



# Instructional Cost Model:

State Aid to Community and Technical Colleges:  
Delivery of Courses for Academic Credit

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Kansas Board of Regents  
Building a Future for Kansas Families, Businesses and the Economy



# Instructional Cost Model

## ★ State Aid: Tiered, Non-Tiered, Excel in CTE Courses

- ★ 2011 SB 143 created a new postsecondary technical education formula.
- ★ The model identifies the colleges' direct and indirect expenses to deliver courses for academic credit to Kansas resident students.
- ★ It is not intended to address colleges' costs for non-resident students, nor for other campus functions such as student unions, residence halls or athletics.
- ★ Annual inflation adjustments are applied throughout so that colleges' increased costs over time are recognized.



# Instructional Cost Model

The cost model also calculates the state's share for colleges' costs to deliver courses to Kansas resident students:

- ★ Community College In-District Credit Hours = 1/3 student, 1/3 property tax, **1/3 state**
- ★ Community College Out-District Credit Hours = 1/3 student, **2/3 state**
- ★ All Technical College Credit Hours = 1/3 student, **2/3 state**
- ★ Secondary Students in Excel in CTE = **100% state**



# Instructional Cost Model

## ★ How are Instructional Costs Calculated in the Model?

*At the course level:*

### Tiered Courses

(Instructor Costs) + (Instructional Support Costs) +  
(Institutional Support Costs) + **(Extraordinary Costs)**  
= \$ Course Rate

### Non-Tiered Courses

(Instructor Costs) + (Instructional Support Costs) +  
(Institutional Support Costs)  
= \$ Course Rate



(Course Rate) X (Eligible Student Credit Hours)  
= Total Course Cost

Total Course Costs are aggregated at each college to calculate costs.



# Instructional Cost Model

## Course Rate Elements

Tiered Courses			
Non-Tiered Courses			Extraordinary Costs
Class Instructor	Instructional Support	Institutional Support	
Three-year average of instructors' salaries and benefits	College functions in support of delivering courses: student services, academic support and public service activities	College overhead: administrative activities necessary to run the college and operate the physical campus	Specialized equipment & materials necessary to deliver technical ("tiered") courses
National Higher Education Benchmarking Institute, housed at Johnson County Community College	Kansas community and technical colleges' annual financial audits and published in Board of Regents' data books	Kansas community and technical colleges' annual financial audits and published in Board of Regents' data books	Kansas community and technical colleges; colleges identified programs with "extraordinary" costs and submitted five years of actual expenditure data (revised to now encompass three years). Costs based on these data were grouped into course tiers and are adjusted annually for inflation, with periodic data refreshes for actual costs.



# History of the Instructional Cost Model Rates

Composite Rates	2011	2012
Non-Tiered	\$146	\$146
Tier 1	\$174	\$179
Tier 1	\$200	\$206
Tier 1	\$227	\$233
Tier 1	\$279	\$287
Tier 2	\$198	\$202
Tier 2	\$224	\$229
Tier 2	\$251	\$256
Tier 2	\$303	\$310
Tier 3	\$212	\$211
Tier 3	\$238	\$238
Tier 3	\$265	\$265
Tier 3	\$317	\$319
Tier 4	\$219	\$224
Tier 4	\$245	\$251
Tier 4	\$272	\$278
Tier 4	\$324	\$332
Tier 5	\$232	\$235
Tier 5	\$258	\$262
Tier 5	\$285	\$289
Tier 5	\$337	\$343
Tier 6	\$270	\$274
Tier 6	\$296	\$301
Tier 6	\$323	\$328
Tier 6	\$375	\$382

Additional Years' Available Upon Request

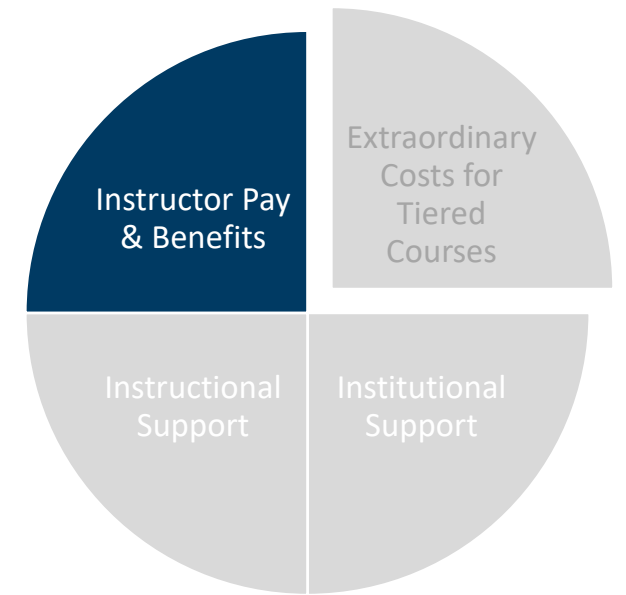
2020	2021	2022	2023	2024	Change 2023-2024	% Change 2023-2024	Cumulative % Change
\$208	\$222	\$222	\$232	\$233	\$1	0.4%	59.6%
\$234	\$261	\$265	\$279	\$290	\$11	3.9%	66.7%
\$265	\$292	\$297	\$313	\$325	\$12	3.8%	62.5%
\$294	\$322	\$329	\$347	\$360	\$13	3.7%	58.6%
\$354	\$382	\$392	\$414	\$429	\$15	3.6%	53.8%
\$273	\$297	\$302	\$322	\$325	\$3	0.9%	64.1%
\$304	\$328	\$334	\$356	\$360	\$4	1.1%	60.7%
\$333	\$358	\$366	\$390	\$395	\$5	1.3%	57.4%
\$393	\$418	\$429	\$457	\$464	\$7	1.5%	53.1%
\$289	\$312	\$318	\$333	\$341	\$8	2.4%	60.8%
\$320	\$343	\$350	\$367	\$376	\$9	2.5%	58.0%
\$349	\$373	\$382	\$401	\$411	\$10	2.5%	55.1%
\$409	\$433	\$445	\$468	\$480	\$12	2.6%	51.4%
\$306	\$321	\$329	\$354	\$359	\$5	1.4%	63.9%
\$337	\$352	\$361	\$388	\$394	\$6	1.5%	60.8%
\$366	\$382	\$393	\$422	\$429	\$7	1.7%	57.7%
\$426	\$442	\$456	\$489	\$498	\$9	1.8%	53.7%
\$319	\$339	\$345	\$369	\$375	\$6	1.6%	61.6%
\$350	\$370	\$377	\$403	\$410	\$7	1.7%	58.9%
\$379	\$400	\$409	\$437	\$445	\$8	1.8%	56.1%
\$439	\$460	\$472	\$504	\$514	\$10	2.0%	52.5%
\$389	\$398	\$400	\$403	\$425	\$22	5.5%	57.4%
\$420	\$429	\$432	\$437	\$460	\$23	5.3%	55.4%
\$449	\$459	\$464	\$471	\$495	\$24	5.1%	53.3%
\$509	\$519	\$527	\$538	\$564	\$26	4.8%	50.4%



