



**House Education Committee
Informational Meeting on College Affordability
September 17, 2024, at 2pm
Penn State University**

- 2:00pm Call to Order
 Committee Member Introductions
 Opening Remarks
 Chairman Schweyer
 Representative Takac
- 2:10pm Panel 1- Implementation of Budget Initiatives

 Dr. Kate Shaw, Deputy Secretary & Commissioner for Postsecondary & Higher Education
 Pennsylvania Department of Education
- 2:45pm Panel 2- State Related Perspective

 Dr. Michael Wade Smith, Senior Vice President and Chief of Staff
 Penn State University

 Mr. Zion Sykes, President of University Park Undergraduate Association
 Schreyer Honors College student Penn State University
- 3:20pm Panel 3- Institutional Perspective

 Dr. Steve Nunez, President
 Penn Highlands Community College- Blair Center

 Mr. Joseph Slifko, MA – Professor, Business Management
 Penn Highlands Community College- Blair Center

 Dr. Chris Brussalis, President
 Point Park University

 Dr. Bashar W. Hanna, President
 Commonwealth University
- 3:50pm Closing Remarks/Adjournment

All times are approximate and include time for questions.
Live streamed at www.pahouse.com/live



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION

House Education Committee
Public Hearing on College Affordability
September 17, 2024

Good afternoon, Chairman Schweyer, Chairman Topper, and distinguished members of the House Education Committee.

My name is Dr. Kate Shaw, and I have the pleasure of serving as the Deputy Secretary and Commissioner for Postsecondary and Higher Education at the Pennsylvania Department of Education. I am pleased to testify before you today to highlight some of the actions we've taken to enhance college accessibility in this most recent budget due to our collaborative efforts. I am also excited to provide you with an update on the formation of the new State Board of Higher Education. Thank you for your continued partnership and for the opportunity to present to you today.

Expanding Access

Pennsylvania currently ranks 49th in higher education affordability, 47th in average debt after completing a bachelor's degree, and 49th in appropriations per full time student. While there is still a lot of work to be done, the recently enacted 2024-25 budget made several investments that will increase higher education affordability. Programs that were expanded in this year's budget include:

- \$54 million increase for student grants;
- \$5 million increase in disadvantaged students' scholarships;
- \$36 million increase for Ready to Succeed Scholarships.

This budget also established two new student financial assistance programs which will be administered by the Pennsylvania Higher Education Assistance Agency (PHEAA), and implemented over the next two years:

- The Grow PA Scholarship Program will provide \$5,000 scholarships to qualified Pennsylvania students who have a 2.5 minimum high school GPA and plan to major in an "in-demand" course of study at a Pennsylvania college or university, and who agree to work in the Commonwealth for 12 months for every year they receive this scholarship. A total of \$25 million was allocated to PHEAA to make scholarships available to qualified Pennsylvania students starting in the 2024-2025 school year.

- The Grow PA Merit Scholarship will provide scholarships to out-of-state students pursuing in-demand programs at any of the Pennsylvania State System of Higher Education (PASSHE) universities, beginning in the 2025-26 school year. Students must have a minimum 2.5 GPA and be a first-time freshman to be eligible for this program.

This year's enacted state budget also included increases in direct appropriations to Pennsylvania institutions of higher education (IHEs), including:

- Community Colleges: \$15.7 million increase;
- PA State System of Higher Education (PASSHE): \$35.1 million increase;
- Thaddeus Stevens College of Technology: \$2.6 million increase; and
- Lincoln University: \$2.4 million increase.

State Board of Higher Education

Act 69 of 2024 establishes a State Board of Higher Education in Pennsylvania to provide direction, coordination, and support to ensure that institutions of higher education fully meet the workforce and economic development needs of the Commonwealth and ensure that Pennsylvania residents have access to affordable, world-class postsecondary education. With 21 members representing state agencies, the General Assembly, public and private education institutions, business leaders, and more, the Pennsylvania State Board of Higher Education will be one of the most broadly representative postsecondary coordinating entities in the nation with a goal of finally addressing the fundamental lack of coordination in Pennsylvania's higher education structure.¹

State law charges the new board with developing and advancing a strategic plan and making recommendations that promote greater postsecondary access, quality, affordability, and accountability. This includes regulating community colleges; forming a council to develop a performance-based funding formula for state-related universities; establishing a comprehensive student-level data system to identify and inform pathways to postsecondary credentials; assisting institutions with assessing their fiscal health; and developing procedures for institutions to follow when closing. The board will collect data from institutions to inform decision-makers and to ensure that our students are being served by providing a seamless transfer of credits between institutions.

