

INTERIM JOINT COMMITTEE ON EDUCATION

Minutes of the 3rd Meeting of the 2018 Interim

August 13, 2018

Call to Order and Roll Call

The 3rd meeting of the Interim Joint Committee on Education was held on Monday, August 13, 2018, at 1:05 p.m., in Room 154 of the Capitol Annex. Senator Max Wise, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Max Wise, Co-Chair; Senators David P. Givens, Jimmy Higdon, Alice Forgy Kerr, Stephen Meredith, Gerald A. Neal, Reginald Thomas, Johnny Ray Turner, Stephen West, and Mike Wilson; Representatives Linda Belcher, Danny Bentley, Mark Hart, Mary Lou Marzian, Reginald Meeks, Charles Miller, Phil Moffett, Tim Moore, Kimberly Poore Moser, Rick G. Nelson, Melinda Gibbons Prunty, Jody Richards, Steve Riley, Attica Scott, James Tipton, and Russell Webber.

Guests: Erin Klarer, Kentucky Higher Education Assistance Authority; Wayne D. Lewis, Kentucky Department of Education; and Christina Weeter, Kentucky Department of Education.

LRC Staff: Jo Carole Ellis, Yvette Perry, Joshua Collins, Lauren Busch, and Maurya Allen.

Following the call to order and roll call, Chairman Wise asked for a moment of silence for Representative Carney who was not present due to the recent passing of his grandmother.

Approval of Minutes

Representative Webber made a motion to adopt the minutes of the June 11, 2018, meeting. Motion was seconded by Senator Meredith and passed by voice vote. Representative Tipton made a motion to adopt the minutes of the July 9, 2018, meeting, seconded by Senator Meredith. Motion passed by voice vote.

Chairman Wise took a moment to make a book recommendation to the committee, “What School Could Be” by Ted Dintersmith. It had been very inspiring to him, and he had several copies available for any committee member who would be interesting in reading it.

Kentucky Community and Technical College System

Dr. Jay Box, President, Kentucky Community and Technical College System (KCTCS), and Brian Perry, Government Relations Liaison, KCTCS, were present to give an overview of the system and how it has changed over time. They began by giving a brief history of the creation of KCTCS following the 1996 meetings of the Task Force on Postsecondary Education. KCTCS differs from other systems across the country because it is a single system with 16 accredited colleges, a system office, one governing board, and 16 advisory boards. Other systems are not similarly arranged and their individual schools are not accredited in the same manner. All the schools within the system share resources and curriculum but have ability to customize to meet local employment demands. During the decade between 1998 and 2008 there was an emphasis on improving access through building new buildings, increasing enrollment, and investing in technology and distance learning. In the next five-year span, there were increased budget cuts to postsecondary education, and KCTCS turned its focus toward improving the number of degrees completed by students. This continues to be a focus for the system, impressing upon students, parents, teachers, and community leaders the important impact a community college education can have.

Currently, approximately 40 percent of undergraduates in the Commonwealth are enrolled in a KCTCS college. KCTCS also offers a majority of the certificate programs necessary to meet the mid-skill employment needs of the state. KCTCS is constantly looking for ways to encourage more students and adults to enter careers in Kentucky by gaining technical skills they need from a community or technical college. Despite the decline in enrollment following recent improvement of the economy, a record number of credentials were awarded by KCTCS in the 2016-17 school year, an increase of 12 percent over the prior year.

In response to a question from Senator Givens, Dr. Box answered that the system is very nimble in response to the changing economy and utilizes a three-year review program to meet needs. Additionally, a majority of instructors at KCTCS are not tenured and programs are sometimes suspended but not entirely eliminated. Decisions are made locally on which programs are suspended or cut, but these decisions are overseen by the Board of Regents.

In response to a question from Senator Meredith regarding adults in the workforce who need to acquire new skills, but do not have a high school diploma or GED, Dr. Box said that there are ongoing efforts to address this issue, primarily by improving counseling for those coming to employment centers and encouraging them to consider achievement of credentials at a postsecondary institution to improve their employability.

Responding to a question from Senator Higdon, Dr. Box said the system has not fully realized its potential at this time. KCTCS is working hard to produce the graduates needed for today's workforce, but it will take a collaboration of high schools, parents,

counselors, and workforce partners to fully realize the vision of what community college and technical education can be. There is still a stigma attached to ‘dirty jobs’ and a great emphasis on technology. KCTCS has the capacity to meet Kentucky’s workforce needs, but needs greater enrollment and higher completion rates for that to be fully realized. Dr. Box added that regular surveys of area employers are used to determine if graduates are meeting local needs, and indications are that they do, but there are simply not enough graduates.