# Instructional Cost Model

## Instructors

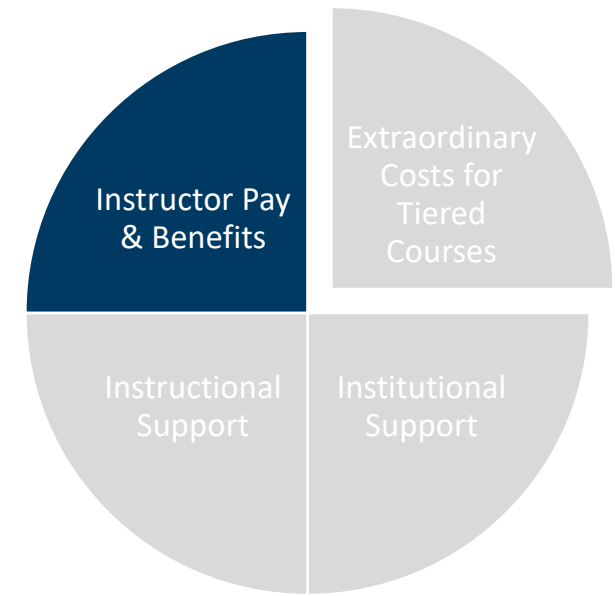
- ★ This element captures colleges' costs for faculty – their salaries and employee benefits.
- ★ The data used are a three-year average of the most recent data from the Cost & Productivity Project.
- ★ Based on actual reported costs.
- ★ Not every Kansas community and technical college participates in the study.
- ★ Source: National Higher Education Benchmarking Institute





# Instructional Cost Model

## ★ Instructor Rate History

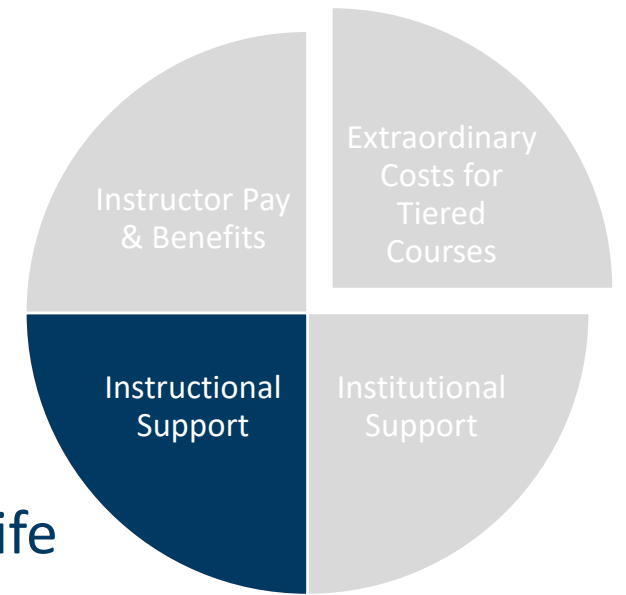


Instructor Rates	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Non-Tiered	\$77	\$75	\$76	\$80	\$84	\$89	\$96	\$104	\$112	\$111	\$117	\$115	\$117	\$115
Tier 1	\$105	\$108	\$102	\$106	\$106	\$112	\$124	\$133	\$134	\$137	\$156	\$158	\$164	\$172
Tier 2	\$129	\$131	\$126	\$132	\$135	\$144	\$152	\$164	\$172	\$176	\$192	\$195	\$207	\$207
Tier 3	\$143	\$140	\$140	\$145	\$151	\$156	\$164	\$178	\$188	\$192	\$207	\$211	\$218	\$223
Tier 4	\$150	\$153	\$148	\$154	\$160	\$170	\$177	\$189	\$203	\$209	\$216	\$222	\$239	\$241
Tier 5	\$164	\$164	\$159	\$168	\$172	\$186	\$190	\$199	\$215	\$222	\$234	\$238	\$254	\$257
Tier 6	\$203	\$203	\$201	\$217	\$244	\$267	\$264	\$261	\$284	\$292	\$293	\$293	\$288	\$307