Act 69 of 2024 establishes an ambitious timeline to implement these fundamental changes:

- September 2024 – Transfer authority of community college oversight from the State Board of Education to the State Board of Higher Education;
- April 2025 – Establish a State-Related Funding Council to develop funding formula recommendations for Penn State University, Temple University, and the University of Pittsburgh;

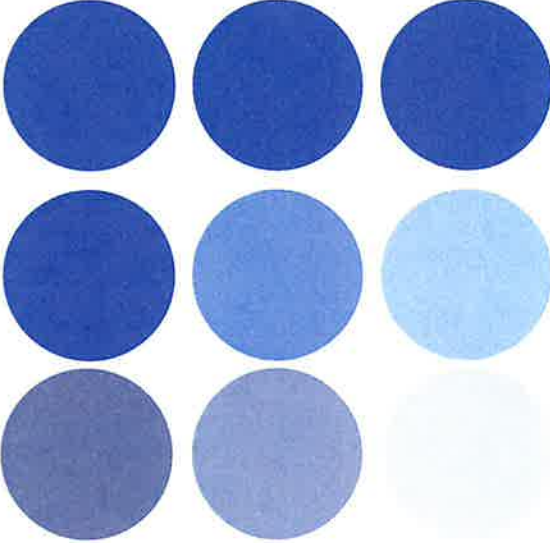
¹ Composition of the State Board of Higher Education is included as an addendum to this testimony.

- May 2025 – Provide recommendations to the General Assembly regarding additional oversight and authority that should be transferred to the State Board of Higher Education;
- September 2025 – Adopt a strategic plan for higher education in Pennsylvania; and
- July 2026 – Develop comprehensive post-secondary reporting and closure policies to ensure adequate support for students and staff.

While there is much work to be done, we know that a strong higher education system is key to Pennsylvania's future. Thanks to the support of the General Assembly and the Shapiro Administration, the State Board of Higher Education is positioned to ensure our Commonwealth has a higher education sector that keeps young people in Pennsylvania, helps students build the skills and gain the credentials they need to fill good-paying jobs, ensures employers can find the workers their businesses need to thrive and grow, attracts more students, workers, and companies to our Commonwealth, and drives economic growth in Pennsylvania for generations to come.

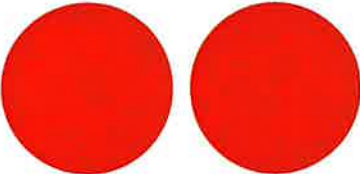
Again, I thank you for the opportunity to discuss this important topic today, and I welcome continued dialogue as we work together to establish this newly created State Board. The changes made in this year's budget were truly historic, and I commend leaders like yourselves for your commitment to serving Pennsylvania learners.

Nine leaders from all major higher education sectors

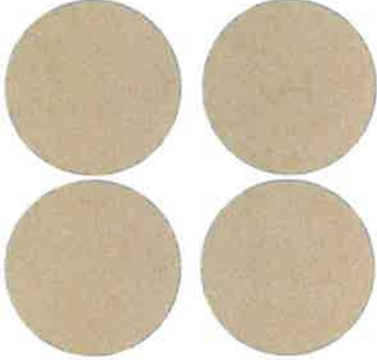


- *Four state related*
- *One community college*
- *One PASSHE institution*
- *One PASSHE board member*
- *One independent college or university*
- *One Thaddeus Stevens*

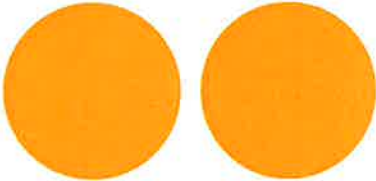
Two members of Administration:
Education and Labor & Industry



