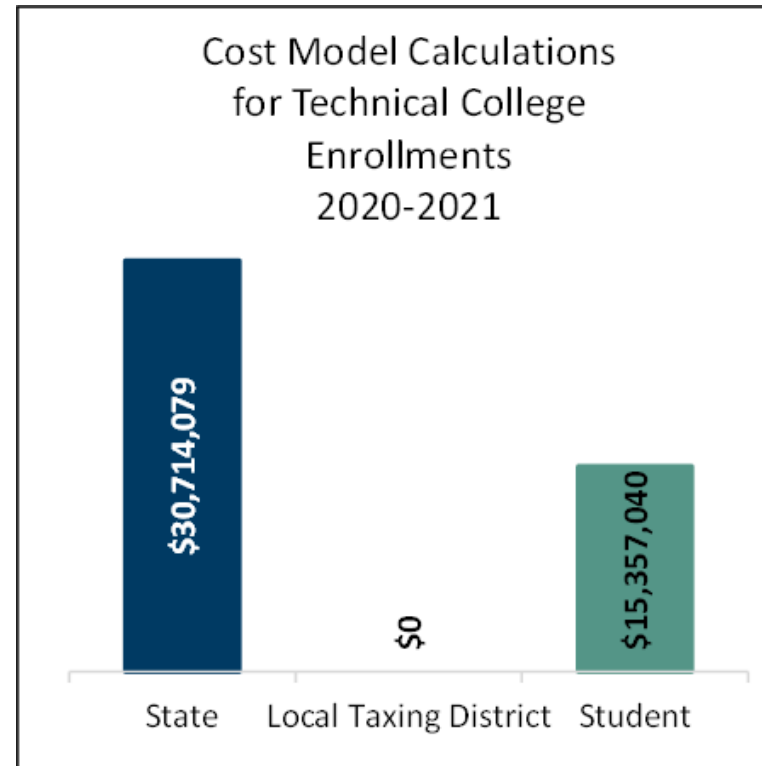
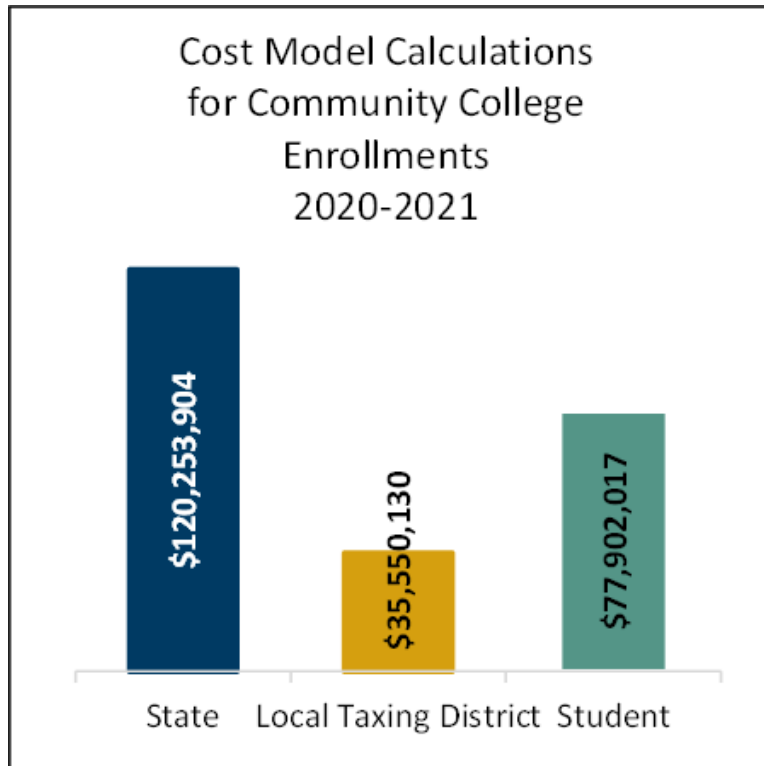