# Instructional Cost Model

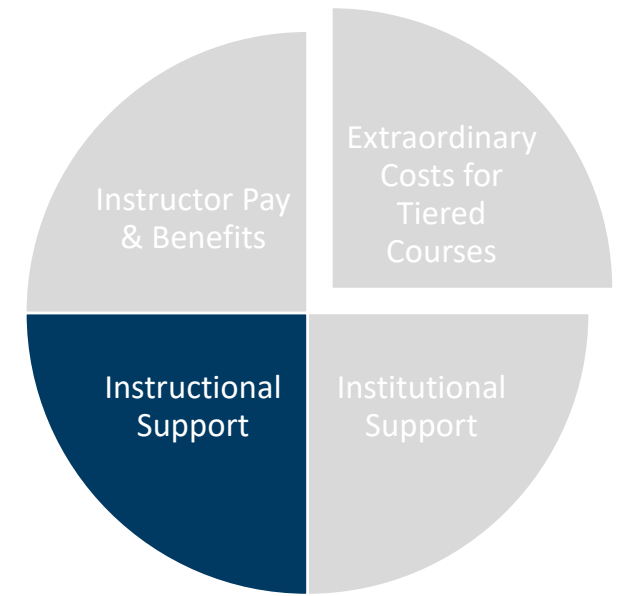


## Instructional Support Costs

- ★ Captures colleges' costs associated with
  - ★ Student services: admissions, registrar, financial aid, student life
  - ★ Academic support: library, program directors, deans
  - ★ Public service: noninstructional services beneficial to groups external to the institution, e.g., enrichment courses
- ★ For 2024 cost model data, the instructional support rate is **1.9% higher than the previous year, \$53/credit hour.**
- ★ Source: Kansas community and technical colleges' annual financial audits.



# Instructional Cost Model



## ★ Instructional Support Rate History

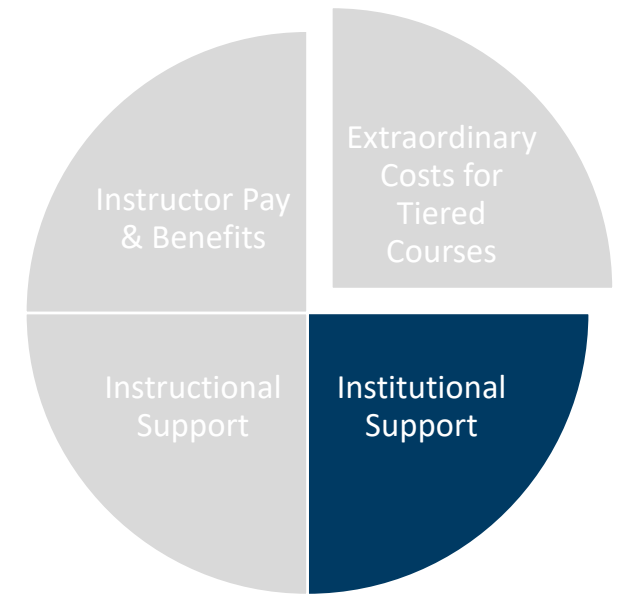
Instructional Support	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percentage	21.70%	22.50%	22.50%	23.20%	23.20%	24.20%	24.90%	25.10%	22.70%	22.80%	23.20%	23.20%	23.80%	23.90%
Rate	\$31	\$32	\$32	\$34	\$35	\$38	\$41	\$45	\$43	\$44	\$48	\$49	\$52	\$53



# Instructional Cost Model

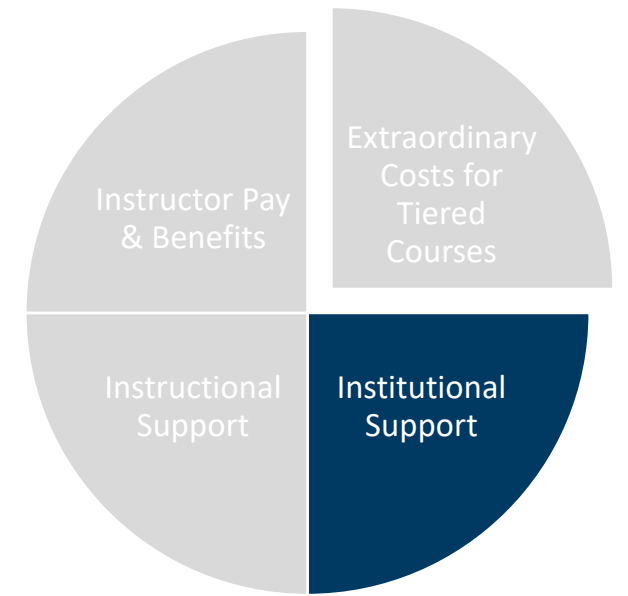
## Institutional Support Costs

- ★ This element captures costs to manage the college and operate and maintain the campus infrastructure:
  - ★ President's office, business office, IT support, communications, advocacy.
- ★ For 2024 cost model data, the institutional support rate is **3.2% higher than the previous year, \$65/credit hour.**
- ★ Source: Kansas community and technical colleges' annual financial audits.