Four Legislators



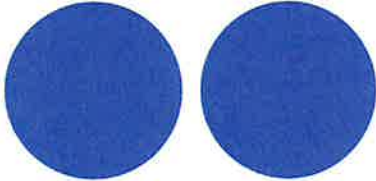
Two students
(independent & publicly funded)



Two business leaders



Two labor leaders



**HOUSE EDUCATION COMMITTEE HEARING
SEPTEMBER 17, 2024
STATEMENT BY DR. MICHAEL WADE SMITH
SENIOR VICE PRESIDENT AND CHIEF OF STAFF, PENN STATE UNIVERSITY**

Thank you for the opportunity to host each of you today at Penn State University and discuss college affordability, funding for higher education institutions, and the significant impact state funding has on Penn State, our students and their families, and citizens across the commonwealth.

As Pennsylvania's flagship public research university, and its sole land-grant institution, we impact the lives of the state's citizens through our three-part mission of teaching, research and service, and we do so in large part because of our rich history of partnership with the commonwealth. As partners for nearly 170 years, the commonwealth's investment in Penn State is truly felt statewide — from the thousands of Pennsylvania resident undergraduates who benefit from the University's discounted in-state tuition rate to the research-based programs, services and knowledge offered by Penn State Agricultural Research and Extension, to the top-quality care provided by Penn State Health.

Penn State recently conducted an independent economic impact study that demonstrates investing in Penn State is a good investment for Pennsylvania. Penn State's \$12.1 billion economic impact supports and sustains 81,278 jobs throughout the state. For every \$1 in state appropriations received, Penn State returns \$15.77 to the state's economy and directly returns \$1.71 in tax revenue.

Like other public universities, Penn State faces inflation-driven cost increases, changing demographics in Pennsylvania, increased competition from out-of-state institutions, and state funding that has remained essentially unchanged since the early 2000s. Despite these headwinds, Penn State and our contributions to the state remain as strong as ever, as evidenced by our recent impact study.

The need to adapt to challenges and this changing landscape has required the University to make significant changes, under our guiding principle of ensuring student success. Every decision we make is through the lens of what is best for our students and their success during their time at Penn State and beyond.

When legislation establishing the land grant system was signed into law in 1862 by President Abraham Lincoln, the mission was to have learning more widely disseminated and to give working-class Americans their first chance at a college education. Penn State is continuously guided by its land grant mission as it creates budgets and sets tuition for University Park and all Commonwealth Campus students. Our goal is to deliver the highest quality educational experience in an affordable and accessible manner for students of all backgrounds and means. This means a focus over the past decade to reduce the total cost of a degree, decrease the rate of student borrowing, promote the success of need-based students, and decrease attrition due to finances.

We've adopted a two-year budget to enhance budget predictability for our students and families and for us as an institution. This model aligns strategic allocation of resources to the students that we serve and continues to put access and affordability at the forefront of decision-making. Over the last year, Penn State continued to make great strides in reducing the deficit within the

Education and General budget. After originally projecting a \$140 million deficit (excluding Penn College) for the 2022-23 fiscal year, Penn State's Board of Trustees approved a balanced budget for fiscal year 2025-26.

Tuition increases across Penn State's campuses have been below national averages for over a decade. Calculated in 2024 dollars, Pennsylvania resident students are now paying less tuition for their Penn State education than they were in 2011-12. Penn State has held tuition flat for 18,000 in-state students at the Commonwealth Campuses for the third year in a row and implemented modest tuition increases for all other students at the remainder of our campuses in line with the percentage increases seen in recent years.

Despite this investment in our students, state appropriations remain below the 2007-08 high watermark funding level. The General Support appropriation both offsets the cost of tuition for Pennsylvania residents and supplements the University's efforts to address access and affordability. Commonwealth support enables the University to provide in-state tuition savings of an average of \$15,800 for 42,000 Pennsylvania resident students and their families. We significantly amplify the state's investment to make Penn State more affordable and accessible for the working families of Pennsylvania.

