



Commonwealth of Pennsylvania
STATE BOARD OF EDUCATION

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Office of the County Executive
County of Erie PA

December 19, 2017

Hon. Kathy Dahlkemper
Erie County Executive
Erie County Courthouse
140 West Sixth Street
Erie, PA 16501

Dear Ms. Dahlkemper:

The Special Committee on the Erie County Community College Plan (Committee) held a public meeting on December 19, 2017, at which time it discussed its intention to afford Erie County (County) an opportunity to supplement its plan for the establishment of a new community college (the Plan). To ensure that the Committee has sufficient information to assess the Plan under the standards of review set forth in the School Code, the Committee seeks clarification and additional information regarding the Plan. Enclosed, please find a copy of the Committee's supplemental information request.

A response to this request should be directed to the Committee at: State Board of Education, 333 Market Street, 1st Floor, Harrisburg, PA 17126. The response may be submitted when the County determines that it has adequately compiled the requested information for the Committee's review. Responsive information from the County also will be shared with the State Board of Education at large and will be available for review by members of the public.

Should you have any questions about the Committee's supplemental information request, please contact my office at (717) 787-3787.

Regards,

Karen Molchanow
Executive Director

Enclosure

cc: Gary Lee, Director of Administration, Erie County



Erie County Community College Plan

Request for Information to Supplement the Plan to Establish a New Community College

The Special Committee on the Erie County Community College Plan held a public meeting on December 19, 2017. At that time, the Committee discussed its intention to provide Erie County with the opportunity to supplement its plan to establish a new community college with additional information that is responsive to questions identified by the Committee based on its review of the current plan. The Committee discussed and approved the following questions on the community college plan for submission to Erie County.

Local Funding

- The Introduction of the Plan (see page 4) states that the proposed community college will be supported locally through an estimated \$2.95 million in existing gaming revenue and nearly \$1 million in additional gaming revenue expected in 2021. The Introduction also states that the Erie Community Foundation has promised \$3.7 million to support start-up and operational costs. Finally, the Introduction states that “it is projected that no additional tax revenue will be required to fund the college.”

Further, Chapter 5 of the Plan pertaining to Financial Operations of the Community College (see page 49) includes a section on Local Support for the institution. This section states that the application to establish a new community college “will focus on the community college being able to draw upon “other sources” for sustainability” but does not specify the source of these “other sources.” This section should include a detailed discussion of the source(s), level of funding, and sustainability of the funding.

The Special Committee requests additional clarifying information regarding local funding for the proposed community college as follows:

- Do the gaming funds cited to support the institution (\$2.95 million existing; additional \$1 million anticipated in 2021) represent one-time funding or do these figures represent an anticipated annual local investment?
- How would the additional \$1 million in gaming funds anticipated in 2021 be derived? Does this revenue represent anticipated growth in total gaming revenues, a reallocation of current gaming revenues, or some other action?



- Page 35 of the Plan outlines draft policies related to tuition and fees. This section states that, “In addition to the tuition charge, the college will charge fees for such services as processing of applications, registration, and graduation” and that, “There may be fees charged for specific classes of programs to cover the costs of materials used.” In the discussion of revenue to support the college on page 49, the Plan presents figures for student tuition and states that, “Students will be charged \$22 per credit in the first year going up to \$41 per credit in year five, to cover student activities lab fees, and other incidentals.” Further, the budget on page 52 includes a line item for operating revenue from tuition and fees combined.

It is unclear whether the referenced \$22 per credit in the first year rising to \$41 per credit in year five reflects the fees envisioned in the policies related to student fees. Further, the section on policies related to fees indicates fees in a number of potential areas, but fees are not delineated as such in the plan’s section on revenue or in the budget. Please provide the following information related to fees as a source of revenue for the community college:

- Will students be charged additional fees beyond tuition? If so, please delineate these fees in the plan.
 - If fees are part of the revenue that will support the college, are there universal fees that will be charged to every student (i.e. technology, activity, student services, capital, etc...)? If such fees are part of the revenue that will support the college, please outline these fees in the budget for operating revenues.
- It appears that the projected revenue for Pennsylvania Department of Education reimbursement of equipment and building leases (see page 52 of the Plan) anticipates annual increases in this line item after Year One funding. The current community college capital application process provides for capital projects to be scored based on an agreed-upon scoring rubric. Projects are funded based on how they score on that rubric starting at the top and proceeding through the list of projects until available funds are exhausted. Please provide more information on how the 10-Year Capital Plan expenses presented on page 53 of the Plan relate to the projected Commonwealth’s capital contributions on page 52 in the line item?
 - How does Erie County plan to fund its share of capital costs? A footnote on Page 53 of the Plan states that the college is eligible for up to \$10 million in RCAP funding and notes that, “These funds require a 50% local match which is expected to be available.” The footnote does not identify the source of revenue for these expected funds. The footnote next states that construction or building acquisition for the community college is anticipated in Year 7 to be financed over 30 years and further states that, “It is projected that Erie County will finance its 50 percent match through RCAP funds.” Please clarify how RCAP is expected to support capital needs as the first sentence of the footnote states that a 50% local match is required, while the second sentence indicates that the county’s 50% match may be funded through RCAP.



- Page 21 of the Plan presents data on tuition rates for colleges and universities already operating in Erie County. Please update this graph to include data on tuition at the RRC and to indicate where the proposed community college would fall on the continuum of tuition costs. In addition, please provide a comparison of fees assessed by other postsecondary institutions in the region and indicate where anticipated fees of the proposed community college would fall on that continuum.
- Please provide information on how the proposed curriculum, affordability, accessibility, and delivery of the Erie County Community College would differ from other regional institutions.

Other

- Please provide more information on what facilities are required to support the curricular needs of programs that would be offered by the community college?
- The section addressing Accreditation on page 34 of the plan states that, “The college will apply for full accreditation from the Middle State Commission on Higher Education (MSCHE) within three years of commencing operations...”. It should be noted that the requirements of 22 Pa. Code § 31.52(b) require new institutions that are approved to offer degrees to obtain candidacy status for full accreditation within three years of commencing operations. The applicant should review its plan for pursuing accreditation to ensure that its timeframe for making application to achieve candidacy status provides enough lead time to comply with the requirements of 22 Pa. Code § 31.52(b).
- Page 35 of the Plan includes a section on Student-Related Policies. Subsection (e) addresses Transfer Assistance and ends with a reference to “See page 93.” However, the Plan document concludes with page 54. Please provide the information that was intended to be included on Page 93.
- On Page 50 of the Plan, the proposed budget speaks to a July 1, 2017, start-up date and the section on the pre-year one budget speaks to the hiring of a president by September 2017. Those timeframes should be amended as those dates have passed.