# Instructional Cost Model



## ★ Institutional Support Rate History

Institutional Support	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percentage	26.70%	27.50%	27.58%	28.20%	28.20%	28.70%	28.10%	28.10%	27.40%	27.40%	27.30%	27.60%	29.10%	29.00%
Rate	\$38	\$39	\$39	\$41	\$43	\$45	\$46	\$50	\$52	\$53	\$57	\$58	\$63	\$65



# Instructional Cost Model

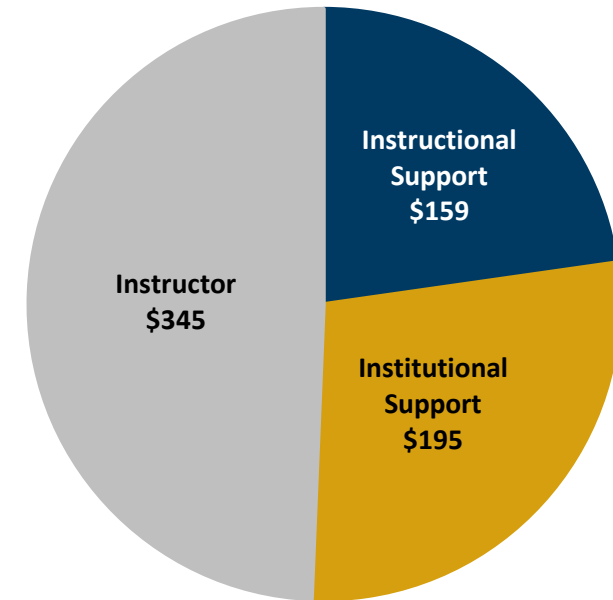
## Non-Tiered Courses

(Instructor: \$115) + (Instructional Support: \$53) +  
(Institutional Support Costs \$65)  
= \$233 Course Rate X 3 Credit Hours = \$699

Each three-hour non-tiered course generates a per-student “cost” of \$699, with roughly half attributable to the instructor and half to the overall college.

Example: a non-tiered course delivered to 15 students in a semester generates \$10,485 for the college in the cost model (15 X \$699) for AY 2024.

**Across all colleges, the cost model calculated \$171.7 M in total costs (737,116 SCH X \$233).**

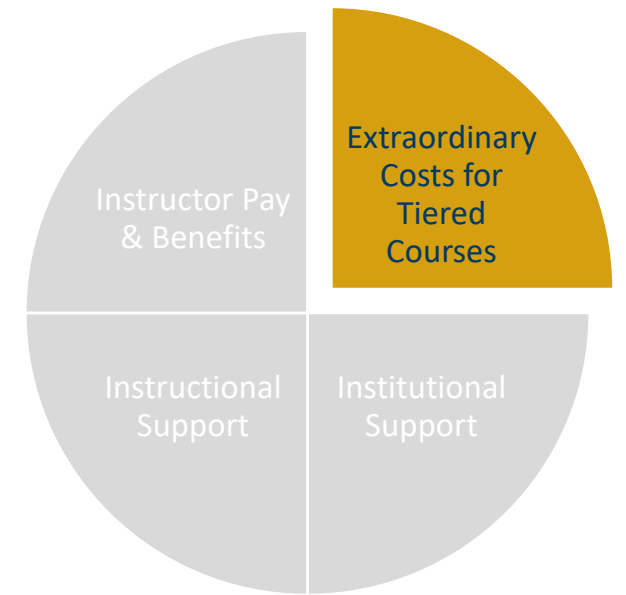




# Instructional Cost Model

## Extraordinary Costs

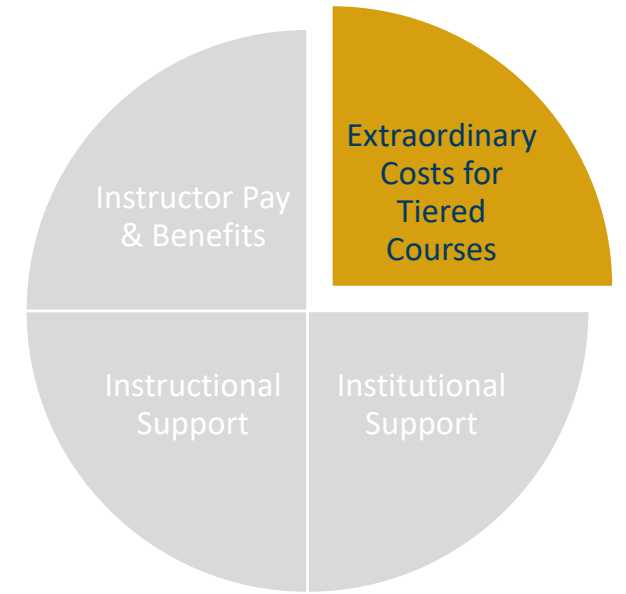
- ★ Those program-specific equipment and consumable materials for technical courses in technical programs.
  - ★ X-ray machine for radiology
  - ★ Welding booths
  - ★ Food for culinary programs
  - ★ Fuel for CDL program
  - ★ Animal Feed for agriculture
  - ★ Latex gloves
- ★ Costs are based on the colleges' data and grouped into tiers from \$0 to \$139 in AY 2024.
- ★ Costs are adjusted annually for inflation or for actual costs, depending on the timing of the review cycle.
- ★ Source: Kansas community and technical colleges currently submit three years of actual expenditure data.