Tiered vs Non-Tiered SCH Community and Technical Colleges 2020-2021



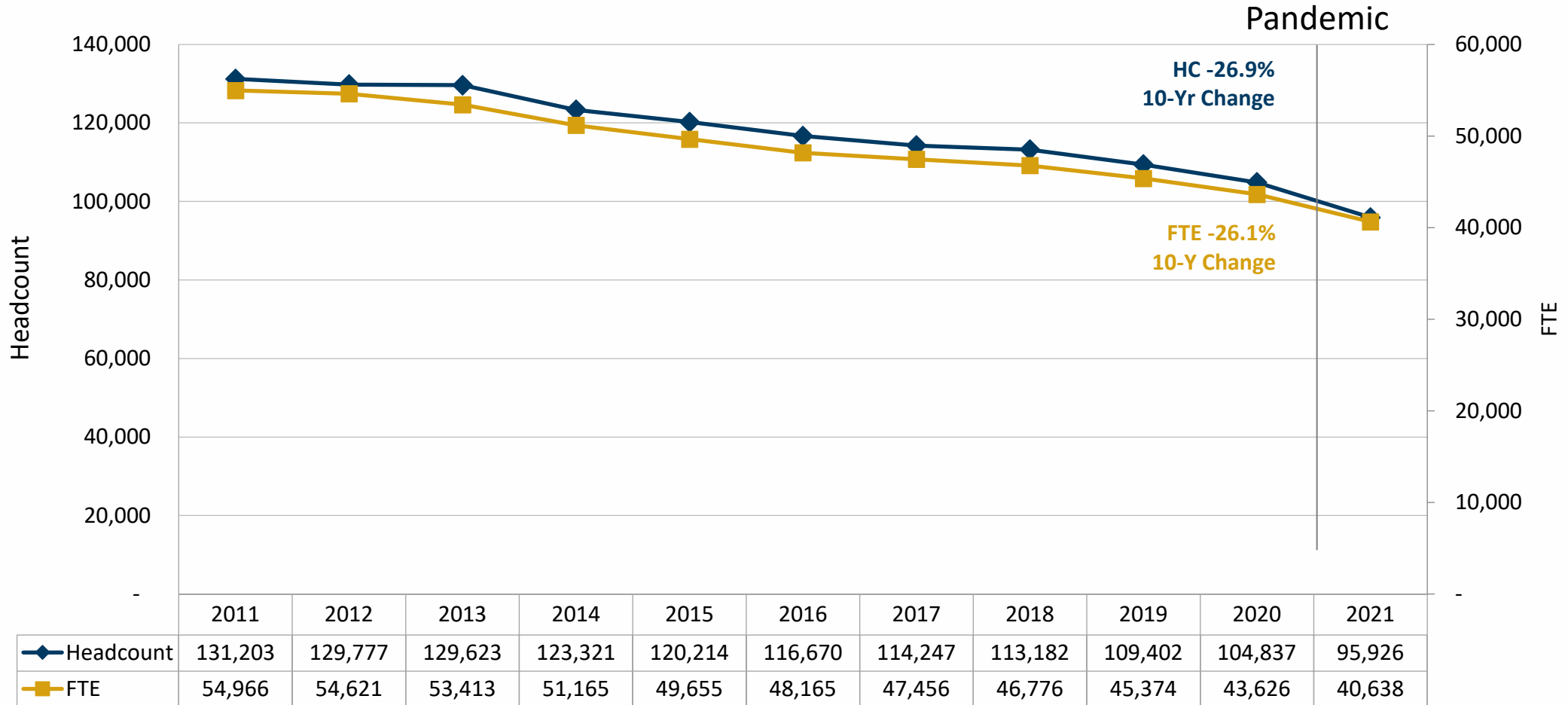


AY 2021 Cost Model Calculations