Dr. Box continued his presentation by illustrating the efforts of all the KCTCS schools to infuse essential skills into all parts of the curriculum. They have also expanded apprenticeship opportunities so that students gain valuable work experience while earning a degree. This greatly enhances the ability of students to garner employment upon graduation. Recently, KCTCS has also worked on improved campus leadership. Dr. Box has overseen the hiring of 13 new presidents during the last four years, nine of whom have specializations in technical education. This has also led to expanded programming to meet technical demands, with over 290 new programs created and over 500 programs removed because they were found to no longer be beneficial. The advisory boards of each college in the system also incorporate input from local businesses, and over 2,000 companies are represented in advisory board membership.

Using funds from the TRAINS program, KCTCS has worked to upskill current employees as well. They have implemented a new Program Alignment Tool which uses labor market indicators to identify specific programs that align with regional labor markets so that local colleges can better tailor their programs to meet area needs. As job markets change, the colleges also need to give good advice and counseling. All the area colleges provide information online about locally available jobs, pay ranges for those jobs, and which credentials are necessary to enter that job or field. Dr. Box also stressed that KCTCS is the solution to address the loss of jobs from coal mining. Essential to retooling individuals for new industries such as Braidy International in Ashland and the growing high speed fiber optic industry in Pikeville, and to greatly improving area employability, Big Sandy Community and Technical College has implemented new certification programs, some of which can be completed in two weeks or less.

Dr. Box then presented an illustration of the KY Skills-U “On Ramp Project”—Career Freeway Initiative. This model shows the various different “on-ramps” into the KCTCS/Skills-U programs and the many different “off-ramps” including high-wage jobs, associate degree completion, transfer to other universities, or pursuit of bachelor degrees. The goal is to have students think of the education provided by KCTCS as a freeway to the workforce with quick access and quick exit into jobs that allow them to improve themselves and support their families. Another new initiative is co-enrollment with GED programs to allow achievement of workforce credentials alongside the GED, which is often the quickest possible pathway to employment. Dr. Box especially wanted to thank Reecie Stagnolia,

Vice President for Adult Education, Council of Postsecondary Education, for his assistance and expertise in the creation of these co-enrollment programs.

Responding to a question from Representative Gibbons Prunty, Dr. Box said the cuts to the Kentucky Coal Academy were direct budget cuts so the coal academy schools will lose funding within the next year. In order to cover needs that still exist, funds will have to be shifted from other areas, but program cuts will likely be inevitable.

In response to Representative Tipton's questions regarding prison education, Dr. Box explained that corrections education was removed from KCTCS oversight in recent years. KCTCS would be very willing to take on corrections education again, but that is currently not something under KCTCS jurisdiction.

Representative Marzian commented that in some cases, felony convictions also prohibit individuals from seeking credentials and perhaps it may help to reconsider the expungement process for certain felonies. In response to her questions about students with substance abuse issues, Dr. Box said the role of KCTCS has primarily been in referring students who exhibit a substance abuse problem to outside agencies that can better assist in treatment and rehabilitation. They do not have any on-site treatment programs.

Continuing his presentation, Dr. Box said enrollment in dual-credit courses by high school students is increasingly on the rise. Currently, over 50 percent of dual-credit students in the state are enrolled in a KCTCS school, and this will likely grow by 11.5 percent in just the next year. This has also resulted in a savings of \$11 million for Kentucky families in reduced tuition costs over the course of a degree program.

Responding to Representative Tipton's questions, Dr. Box agreed the Work Ready Scholarship has been a major motivating factor for students to capitalize on dual-credit while still in high school.

Returning to his remarks on savings, Dr. Box explained that KCTCS represents a significant return-on-investment for students and their families. According to a study performed by Economic Modeling Specialist Incorporated (EMSI), for every \$1 invested by students in a KCTCS education, they receive a \$5.80 increase in lifetime earnings. Additionally, the state sees a return-on-investment of \$3.40 in added taxes and public sector savings. Converted to annual return percentages, for students this is a 19.6 percent increase on annual return, greater than investment in stocks or savings accounts. To maintain low costs across the system, the governing board has focused on efficiency and reducing costs while still providing an excellent education. KCTCS functions with 800 fewer employees than similarly sized systems by pooling resources into a central governing body. They have also reduced costs through the elimination of unnecessary programs, renegotiated contracts for goods and services, reduction in utilities through energy efficiency initiatives, use of technology to reduce travel for staff, third-party outsourcing where possible (resulting in a

savings of \$13.9 million alone), and eliminating the ability of employees to enroll in the state retirement systems. Students would pay approximately \$31 more per credit hour if KCTCS had not taken these steps.