# Instructional Cost Model

## ★ Extraordinary Cost Rate History



Extraordinary Rates	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>O</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>A</b>	\$26	\$27	\$27	\$27	\$28	\$28	\$28	\$29	\$30	\$31	\$31	\$32	\$34	\$35
<b>B</b>	\$53	\$54	\$55	\$54	\$56	\$56	\$57	\$58	\$59	\$60	\$61	\$64	\$68	\$70
<b>C</b>	\$105	\$108	\$110	\$108	\$112	\$112	\$113	\$115	\$118	\$120	\$121	\$127	\$135	\$139



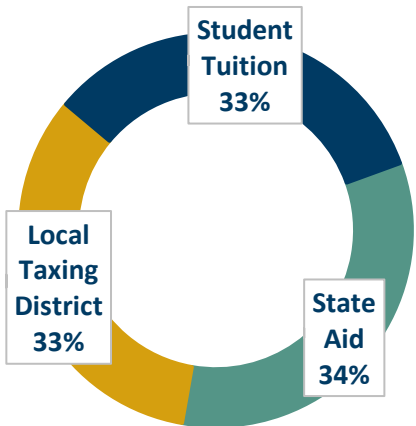
# Instructional Cost Model

## ★ Financing of the Costs

How is the Financing Determined?

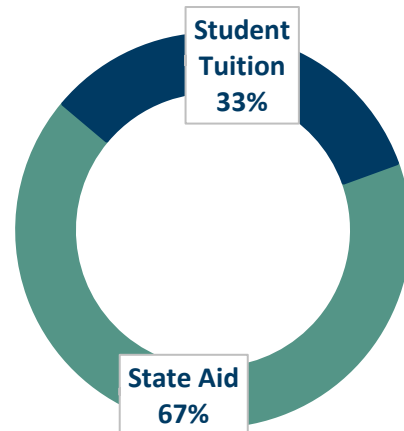
*At the Student Credit Hour (SCH) level.*

Community College  
In-District SCH



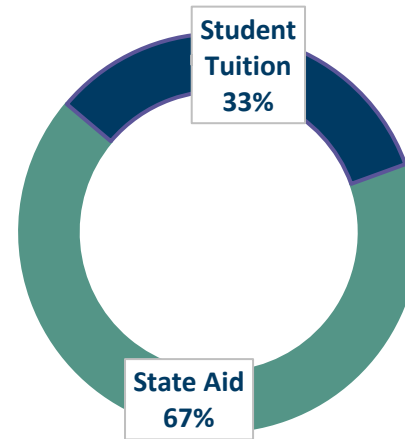
40.0% of T/NT Courses

Community College  
Out-District SCH



43.8% of T/NT Courses

All Technical College SCH



16.2% of T/NT Courses

Secondary Students  
in Excel in CTE SCH



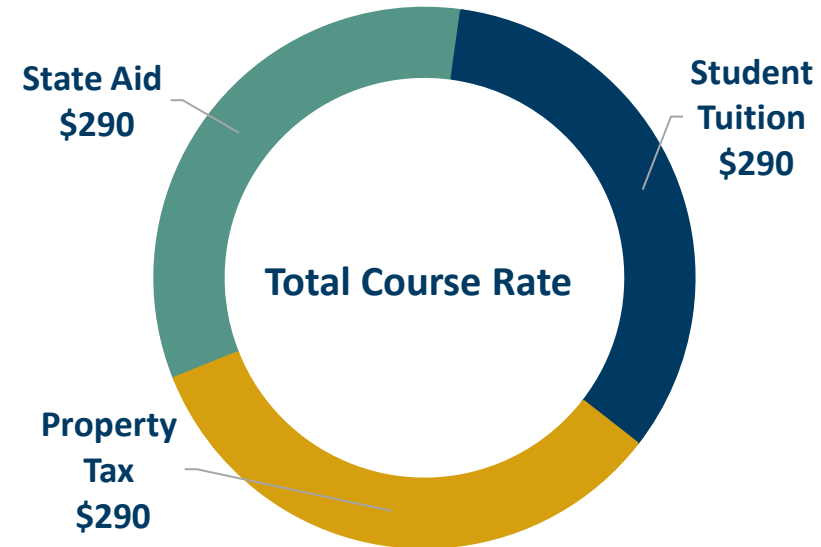




# Instructional Cost Model

## ★ Example Students

- ★ John is an In-District Student at Green Valley Community College, studying Computer and Information Systems, taking Applied Networking 1

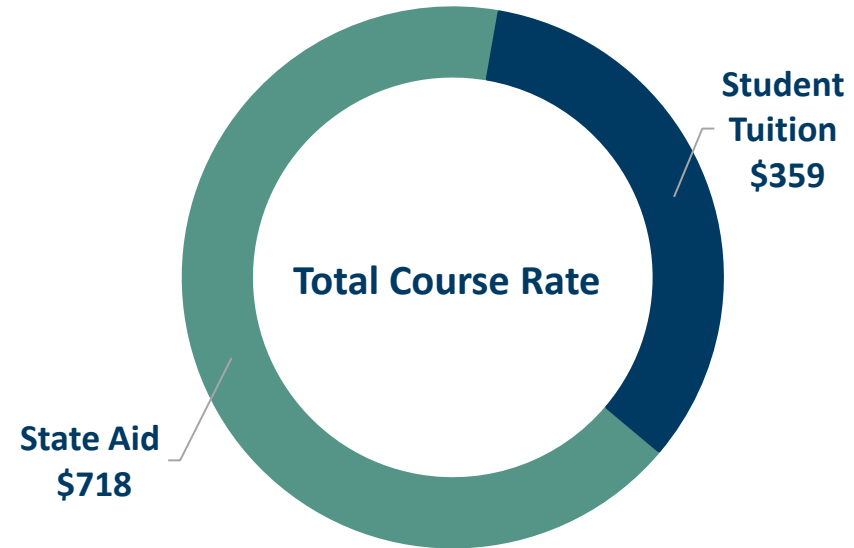




# Instructional Cost Model

## ★ Example Students

- ★ Jane is a Student at Russell Area Technical College, studying Wind Energy Technology, taking Small Wind Turbine, (Tier Rate 3)





# Instructional Cost Model

## ★ Instructional Cost Model for Kansas Resident Students

- ★ The Board of Regents distributed state aid in accordance with the statutes and budget provisos from FY 2012 through FY 2023.
- ★ An example from 2013 SB 171 is shown for the tiered appropriation.