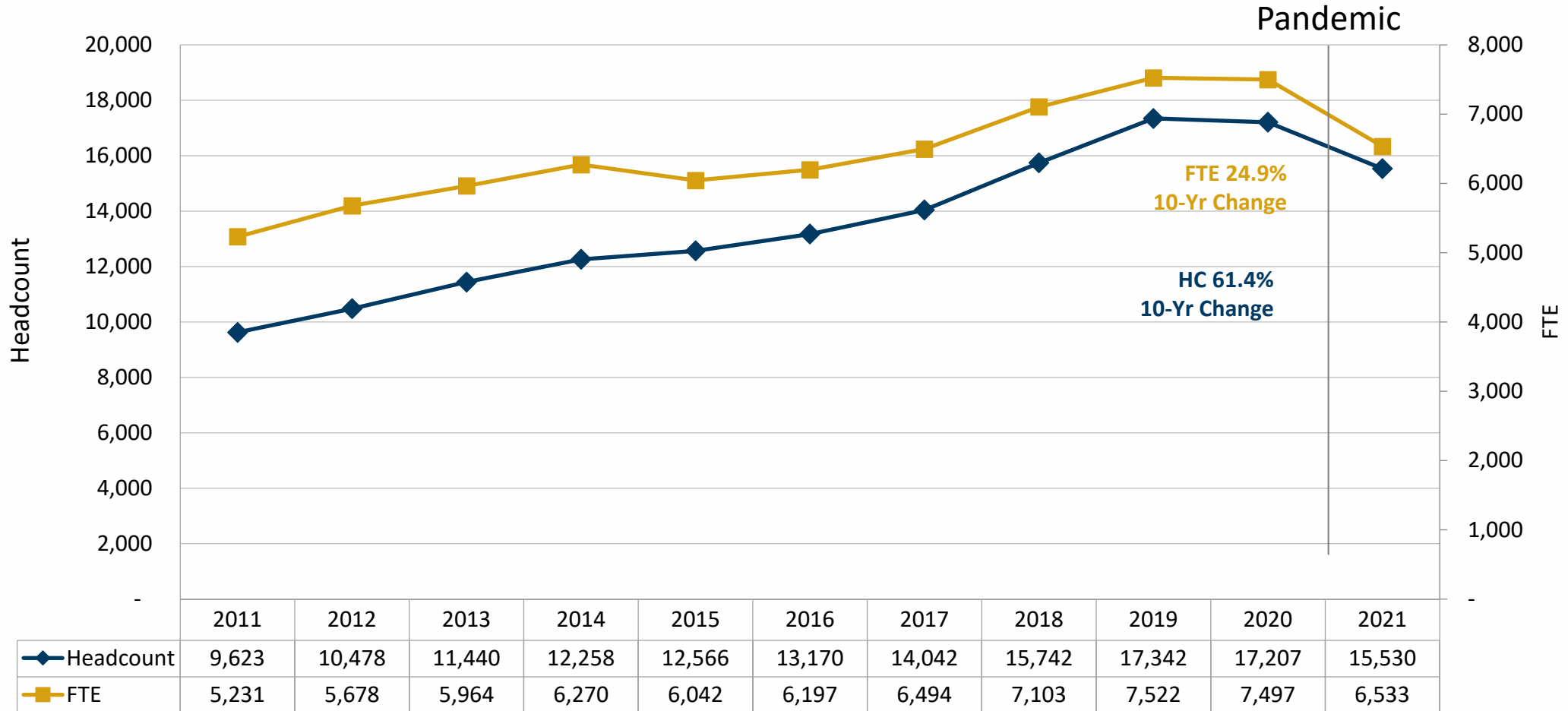
AY Enrollment – Community Colleges



Source: KHEDS Academic Year Collection
 More data can be found at stats.kansasregents.org; Enrollment Tab



