



**Chancellor Bernadette Gray-Little
Testimony to the House Education Budget Committee
Monday, February 15, 2010**

Chairman McLeland, Ranking Member Lane and members of the subcommittee: Thank you for the invitation to testify today in support of the Governor's budget recommendation for the University of Kansas and the Regents system.

As you may know, I arrived on campus August 15. I believe it is important for the chancellor of the University of Kansas to be knowledgeable about the state he or she serves, which is why I immediately began a series of visits to communities around the state, meeting with local leaders, business people and KU alumni.

I've been to every corner of Kansas – from Ulysses to Pittsburg, Colby to Kansas City – and to many places in between; celebrating the construction of the new School of Pharmacy in Wichita, honoring Topeka's best students, and meeting with civic leaders in Salina.

What I've learned during my travels is that Kansans have a strong belief in the power of education to transform a life, a career, a community, a state, an economy. Kansans see education as a tool for both personal improvement and economic development. They're proud of their local schools and their state's universities, and they understand how investing in education leads to a prosperous Kansas.

My job as chancellor is to ensure that the dollars invested at KU bring a strong return on their investment. We do this at KU by making sure high quality faculty are retained at KU, that we leverage the money the state invests by growing every dollar invested to three dollars by attracting external grants and donations, and most importantly by producing the well-educated, professionally trained Kansans who will keep our state strong and growing in the years ahead.

This is why Kansans believe an investment in higher education is an investment in the prosperity of Kansas. And it is why I ask you to maintain the state's investment in higher education by holding the line and making no additional cuts to Kansas' universities, even if that requires finding new revenue.

I was fortunate to come to KU during a time of great accomplishments for the university's students, faculty, staff and alumni – accomplishments that further justify Kansans' pride in the university and the state's investment in our work.

This fall we had our second highest enrollment ever, surpassing the 30,000 student mark for the second consecutive year. We continue to enroll more Kansans than any other university, with seven in ten of our students being from Kansas.

The Kansas workforce is the key to the prosperity of the state, which is why we have continued our efforts to educate the next generation of doctors and nurses, teachers and engineers, business leaders and professionals in nearly every field imaginable.

Work is underway in both Lawrence and Wichita on the expansion of the School of Pharmacy that the Legislature supported, and we plan to start educating new pharmacists in Wichita in the fall of next year. This will help us meet the critical need for pharmacists, particularly to serve patients living in rural Kansas.

Another highlight is the recent \$12 million National Institute of Standards and Technology grant we received to build an engineering research facility for faculty working on biofuels and clean energy, as well as those developing sustainable materials and techniques. KU was one of only 12 research institutions chosen to receive this funding. Having this research take place in Kansas will make it more likely that jobs in these growing industries will be created in Kansas.

Kansas can produce a larger pool of engineers, but to do that we need a strong supply of math and science teachers to inspire smart young students. That's why we're pleased to report that our program to graduate math and science teachers, UKanTeach, is expanding to Johnson County Community College, opening up opportunities for even more students to enter a field that is crucial to our nation's ability to compete globally.

In addition to educating students, KU's role as an international research university benefits the state through the discoveries that are made by our faculty, staff and students.

I know many legislators took part in last month's roundtable on cancer research at KU. That remains our top research priority and we're making great progress toward achieving National Cancer Institute designation, which will bring new cures and treatments to Kansans in their communities.

Additionally, the Kansas Bioscience Authority recently designated two more KU cancer researchers as Eminent Scholars, demonstrating the KBA's benefits to the state and providing new resources to Kansas' fight against cancer.

Our bioscience research and commercialization efforts will also receive a significant boost from the bioscience incubator that we broke ground on this fall. Thanks to our state and local partners, that facility will help turn discoveries into new businesses and new jobs right here in Kansas, adding to the 17 start-up companies already active in Kansas thanks to KU research.

As we support bioscience research, I also believe we can also enhance scholarly work in all fields. We have research and scholarly activities taking place across a wide spectrum – from developing techniques to help parents and teachers unlock the potential of children with autism to the Hall Center for the Humanities' collaboration with the Kansas Historical Society on the Kansas History Online project.

As you can see, our scholarly activities not only leverage the state's investment in KU by bringing more than \$200 million a year in external grants to Kansas, but they also create jobs and enhance our quality of life.

