

**Chancellor Robert Hemenway's Testimony to the
Kansas Senate Ways & Means Subcommittee on Higher Education**

February 20, 2008

President Morris and members of the subcommittee: Thank you for allowing me to come before the subcommittee today to visit with you about how KU works for Kansas through its mission of teaching, research and service to our state, and how, together, we can continue to successfully fulfill that mission.

Joining me today are Dr. Barbara Atkinson, executive vice chancellor for the KU Medical Center and executive dean of the medical school and Theresa Gordzica, the chief financial officer of the university.

As you know, Kansans have long had a commitment to education and learning. The state constitution required the establishment of a state university. Kansans responded by founding three of them.

Those early leaders recognized that Kansas would never prosper without institutions of higher learning. One hundred and forty-two years after the founding of the University of Kansas, that belief in the power of education still exists and that vision of a better future still motivates us to achieve great things – in the classroom, in the laboratory, on the field of competition and around our state.

At KU we are very proud of several recent accomplishments. One program received a top national ranking and we also have a coach of the year. These are great achievements that are celebrated by all Jayhawks.

Now, of course, I'm referring to our School of Medicine being ranked first in the number of family physicians it educates, but I could also have been speaking of our city management and special education graduate programs, both of which are ranked first in the nation and are two of KU's 13 graduate programs ranked in the top 10. And the coach of the year is debate coach Scott Harris, who earned the honor in 2006 and 2007.

But I can't leave out our football program, headed by another coach of the year, Mark Mangino. The Jayhawks caused a run on oranges in Lawrence after being the first team from Kansas to win a Bowl Championship Series game, defeating Virginia Tech 24-21 in the 2008 Orange Bowl.

These are all great accomplishments, and while we appreciate the recognition, we are truly proud of these achievements because they help us fulfill our mission to the state of Kansas, namely to educate our students, conduct cutting-edge research and provide services to the people of this great state.

How KU works for Kansas

Let me begin, as I should, with our students and faculty.

We have managed a steady enrollment climb toward 30,000 students and expect to maintain a stable enrollment in the coming years. Of the 29,260 students who enrolled at KU this year, 7 in 10 are Kansans and we're proud of the fact that we enroll more Kansas students than any other institution.

That's important, because our state and our nation rely on the pipeline of new degree-holders that we graduate: KU awarded more than 6,000 degrees this past academic year, including the highest number of doctorates in our history – 327.

KU has sought to keep tuition affordable, while still delivering the quality instruction students and families have come to expect. This year, KU's resident tuition and fees rank 6th out of 11 public universities in the Big 12, behind both Colorado and Missouri. Forty percent of KU undergraduates received financial aid in the previous academic year, with the average gift aid package totaling \$4,550.

Students are a key part of the tuition-setting process, and their leaders have often been the ones who have come to us with proposals to tie tuition increases to investments in courses and technology, as well as to additional scholarships. They're also who came to us with the idea for the Four-year Tuition Compact, which now guarantees incoming freshmen will pay the same tuition rate for four years.

These all help us maintain our affordability and our level of excellence, which is why we've seen steady enrollment growth over the past 10 years. It's also why we've seen gains in the talent and diversity of the students coming to KU. The average ACT score of KU freshmen this year is 24.6 – that's a school record, and is well above the national average of 21.9.

Gains in minority enrollment and retention are also exceptional, with more than 76 percent of minority freshman returning for their sophomore year in fall 2006, compared with just 70 percent a decade earlier.

Given their accomplishments, it should be no surprise that our students are regularly honored with national and international scholarships and awards. We're proud of our 25 Rhodes Scholars, our 24 Mellon Fellows, 43 Goldwater Scholars and 16 Truman Scholars; not to mention our 401 Fulbright Fellows.

These talented students go on to be the backbone of the Kansas economy, joining the 142,000 KU alums living in Kansas. That includes 13,000 teachers; 12,000 health professionals; 10,000 business professionals; 5,000 engineers and 3,600 lawyers.

But these large figures shouldn't divert us from the fact that each one of these graduates impacts our state in a very real and meaningful way. That was never more evident than last November when Dean Audus and Provost Richard Lariviere joined Senator Teichman in Stafford, Kansas.