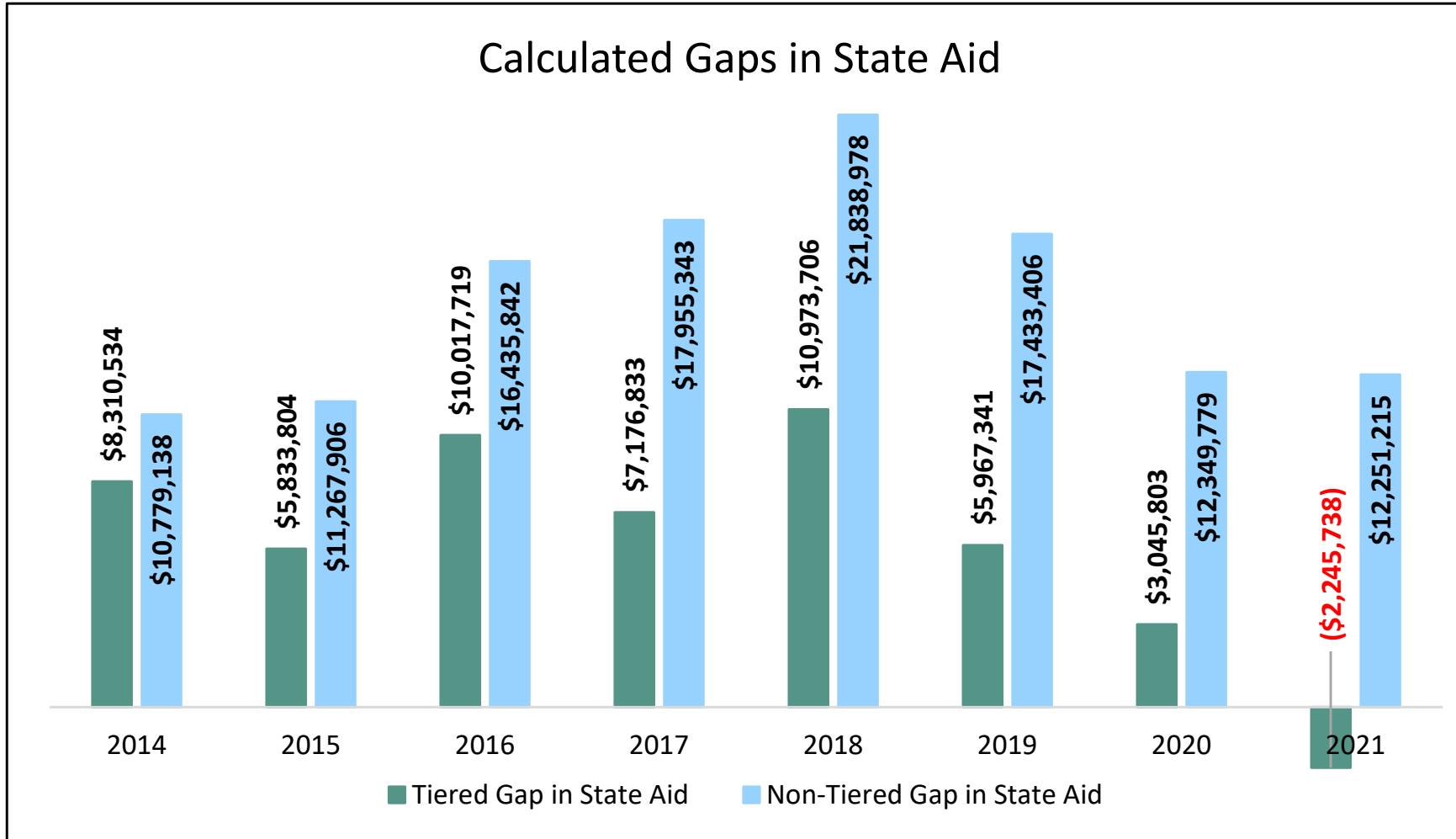
AY Enrollment – Technical Colleges



Source: KHEDS Academic Year Collection
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2011 Senate Bill 143





2011 Senate Bill 143

★ One College's State Aid Distributions for Tiered and Non-Tiered Courses

- ★ FY 2013 \$14,754,151 204,996 SCH AY 2011
- ★ FY 2014 \$14,754,151 205,197 SCH AY 2012
- ★ FY 2015 \$14,754,151 200,288 SCH AY 2013
- ★ FY 2016 \$14,754,151 186,029 SCH AY 2014
- ★ FY 2017 \$14,163,985 181,597 SCH AY 2015
- ★ FY 2018 \$14,163,985 181,597 SCH AY 2016
- ★ FY 2019 \$14,554,583 181,457 SCH AY 2017
- ★ FY 2020 \$15,350,608 175,640 SCH AY 2018
- ★ FY 2021 \$15,662,634 165,497 SCH AY 2019
- ★ FY 2022 \$15,465,802 152,118 SCH AY 2020



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★ **Timeline of Data Collection and Distribution of State Aid**

★ Academic Year 2020 Enrollments (July 1, 2019 – June 30, 2020)

- ★ July-September 2020: Student Enrollment and Course Data submitted to KBOR with opportunity for data review and required presidential certification
- ★ Fall 2020: Instructor Cost Data Collected from Johnson County Community College
- ★ Fall 2020: Instruction and Institutional Support Data Derived from KBOR Data Books
- ★ Fall 2020: Extraordinary Costs are re-examined on a periodic basis, with TEA approval for adjustments
- ★ Winter 2021: Course enrollments are aggregated to calculate state's share of financing courses
- ★ TEA Meeting in January/February 2021: Gap Report Presented to TEA
- ★ Spring 2021: Legislature Appropriates Tiered and Non-Tiered Funds to KBOR
- ★ TEA Meeting May 2021: Tiered and Non-Tiered Appropriations Approved
- ★ KBOR Meeting June 2021: Tiered and Non-Tiered Appropriations Approved for FY 2022
- ★ August 2021: First Half of State Aid Payment Issued (K.S.A. 71-605)
- ★ January 2022: Second Half of State Aid Payment Issued (K.S.A 71-605)



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★ Instructional Cost Model for Kansas Resident Students

- ★ The Board of Regents distributed state aid in accordance with the Act and budget provisos from FY 2012 through FY 2023.
- ★ An example from 2013 SB 171 is shown for the tiered appropriation.