These are just a few examples of the ways the state's investment in KU adds to Kansas' growth and prosperity. Unfortunately, as you are well aware, the state budget crisis has had serious effects for KU students, our instructors and researchers, and the Kansans we serve.

We know the challenges the state is facing, which is why we have not only sought to maximize our use of private funds, research grants, and Recovery Act dollars, but have also taken action to use existing funds efficiently.

KU has implemented savings and efficiencies totaling at least \$9 million over the past two fiscal years. The Purchasing Pilot Project that you authorized in 2006 has saved \$1.76 million alone over two years. I appreciate the House's passage of legislation to make that project permanent and extend it to all Regents universities.

We have also leveraged the state's investment in deferred maintenance projects with funds from the Recovery Act. In our deferred maintenance work, we have replaced century-old utility tunnels and air handling systems, and are replacing aging electrical wiring and repairing damaged roofs, among other projects.

These projects boost the safety and efficiency of our campuses and ensure that our teaching and research missions can continue uninterrupted. However, this work will be severely hampered going forward if the state steps back from its commitment to addressing the deferred maintenance backlog.

Of course, savings and efficiencies cannot close the budget gap. As a result of the \$37.3 million in cuts and unfunded mandates that the university has taken, we have had to eliminate more than 200 positions. This has the potential to harm the long-term prosperity of Kansas. Let me give you a few examples.

In Kansas, the need for engineers remains acute. The state currently has 16,000 engineers, and the payroll earnings for them and their team members is estimated at \$2.5 billion. They are a cornerstone for our economy, especially in aviation, construction and technology-related fields.

Unfortunately, budget cuts have forced reductions in our engineering faculty. KU now has about 40 percent fewer engineering faculty members than the average for Big 12 public universities and that constricts enrollment capacity at a critical time for the state.

There's a similar shortage of nurses, especially as the state and national populations age. However, because of cuts, KU was only able to admit 120 nursing students of the 336 qualified applicants this year. With a decreased enrollment capacity brought about by faculty reductions, we are now educating only as many undergraduate nurses as we did in 2005.

These are just two specific programs. Chemistry is a core course for a range of fields, from engineers to doctors, but we have had to reduce the number of introductory chemistry courses offered because of a lack of staff and available space. Other introductory courses, such as calculus, which form the foundation for many fields, now have classes of 40 to 49 students. This

adds up to a diminished student experience and potentially reduces the number of students who will graduate in a timely manner.

The budget crisis affects our students, but it also affects KU research. As I mentioned, KU teachers and researchers attract more than \$200 million in external grants to Kansas each year, so a reduction in faculty members reduces KU's ability to bring money into Kansas. It also reduces opportunities for start-up companies, further hampering the state's job growth.

Even the drive for National Cancer Institute designation isn't immune. Budget cuts have slowed down recruitment efforts for researchers and clinical staff, even though there are a number of talented researchers interested in joining our cancer center.

I know that you, possibly better than anyone, understand the challenges faced by Kansas, its residents and businesses. These are difficult times, but they will pass, so we must ensure the state and its people are ready for the recovery.

Kansas will not be fully prepared to take advantage of the coming economic recovery if its universities continue to face budget cuts. At KU, we've already taken budget cuts that exceed the total budgets of several of our professional schools, and additional cuts will further constrict the pipeline of the new graduates and new discoveries that will drive the Kansas economy.

The workforce shortages in fields such as engineering and nursing will only get worse as the economy recovers. If Kansas does not have an adequate supply of workers in these and countless other industries, the pace of the recovery will be significantly hampered and we will be at risk of losing businesses to other states as they seek qualified workers.

I know that holding the line on further cuts to education will require difficult decisions about taxes and spending. But the long-term future of Kansas depends on the decisions made in this short-term crisis. And through votes and polls, Kansans have shown they support quality education and are willing to pay for it.

I have greatly enjoyed the opportunities I have had to meet with you and your constituents, and I remain confident that not only will Kansas recover from this recession, but that higher education will play a vital part of that recovery.

I look forward to working with you and my fellow presidents to continue Kansas' tradition of outstanding public higher education. Thank you again for the opportunity to provide this testimony to you.

At this time, I am pleased to introduce Karen Miller, senior vice chancellor at the KU Medical Center. Following her remarks, we'd be happy to answer any questions you may have.