Postsecondary tiered technical education state aid ..... \$58,300,961

*Provided*, That if the amount of moneys appropriated for the above agency for the fiscal year ending June 30, 2014, in the postsecondary tiered technical education state aid account is greater than the amount of moneys appropriated for the above agency for the fiscal year ending June 30, 2013, in the postsecondary tiered technical education state aid account, then the difference between the amount of moneys appropriated for the fiscal year 2014 and the amount of moneys appropriated for the above agency fiscal year 2013 shall be distributed based on each eligible institution's calculated gap, according to the postsecondary tiered technical education state aid act, K.S.A. 2012 Supp. 71-1801 through 71-1810, and amendments thereto, as determined by the state board of regents:

*Provided further*, That no eligible institution shall receive an amount of money from the postsecondary tiered technical education state aid account in fiscal year 2014 that is less than the amount such eligible institution received from such account in fiscal year 2013, unless the amount of moneys appropriated for the above agency for fiscal year 2013 in the postsecondary tiered technical education state aid account for fiscal year 2014 is less than the amount of moneys appropriated for the above agency for fiscal year 2013 in the postsecondary tiered technical education state aid account: *And provided further*, That if the amount of moneys appropriated for the above agency for fiscal year 2014 is less than the amount of moneys appropriated for the above agency for fiscal year 2013 in the postsecondary tiered technical education state aid account, then each eligible institution shall receive an amount of moneys as determined by the state board of regents.



★ The 2022 Legislature launched a path to recentering state aid over a three-year timeline.

★ *Source: Section 109(f), 2022 House Substitute for Substitute for Senate Bill 267.*

(f) During the fiscal year ending June 30, 2023, in addition to the other purpose for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for the above agency for fiscal year 2023 as authorized by this or other appropriation act of the 2022 regular session of the legislature, expenditures shall be made by the above agency from such moneys for fiscal year 2023 to implement the legislative intent: For fiscal year 2024, to implement the funding formula for the community colleges and technical colleges concerning the postsecondary tiered technical education state aid and non-tiered course credit hour grants so that those community colleges and technical colleges who were overfunded in fiscal year 2023 will receive 50% of the amount of such overfunding and the remaining 50% will be distributed based on each eligible institution's calculated gap; and for fiscal year 2025, to fully implement the funding formula for the community colleges and technical colleges concerning the postsecondary tiered technical education state aid and non-tiered course credit hour grants.



# Instructional Cost Model

## ★ **FY 2023 – Year One of Three (Hold Harmless)**

- ★ 2022 Legislature provided the state funds needed to cover the state's share of AY 2021 cost model calculations for distribution in FY 2023.
- ★ No college received lower tiered or non-tiered state aid relative to FY 2022.
- ★ If a college's enrollment would have resulted in lower state share calculations, the college's state aid was held flat from FY 2022 to FY 2023.

## ★ **FY 2024 – Year Two of Three (50% Hold Harmless)**

- ★ 2023 Legislature provided the state funds needed to cover the state's share of AY 2022 cost model calculations for distribution in FY 2024.
- ★ If a college's enrollment would have resulted in lower state share calculations, the reduction was reduced by 50%.



# Instructional Cost Model

## ★ FY 2025 – Year Three of Three (Full Adoption)

- ★ 2024 Legislature provided the state funds to cover the full state share of FY 2025 calculated state aid.
- ★ For the first time in the model's history, the calculations were based entirely on college enrollments:
  - ★ 21 of the 26 colleges received less tiered state aid compared to FY 2024
  - ★ 22 of the 26 colleges received less non-tiered state aid compared to FY 2024
- ★ Amounts for distribution were based on the adopted three-year average (using the calculated cost model output for AY 2021, AY 2022, AY 2023)



# Instructional Cost Model

## ★ Timeline of Data Collection and Distribution of State Aid

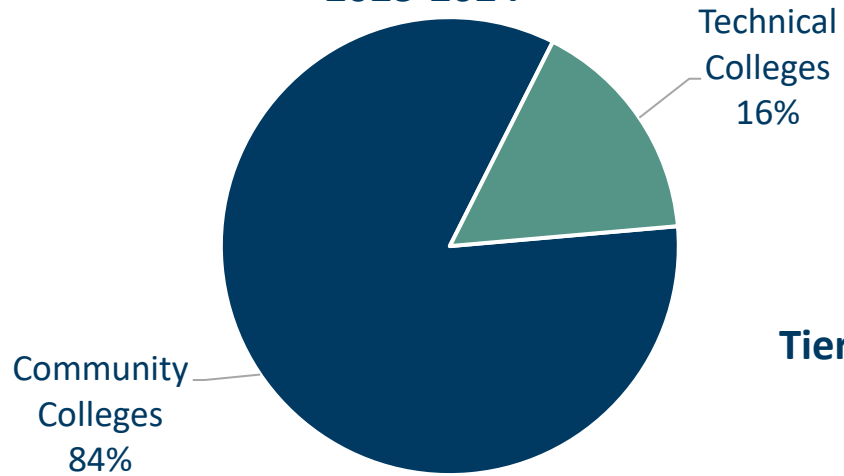
### ★ Academic Year 2024 Enrollments (July 1, 2023 – June 30, 2024)