Additionally, we have increased our central funding used for student financial aid by \$5 million, bringing Penn State's total investment in student aid to more than \$455 million for 2025-26.

With 51,000 Pennsylvania resident students (inclusive of undergraduate, graduate, and professional students) across 23 campuses and a World Campus, Penn State has the capacity to educate and train the state's future workforce that no other university in the state can match. Our Commonwealth Campuses educate 18,000 Pennsylvania undergraduate students annually, bringing world-class education, research, and service to urban, suburban, and rural areas throughout the state.

Relatedly, Penn State supported and was pleased to see the Grow PA Scholarship Grant Program signed into law this year, offering grants of up to \$5,000 per year for in-state students who attend college in Pennsylvania, pursue a degree in a high-demand industry, and agree to live and work in that industry in Pennsylvania after graduation. This is an important tool that will make education more affordable for students pursuing careers here in Pennsylvania.

It is also noteworthy that nearly 20% of Penn State's out-of-state and international students choose to stay in Pennsylvania after completing their degrees. These students start companies, enrich established businesses, and contribute to their communities as taxpayers, volunteers, and citizens.

Despite our statewide footprint and the fact that we've seen substantial increases in enrollment over the past 50 years, there has been no corresponding increase in state funding to keep pace. Penn State's funding per in-state student ranks far below the national average and last among the commonwealth's public universities — a disparity placing significant pressure on our tuition rates and overall budget.

For our education mission, Penn State received \$242.096 million in Fiscal Year 2024-25. Divided evenly among our 42,000 Pennsylvania resident undergraduate students (as of Fall 2023), the

University received approximately \$5,789 per student. To match the per-student funding levels of Pennsylvania's other public universities, who receive between \$3,700 and \$4,700 more per-student, an additional \$156 million in General Support funding would need to be appropriated. Recognizing such an increase would be difficult to achieve in one year, Penn State is proposing a \$30 million increase in its FY 2025-26 general support appropriation as an incremental step to close the funding gap.

Penn State's requested appropriation would be in addition to any funds awarded to the University as part of the state's forthcoming performance-based funding model, which is expected to be enacted for the 2025-26 funding cycle after the state's new Performance-Based Funding Council determines specific criteria.

Penn State is grateful that the Pennsylvania General Assembly and the Governor's administration enacted legislation to implement a performance-based funding model, and we are eager to work with the Performance-Based Funding Council to create a simple, transparent, and comprehensive funding model that acknowledges each institution's distinctive mission and structure to ensure a fair evaluation.

Performance-based funding should acknowledge institutions for their contributions, including the total number of students an institution educates, supporting low-income and first-generation students, fostering studies in high-need career fields, and serving traditionally underserved students.

Penn State's appropriations request, if approved and coupled with new state support from a robust and fair performance-based funding system, will strengthen our work to keep a Penn State education accessible and affordable for all Pennsylvanians and prepare our students to fill critical needs in the state's workforce.

We look forward to engaging in discussions with elected leaders in Harrisburg over the next nine months — including conversations around the state's first performance-based funding model — until a final appropriation is set in 2025.

Since 1855, Penn State and the Commonwealth have partnered to benefit families and communities across Pennsylvania. Penn State's educational programs, research, and outreach will continue to make measurable and meaningful differences in the economic development of our communities, from local to global levels. Strengthened by our partnership with the Commonwealth, Penn State can drive job creation, economic development, and student career success all while ensuring that a Penn State education is within reach financially for Pennsylvania students with the ability and desire to attend.

Our partnership has been mutually beneficial, and Pennsylvania would not be the same without it.

Thank you.

HOUSE EDUCATION COMMITTEE HEARING
SEPTEMBER 17, 2024
STATEMENT BY ZION SYKES
PRESIDENT, UNIVERSITY PARK UNDERGRADUATE ASSOCIATION

Hello House Education Committee,

I appreciate the opportunity to speak before you all and share a bit about the student experience. My name is Zion Sykes and I have the privilege of representing the 46,000 undergraduate students of the Pennsylvania State University, University Park Campus. As I'm sure you are aware, throughout the entirety of this great commonwealth, Penn State holds the rank of largest and most robust in terms of students and resources available. With over 160 years of history, countless accolades, accomplished alumni, and people who bleed white and blue, this is a proud institution.