Postsecondary tiered technical education state aid \$58,300,961
Provided, That if the amount of moneys appropriated for the above agency for the fiscal year ending June 30, 2014, in the postsecondary tiered technical education state aid account is greater than the amount of moneys appropriated for the above agency for the fiscal year ending June 30, 2013, in the postsecondary tiered technical education state aid account, then the difference between the amount of moneys appropriated for the fiscal year 2014 and the amount of moneys appropriated for the above agency fiscal year 2013 shall be distributed based on each eligible institution's calculated gap, according to the postsecondary tiered technical education state aid act, K.S.A. 2012 Supp. 71-1801 through 71-1810, and amendments thereto, as determined by the state board of regents: *Provided further*, That no eligible institution shall receive an amount of money from the postsecondary tiered technical education state aid account in fiscal year 2014 that is less than the amount such eligible institution received from such account in fiscal year 2013, unless the amount of moneys appropriated for the above agency for fiscal year 2013 in the postsecondary tiered technical education state aid account for fiscal year 2014 is less than the amount of moneys appropriated for the above agency for fiscal year 2013 in the postsecondary tiered technical education state aid account: *And provided further*, That if the amount of moneys appropriated for the above agency for fiscal year 2014 is less than the amount of moneys appropriated for the above agency for fiscal year 2013 in the postsecondary tiered technical education state aid account, then each eligible institution shall receive an amount of moneys as determined by the state board of regents.