- ★ July-September 2024: Student Enrollment and Course Data submitted to KBOR with opportunity for data review and required presidential certification
- ★ Fall 2024: Instruction and Institutional Support Data Derived from KBOR Data Books
- ★ Fall 2024: Extraordinary Costs are re-examined on a periodic basis, with TEA approval for adjustments
- ★ Winter 2024: Course enrollments are aggregated to calculate state's share of financing courses
- ★ TEA Meeting in January 2025: Cost Model Calculations Presented to TEA
- ★ Spring 2025: Legislature Appropriates Tiered and Non-Tiered Funds to KBOR for FY 2026
- ★ TEA Meeting May 2025: Tiered and Non-Tiered Distributions Approved for FY 2026
- ★ KBOR Meeting June 2025: Tiered and Non-Tiered Distributions Approved for FY 2026
- ★ August 2025: First Half of State Aid Payment Issued (K.S.A. 71-605)
- ★ January 2026: Second Half of State Aid Payment Issued (K.S.A 71-605)

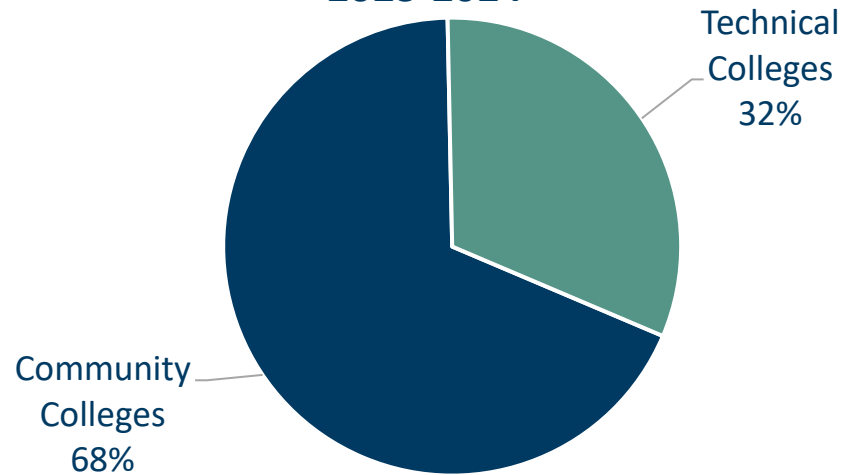


# Instructional Cost Model

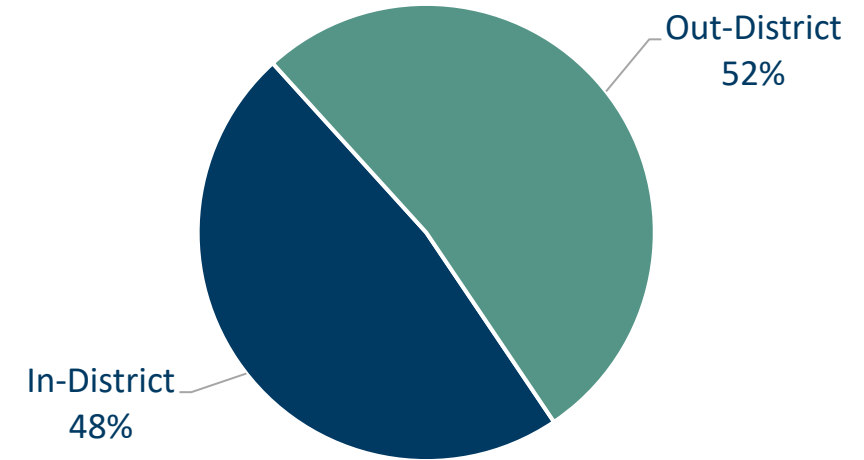
**Total Credit Hour Production  
2023-2024**