Putting my Penn State pride aside, I want to highlight an issue that is impacting students from universities spanning across Pennsylvania. There are **thousands** of students and those **wishing** to be students who are suffering as a result of the ever-increasing affordability crisis in higher education. This in part can be attributed to (within recent memory), the lack of funding that our state has given to institutions that support our students, and therefore, the commonwealth.

I want to talk to you a bit about what the opportunity to have an affordable education has done for me. Coming from Philadelphia, being a first-generation and homeless student at the time of my college application process, I cannot understate how important affordability was. I didn't even think that college was within my reach until I learned about the discount Penn State provides. This, paired with the generosity of scholarships from both my high school and Penn State allowed me to move forward. With that, I took a leap of faith, not just regarding furthering my education, but taking leaps outside the classroom as well. To just list a few of the things that I've been able to do, I want to mention:

- opportunity to gain experience doing my research
- The chance to meet a variety of amazing individuals (some of whom are your fellow legislators)
- Work towards improving our basic needs support systems that we have here on campus
- Sit as a student representative to our local government
- Gain Professional Development Experience
- This past Summer, I had the chance to complete a 2-month-long internship in Tokyo, Japan. This shifted my perspective of the world and helped me to see what I want to do.
- Another study abroad where I honed my Spanish-speaking skills.
- Learn how to advocate on behalf of and represent myself and others, which embodies my current role as student body president (representing 10s of thousands of students).

I have been afforded so many opportunities so far, and mean it when I say that I am thankful that I took that walk into the dark and forged my own path at Penn State. I surely would not be the same person I am now without these experiences.

When it comes to next steps, apart from finishing my honors thesis and walking across the stage during graduation in May, I am hopeful that after I graduate, I will be able to attend law school and further my studies that way. But who knows, maybe further down the line, I could be sitting where you are, representing my community.

Ultimately, I say all of this not to brag, or waste your time. I say this because there are so many students like myself around the Commonwealth. So many people are full of potential and worthy of so much more than what they have available to them. I don't think that I'm unique in the sense that I found success, I think that sadly, I'm unique in the fact that I found a chance.

Affordability, whether it be, the cost of textbooks, reasonable housing options, healthcare for students, and so much more impact a person's decision to matriculate. But even more, it impacts their ability to succeed and **thrive**.

If I were to get into the stats of it all, I might mention that over 30% of students attending this campus alone have faced food or housing insecurity at some point in their Penn State career. Or just how much of an impact needs insecurity has not on just a student's grades, but their overall health.

I think people talk and joke about "broke college students" an awful lot, but when it comes to addressing the issues they face, seldom are things done. On campus, **I'm proud** to say that through offices like Student Care and Advocacy and Off-Campus Housing Support, our administration tries to fill the gaps. **I'm proud** of organizations like the Lion's Pantry, which is a food pantry run by students, that services **all members** of the university, or the UPUA (the student government) which has been able to create a basic needs endowment that raised over \$100,000 to assist students in the future.

These are the things that students like myself **see** as helping students. What we don't see is an adequate investment in higher education. At Penn State specifically, that looks like fairer funding for Penn State to support the more than 42,000 Pennsylvania resident undergraduate students who attend campuses across the commonwealth. I can't speak as much for other universities, but Penn Staters contribute more to their communities than they get out and are change-makers in the classroom, on the field, and in all other college relations. When we have well-supported students, we have a well-supported, prosperous, and more educated commonwealth.

So I'd like to leave you all with this reminder that overall tuition set by our trustees is important, but there is **so much more**, from standing state appropriations to potential legislative changes that impact the overall affordability of our commonwealth's academic institutions (and especially) Penn State. And you all have the opportunity to **write the rules** that will change not my experience (I'm almost done), but that of future students.

Thank you for this time!