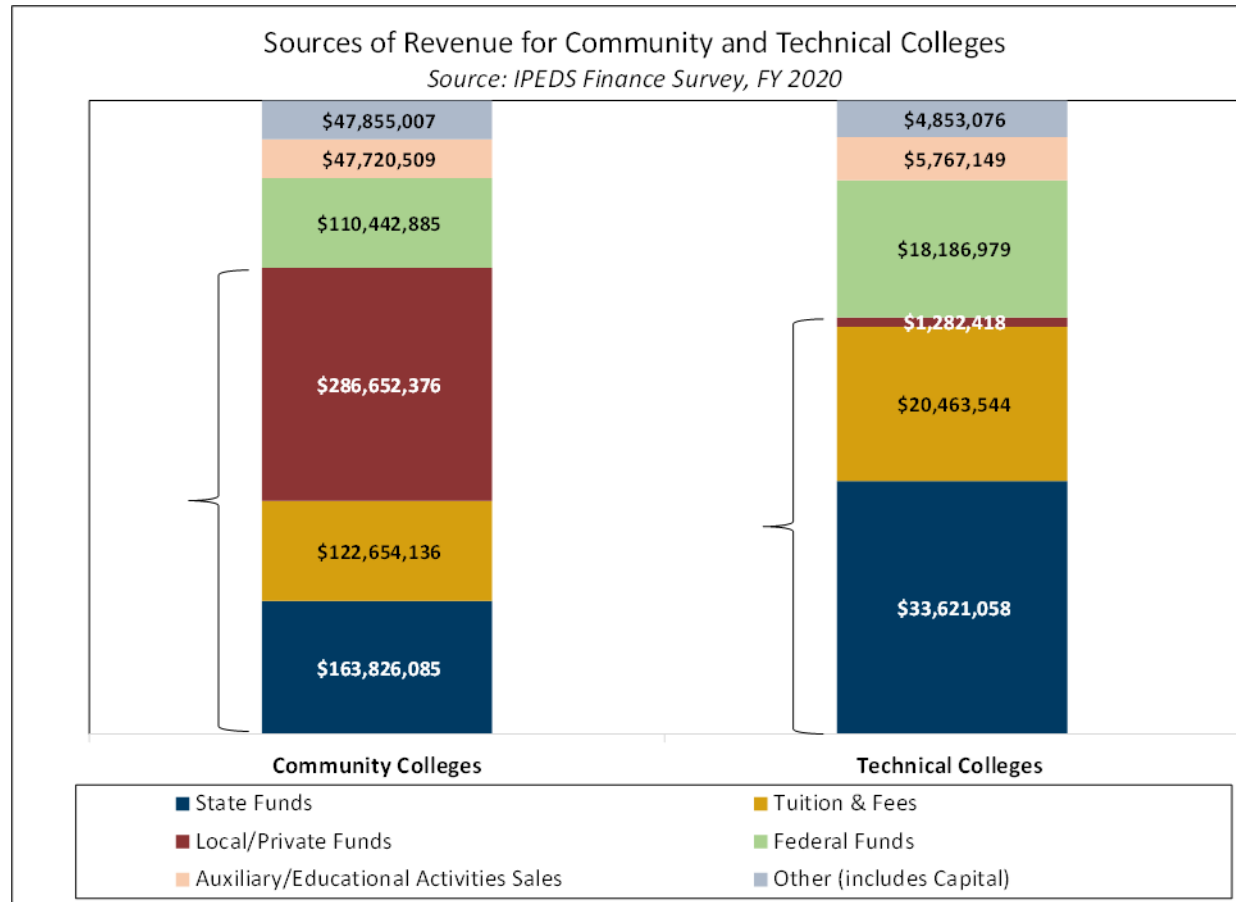
2011 Senate Bill 143

★ FY 2023

- ★ 2022 Legislature provided adequate state funds to cover the state's share of AY 2021 student enrollments in FY 2023
- ★ No college had lower tiered or non-tiered state aid relative to FY 2022
- ★ If a college's enrollment resulted in lower state share calculations, the college's aid was held flat
- ★ According to Subsections 109(a) and 109(f) in 2022 H Sub for Sub for SB 267, there is to be a three-year migration to full adoption of the instructional cost model:
 - ★ FY 2023 Colleges with no gap are held at FY 2022 state aid level
 - ★ FY 2024 Colleges with no gap retain 50% of overfunding
 - ★ FY 2025 State aid is distributed according to the instructional cost model calculations



Community and Technical College Revenues





Performance Agreements

- ★ **1999 SB 345** applied agreements to all 32 public higher education institutions and tied awarding of new state funds to the agreements
- ★ Agreements are in lieu of the performance-based budget process for the state universities
- ★ The agreements are based on maintaining or making improvement over the previous three-year average for each indicator chosen by the institution
- ★ K.S.A. 74-3202d(e) governs application of agreements to “new state funds:”
 - ★ “‘new state funds’ means that amount of state funds by which the amount received by a postsecondary educational institution for a fiscal year exceeds the amount received by that postsecondary educational institution for the preceding fiscal year...Any funds designated by the legislature for a specific postsecondary educational institution or purpose shall be exempt from the provisions of this section.”



Glossary

- ★ **Academic Year** = Generally equivalent to a fiscal year, July 1 to June 30; the Academic Year (AY) comprises three semesters: the leading summer, fall, and spring.
- ★ **SCH** = Student Credit Hour; a student earns college credit in terms of credit hours.
- ★ **Tiered Course** = To qualify for tiered state aid, the course must be both a technical course and part of an approved technical program.
- ★ **Non-Tiered Course** = If a course is not categorized as tiered, it is categorized as non-tiered.
- ★ **Taxing District** = The locally-elected board of trustees of a community college has authority to levy a property tax on the taxable tangible property within the college taxing district, which is the local county, except for Montgomery County, which has two community colleges, so the county is divided roughly in half.
- ★ **In-District** = An in-district community college student resides within the college's taxing district. All technical college Kansas resident students are considered in-district.
- ★ **Out-District** = An out-district community college student resides outside of the college's taxing district.
- ★ **Residency Status** = In relation to tuition, a student's status is determined at the beginning of the reporting term and is defined by law for community colleges by K.S.A. 71-406 and K.S.A. 71-407.
 - ★ **Resident:** The student has been a domiciliary resident of Kansas as of the start of the reporting term. In the context of the cost model, SCH of Kansas resident students are eligible for state aid.
 - ★ **Non-Resident:** The student has not been a domiciliary resident of Kansas as of the start of the reporting term. In the context of the cost model, SCH of Kansas non-resident students are not eligible for state aid.



Resources

- ★ More information can be found at www.kansasregents.org => Data
 - ★ Data Books for Each Sector
 - ★ Enrollment Reports
 - ★ Comprehensive Tuition & Fee Reports
- ★ Kansas Higher Education Statistics “KHE Stats” – a self-serve reporting tool
- ★ Transfer Portal (<https://transferks.kansasregents.org/>)
- ★ Military Portal (<https://military.kansasregents.org/>)
- ★ KS DegreeStats (<https://ksdegreestats.org>)
- ★ Kansas Training Information Program (K-TIP) Reports
(https://kansasregents.org/workforce_development/k-tip-report)
- ★ *Apply Kansas* (September 16, 2022 – encourage high schools to register at <https://kansasregents.org/students/apply-kansas>)