**Tiered Credit Hour Production  
2023-2024**



**Community Colleges In/Out District Enrollments  
2023-2024**

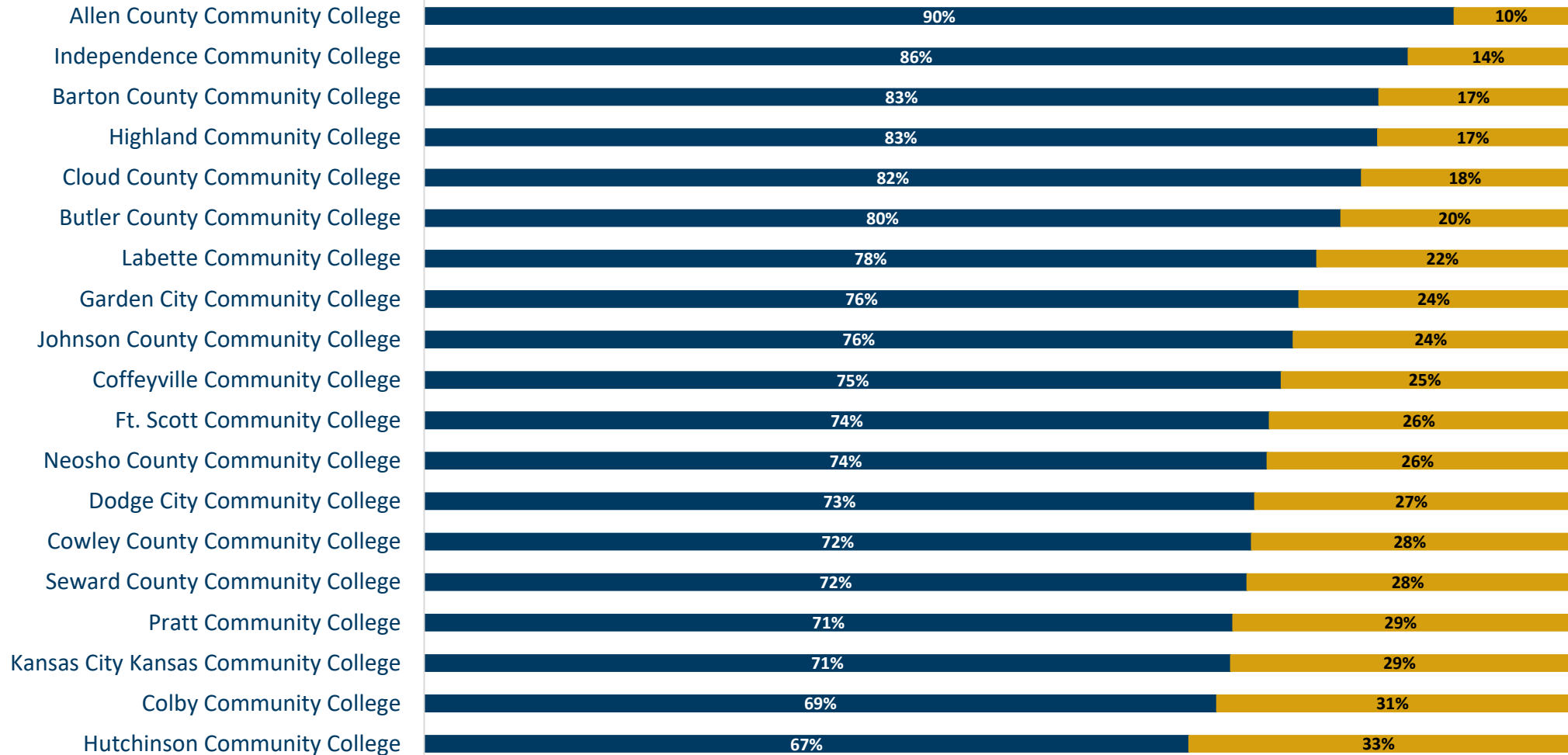






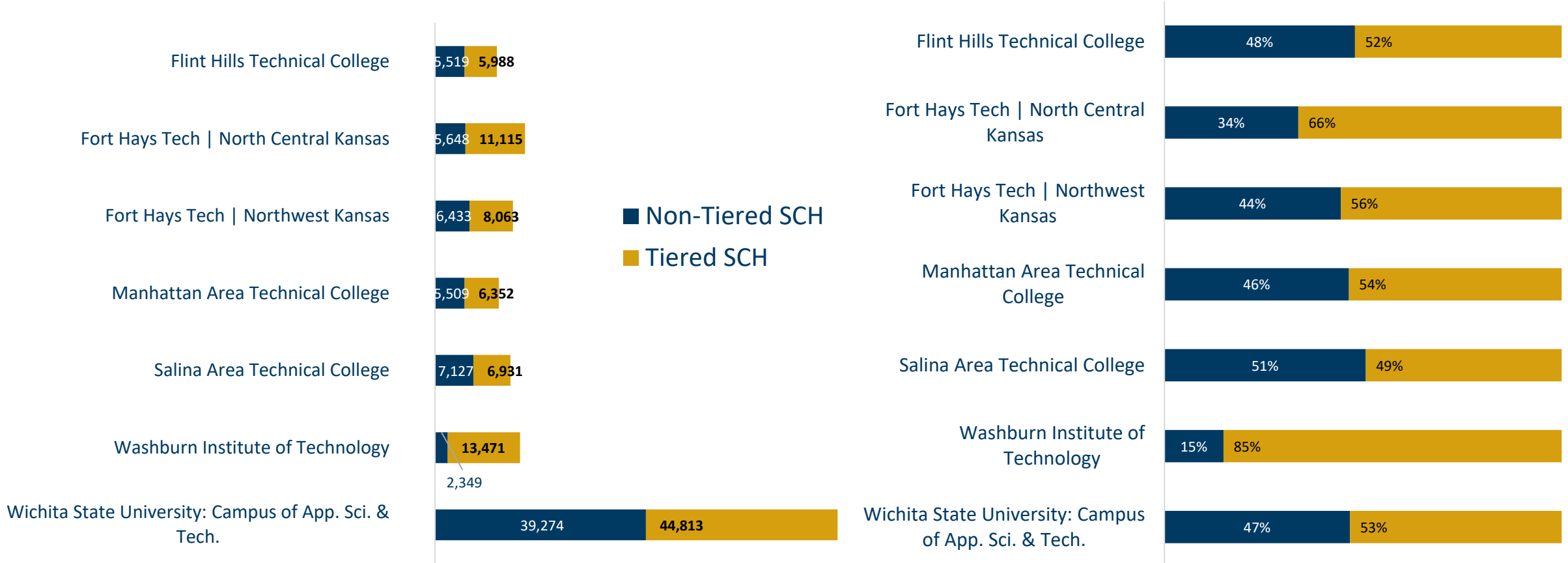
# AY 2024 Enrollments – Community Colleges

■ % Non-Tiered ■ % Tiered





# AY 2024 Enrollments – Technical Colleges





More information can be found at

[www.kansasregents.gov](http://www.kansasregents.gov) => Data => System Data

Or

[www.kansasregents.gov](http://www.kansasregents.gov) => Data => Kansas Higher Ed Stats (KHEStats)

Or contact our agency: 785-430-4240