

### Personal Background

K-12 teacher, principal, and superintendent

Hold degrees from Wartburg, UNI, Drake, and ISU

Daughters that attend UNI and ISU

I have worked for both Regents Institutions and Community Colleges.

### Comments

- The relationship between the community colleges and the Regents universities and independent colleges is as good as it has ever been.
- The community colleges have no desire to comment on the internal deliberations by the Board of Regents dealing with funding of their universities.
- We would like to discuss the assumptions and consequences behind funding principals for higher education institutions.
- Community colleges have over 1000 articulation agreements with our four-year Regent and Independent Colleges. We continue to work together to make transfer as seamless as possible for our students. We believe an Iowa resident enrollment-based funding formula will create an environment that will strain these relationships that have been built over several decades.

### Current Funding Concerns at Community Colleges

- NIACC and most community colleges have been experiencing declining enrollment due to a recovering economy and a decreasing number of high school graduates. NIACC has experienced a 7.75% enrollment decline over the past three years and we have reduced our general fund expenditures approximately two million dollars over this time. (Statewide 2014 Down 2.9% Head Count, 6.3% Credit Count).
- One can easily assume that as Regents schools focus more heavily on resident student recruitment, community colleges will

experience a decrease in Arts and Science enrollment. The reality is that Arts and Science enrollment helps offset the costs of our expensive Career and Technical program offerings. A decrease in Arts and Science student enrollment will make it difficult for us to continue to fund the high-quality CTE programs that exist today.

### **At NIACC We Have Invested In New Facilities:**

- Completed new dorms for resident students...we need to fill these dorms to make payments.
- Upgrading our STEM classrooms, in partnership with our K-12 districts, foster growth in the STEM field and a decrease in enrollment in this area will harm this effort.
- We are constructing a new Diesel Technology Center and Health Care Simulation Center in response to regional needs.
- On average, 53% of community college's general fund comes from student tuition and fees, so a decline in enrollment has a profound negative financial impact on our general operating fund which leads to tuition increases at our colleges. Student debt is a major concern for community colleges for we serve individuals and families who are often the most financially challenged.
- The LSA document you received demonstrates our most fundamental funding issue illustrating our low tax support per student. Diminishing tuition revenue will lead to increased tuition and ultimately will further limit access for Iowans to higher education via the community college system.
- The recently released Battelle Report identified 176,000 Iowan's with Bachelor's degrees working below what a BA degree should pay and forty percent of them working below what an Associate's degree should pay. Stated differently, many college graduates with a bachelor's degree in Iowa are working in lower-skilled occupations. Many of these students are returning to Iowa's

community colleges to learn a skill that will provide a living wage for their family.