They were there to perform a ceremonial hooding ceremony for Bradley Newell, who is on track to graduate from our pharmacy school this May and whose mother Debra was battling cancer. Friends and family turned out to congratulate Bradley on his impending graduation and it was a great opportunity to see how each graduate touches the lives of countless Kansans. We were proud to be a part of the Newell family celebration and we are grateful, Senator Teichman, that you allowed KU to take the ceremony to the Stafford County Hospital.

Teaching is our first priority, but KU is also a research university, and our scientists and investigators are making exciting discoveries. KU has seen its research expenditures more than double over the past 10 years to \$288.8 million. Those expenditures don't just create research jobs, but lead to new technologies, new treatments and cures for illnesses, and a better understanding of the world around us.

KU researchers are at the front lines in the fight against cancer, seeking to discover the drugs and therapies that will one day rid us of this and other diseases. That contribution will be significant in every county of our state and throughout the nation.

KU is dedicated to serving the citizens of our state and nation, providing them with opportunities for happier, healthier lives. We are delighted that our faculty members are invited to give you expert testimony and consultation on topics ranging from groundwater to constitutional law. Already this year, legislators have heard from such KU experts as Johan Feddema on energy, Matthew Reese on autism and Art Hall on economic development issues.

Additionally, through telemedicine and our Area Health Education Centers in Garden City, Hays and Pittsburg, people throughout Kansas can benefit from the expertise of KU doctors right in their own communities, saving patients time and money.

The Kansas Law Enforcement Training Center in Yoder has trained law enforcement personnel from every Kansas county, and those personnel can now better keep us safe, while using their training to stay safe themselves. Fire and rescue workers throughout Kansas will also save lives thanks to the training they receive from the Kansas Fire and Rescue Training Institute operated by KU Continuing Education.

And earlier this month at Fort Leavenworth, we announced the Wounded Warriors program, a partnership between KU and the U.S. Army. Through this program, the

Army will pay for wounded soldiers to earn graduate degrees at KU, and in exchange those veterans will remain with the Army as military or civilian instructors, helping to educate the next generation of soldiers. This is an outstanding program and we are very excited about this opportunity to work with some of America's heroes.

These are just a few of the ways KU is working for Kansas every day, fulfilling our mission and proving that a great university doesn't confine its activities within the four walls of a classroom or laboratory.

Continuing KU's progress

As we look to the future of KU, and of Kansas, it is important to realize that we have experienced a period of significant decline of the amount of state financial support per student we receive – adjusted for inflation, that figure went from \$7,937 in FY 1999 to \$6,348 in this fiscal year.

That's why we strongly support the Governor's recommendation for a 4.4 percent increase in the Regents' operating grant. This increase is critical if we are to keep up with rising costs, as measured by the Higher Education Price Index. This funding will be used to fund compensation increases for faculty, staff and student employees, as well as to keep up with rising costs in areas such as utilities.

Our ability to continue to provide a first-class education to our students, conduct the research needed to improve Kansans' quality of life, and continue to serve the people of Kansas depends on reversing the trend of declining state funding for KU and the other Regents institutions.

Additionally, on the issue of deferred maintenance, we are appreciative of the financial support the Legislature provided last year and are already putting that support to good use. Work is already underway repairing a buckling floor in Wescoe Hall and replacing outdated lab equipment in Haworth Hall, and plans are currently being drawn up for work that will begin later this year on the utility tunnels that are the hidden backbone of the university.

We are also already making plans to encourage KU's supporters to take advantage of the deferred maintenance tax credit program when it begins on July 1. This is an outstanding way for Kansans to directly support their institutions of higher learning and we are eager to present this opportunity to the university's friends.

The focus on maintenance is always with us. Last year, I told you about former Representative Carl Krehbiel's donation of \$4 million to build a new scholarship hall at KU. This hall will house 50 men and is designed with the latest energy efficiency measures, including a noise-free, environmentally friendly geothermal heating and cooling system and a structure that will blend in with the neighborhood.