In closing, Dr. Box said KCTCS is committed to performance-based funding, but the model does need full funding to work as intended. Additionally, KCTCS is facing its own workforce shortage struggles. It is difficult to find qualified technical instructors as they can make much more in the private sector. Increased funding for KCTCS in order to improve the pay scale would significantly improve their ability to recruit high skill instructors. Again, he stressed how business and industry partners, high school counselors, parents, and community leaders can help by making jobs attractive and suggesting KCTCS as an opportunity. Dual-credit enrollment is important, but it will not resolve the workforce problem alone, adults also need to enter credentialing programs. He did not want to discredit the impact that general education courses have either, as this is where a majority of essential skills are taught, and they have an overwhelmingly positive impact on society. Finally, KCTCS is committed to being affordable and impactful, and Dr. Box shared a video of student testimonials illustrating the impact that education has had on lives across the Commonwealth.

In response to a question from Senator Higdon, Dr. Box said the data regarding dual-credit and the 19 percent return on investment had come from the EMSI study. EMSI performs studies all over the United States for governmental and education institutions. Responding to a follow-up question, he answered that the Southern Association of Colleges and Schools (SACS) has made it clear during accreditation proceedings that dual-credit should primarily be reserved for high school juniors and seniors. There are limited approvals for 9th and 10th grade students to participate if they can show college readiness, but a majority of high school graduates have not been proven college ready, specifically in mathematics. This has been a significant barrier across the entire system and needs to be addressed in the primary and secondary schools.

Responding to questions from Senator Meredith, it was stated that KCTCS is the largest provider for online-based learning, and this will only continue to grow. KCTCS strives to reach those who are already working and need the flexibility. They have also recently expanded services for 24/7 access through a third-party online learning partner.

Regarding a question from Senator West about transfer of credits, Dr. Box said the legislature has mandated that all credits gained at KCTCS will transfer to a public university. However, they may not always align with a specific degree program if a student changes tracks between KCTCS and the university. In those instances, the credit becomes elective credit and does not benefit their degree completion, which can be frustrating. He advises students in these situations to always consult with an advisor before transferring to be fully aware of how credits will carry over.

In response to questions from Representative Belcher, Dr. Box reiterated the need for more promotion of the value of a career/technical college education and the value of a mid-skill credential. He said the greatest selling point may be the information regarding return on investment and the data revealed in the EMSI study.

In agreement with Representative Riley, Dr. Box said society and high school counselors need to stop telling students they are not college material. Every job has value and postsecondary education does not have to be a four-year baccalaureate degree.

Responding to Representative Tipton's concerns about student college readiness, Dr. Box said those who are at the lowest level are not successful. Students who are mid-level can be successful but it can take a significantly longer time for them to reach degree completion, up to an additional year in remediation classes, and that becomes frustrating as well as adding to the expense. This is where the co-enrollment initiative has been very successful, even though there is an additional cost to that program. Despite all of this, KCTCS remains committed to take every student, no matter what, and will continue to do so.

Dr. Box responded to Representative Meeks's questions regarding coal colleges by explaining that KCTCS is not currently funded to address specific types of programs or specific area colleges. During the first decades, more money was given to eastern Kentucky colleges, but with the implementation of performance-based funding, it appeared that those colleges did not need as much to cover expenses. What he proposed was a cap or a freeze on funding for the eastern colleges, but an increase to overall money in the formula to bring the other six colleges up to the level of the 10 coal-area colleges. He answered Representative Meeks question about transfer students, saying that up to 47 percent of students at KCTCS are in transfer programs in order to significantly reduce costs for a four-year degree.

In response to a question from Representative Moser, he reiterated that while KCTCS does partner with drug intervention and prevention agencies, they do not provide their own interventions, primarily due to budgetary constraints. And again, KCTCS would welcome the opportunity to work with corrections populations if given that ability and funding to do so.

Responding to Representative Gibbons Prunty, Dr. Box said that the message about the value and positive impact of community and technical education would be most effective at a local level and encouraged all members of the committee to speak with their local colleges and work within their communities to increase positive perception of KCTCS.

Chairman Wise made an announcement that the next meeting of the committee would be at Glasgow Area Technology Center in Barren County on September 10,

2018. With no further business to come before the committee, the meeting adjourned at 2:30 p.m.