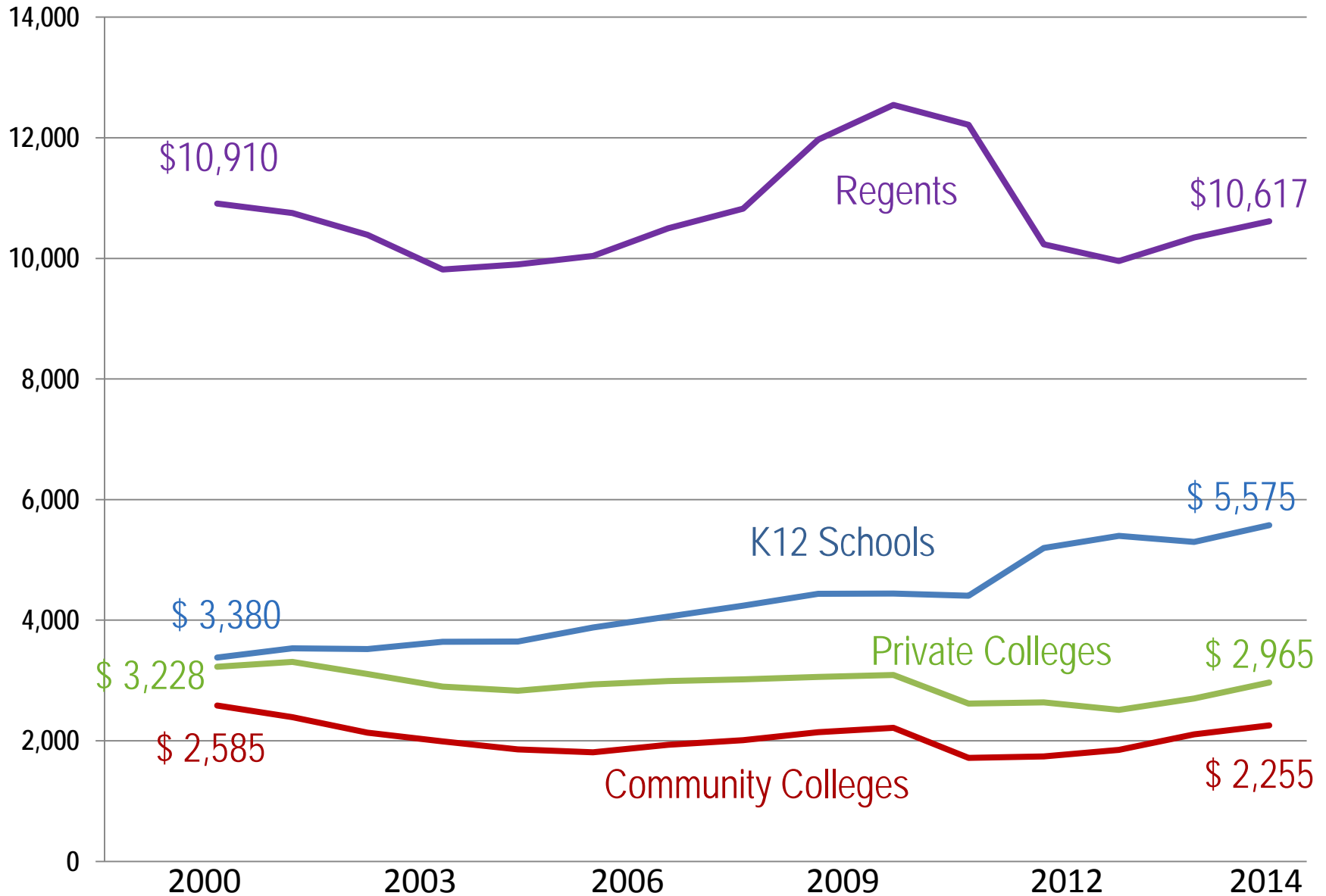
- The Battelle findings indicate there is currently a misalignment of credentials with the skills needed and jobs available in Iowa's workforce today
- Increasing the number of bachelor's degrees does not strategically address the middle skills gap or address the workforce needs of Iowa businesses, nor does it guarantee a livable wage for graduates.

### Closing

- The community colleges' greatest fear is creating an extremely competitive environment within the higher education community for resident students. It is a tribute to the past leadership of this state that we did not overbuild our system in the face of declining K-12 enrollments. A system that rewards resident student enrollment threatens to tilt the appropriate and delicate balance that Iowa's Higher Education system has enjoyed for many decades.
- I will end my comments the same as I began. The relationship between the community colleges and the Regents universities and independent colleges is as good as it has ever been. The benefactors of this relationship are our students. The proposed funding formula threatens to disrupt those productive relationships.
- Thank you for considering my comments and I will be glad to answer questions at the conclusion of these presentations.



# State Funding Per Pupil FY2000-2014



Iowa Education Institutions	FY2014 State Funding Per Pupil	Funding Per Pupil with 1.75% State Aid Increase
Community Colleges	\$2,074.00	\$36.30
Private Colleges	\$2,965.00	\$51.89
K12 Schools	\$5,608.00	\$98.14
Regents	\$10,617.00	\$185.80