But like all buildings, this hall will need to be maintained. Rather than see it added to the list of buildings needing maintenance, last fall Rep. Krehbiel donated an additional \$400,000 for a maintenance endowment for the hall. This far-sighted act will ensure the hall will not fall into disrepair for lack of funds, and we thank Carl for his tremendous generosity.

Sadly, most of our buildings do not have patrons like Carl, and while the funds provided by the Legislature last year will help us address several key maintenance needs, they are not sufficient to overcome the yearly deficit that has built up and which continues to grow. That's why we strongly support the Governor's recommendation for an additional \$15 million in FY 2009 for deferred maintenance so that we can take care of some of our state's most important buildings.

Still, what is important is who is in the building. As you know, talented faculty and staff make it possible to provide the best education to our students. That's why the Legislature created the Kansas Partnership for Faculty of Distinction Program in 2000 to provide enhanced support for endowed professorships at Regents institutions.

Forty-eight professorships at KU have been established through this program, and we're asking legislators to expand this successful effort by increasing the cap on the program to \$10 million from the current \$5 million.

Those faculty members allow us to educate students to meet the state's workforce needs, with one of those needs being particularly acute.

We all know that Kansas faces a severe pharmacist shortage. And if I'd spoken to you in January, I would have reported that six counties in Kansas have no pharmacy and another 30 have only one.

Unfortunately, I have to update those figures – and not in a positive way. On January 29, the Barrows Health Mart in La Crosse closed its doors. There had been a pharmacy at its location since 1883 and it was the only pharmacy in Rush County. Its closure means there are now seven counties in Kansas with no pharmacy, not six.

This problem is exacerbated by the advancing age of our pharmacists. In several areas of Kansas the average pharmacist is 59 years old and those who are seeking to retire are having a hard time finding new pharmacists to buy their practices. The resulting shortage of pharmacists places an incredible burden on patients, especially seniors and those Kansans with limited mobility.

KU is the only university in the state with a school of pharmacy. With your support, we can expand our facilities in Wichita and Lawrence and nearly double the number of pharmacists graduating each year to just under 200, helping to address this shortfall. Governor Sebelius included funding for this expansion in her budget, which we greatly appreciate, and we plan to raise at least two-thirds of the project cost – an additional \$100 million – from private and federal sources.

We greatly appreciate the support for this project that has been shown by legislators so far this session, with endorsements from both the House Education Budget Committee and the Joint Committee on State Building Construction, and we ask for your support in meeting this growing need.

Our efforts in pharmacy and other disciplines build on our work to educate the students who will become tomorrow's leaders in a range of industries and fields.

Beyond these new initiatives to expand our ability to serve Kansas' workforce needs, we also ask that you continue support for an ongoing initiative to expand our ability to save Kansans' lives.

The fight against cancer remains KU's top research priority and we ask you to continue the state's annual \$5 million investment in the drive to obtain National Cancer Institute designation for our comprehensive cancer center.

Nearly 13,000 Kansans are diagnosed with cancer each year, while more than 5,000 die of the disease. One of the biggest challenges cancer patients face beyond the disease itself is the great distances they often have to travel for treatment. We need to discover new treatments and cures – and KU researchers are hard at work in search of those discoveries – but we also need to make them available to patients in their communities.

Earning a NCI designation for our cancer center would make cutting-edge treatments and clinical trials available to patients in Kansas, so they wouldn't have to go to Houston or Minnesota for the most advanced treatments.

We've seen great support from the Legislature, Governor Sebelius and our congressional delegation, as well as from the Kansas Masons and KU Endowment donors like Frank and Beverly Gaines. With your continued help we can earn this designation and bring these treatments home to Kansas.

From support for an operating grant increase that will allow us to maintain the quality of our programs in the face of inflation, to additional resources to train pharmacists and teachers, to continuation of our efforts to bring cutting-edge cancer treatments to Kansans, you and your colleagues have the opportunity to help KU continue its mission of working for the people of our state.

On behalf of the more than 32,000 students, faculty and staff of the University of Kansas, and on behalf of the 142,000 KU grads throughout the state, I appreciate this opportunity to testify before you today and would be happy to answer any questions you might have.