College Affordability

Written Testimony

Presented by:

- Dr. Steve Nunez -- President of Pennsylvania Highlands Community College
- Mr. Joseph Slifko – Professor of Business Management at Pennsylvania Highlands Community College

We appreciate the opportunity to provide written testimony to the Pennsylvania House Education Committee about college affordability. As two community college professionals who have spent nearly their entire professional careers serving students and supporting local communities, this testimony on affordability is focused specifically on community colleges and their importance to the welfare and prosperity of the residents of the Commonwealth.

Executive Summary

Pennsylvania community colleges provide affordable, accessible, and high-quality educational opportunities to the communities they serve. As a mission keystone, Pennsylvania community colleges work diligently to remain affordable, thereby providing Pennsylvania residents with improved access to a postsecondary education. These educational opportunities can lead to more fulfilling jobs with higher salaries and better job security which ultimately benefits their families and the communities they live in. Pennsylvania Highlands Community College serves west-central Pennsylvania, a rural and economically challenged area of the Commonwealth. While serving this population is logistically difficult, providing access to an affordable postsecondary education is not only important to the economic prosperity of the region but also to individual families who are often looking to break the cycle of generational poverty. Funding from the Commonwealth and from local sponsors remains mission critical and helps community colleges like Pennsylvania Highlands Community College to remain affordable and accessible.

The Community College Promise

Community colleges were founded on the principle of providing affordable, accessible and quality educational opportunities to the residents of the communities they serve. And because community colleges are based on the “open door” concept, we serve a diverse student body, many of whom are first-generation college students, economically challenged, working adults, or individuals just seeking to improve their skills for better employment opportunities. Many of our students take advantage of their local community colleges in their own backyards to educate their way out of poverty, thereby changing the destinies of entire families and finally breaking the chain of generational poverty. Our graduates stimulate local economies by filling jobs as highly trained professionals; most choose to live locally where they will work, volunteer, recreate, raise their families and participate in the local economy for their lifetimes.

Demography of the Pennsylvania Highlands Community College Service Region

To best understand the need for affordable higher education in the Pennsylvania Highlands Community College service region, it is important to understand the demography of the residents of rural west-central Pennsylvania. The College primarily serves five counties (4,296 square miles of rural Pennsylvania) and a population of approximately 527,000 residents. These counties include Blair, Cambria, Centre, Huntingdon, and Somerset.

- The population density of these counties is sparse, ranging from 50-191 residents per square mile, making serving the residents of those counties logistically difficult and expensive. For comparison, Allegheny County has a population density greater than 1,600 residents per square mile.
- The median household income of the residents living in those five counties is below the Pennsylvania median income with an average of 14.5% of residents currently living below the poverty line (with some of our counties near 17%). The Pennsylvania average is approximately 12%.
- Approximately 50% of the population (with a range of 36-60%) in these counties have only high school diplomas or did not graduate high school.

Pennsylvania Highlands Community College Student Characteristics

Last academic year, as the second smallest community college in the Commonwealth, Pennsylvania Highlands Community College served 1,746 “core” students (likely high school graduates) and nearly 1,700 dual enrollment students (current high school students). The College’s core student population greatly reflects the population of the counties we serve. The characteristics of our “core” students include:

- 45% of our students come from families earning \$30,000 or less annually.
- 63% receive either Pell grants, state grants, or FSEOG aid to help financially support their educational goals; nearly 1/3 of our students have the entirety of their tuition and fees covered by these financial supports.
- 30% are raising children.
- 20% are food insecure and/or need access to more personal hygiene items.
- 11% lack adequate transportation to the College.
- 35% are first generation college students.
- 70 students are served by the College’s Keystone Education Yields Success (KEYS) program, an organization designed to help TANF and Food Stamp recipients succeed in community college by providing wrap around support to participants.

- More than 1/3 of our students attend classes part-time with many simultaneously working to sustain themselves and their families.
- 43% of our students are 22 years or older and have returned to college to train or retrain for a new career.
- 100% of our students have the courage to attend college to pursue their educational goals despite their personal obstacles.

Affordability: Mission Critical at Pennsylvania Highlands Community College

Pennsylvania Highlands Community College's mission is to offer an inclusive, supportive, and affordable environment that empowers students to obtain the knowledge and skills necessary to be successful in work, life, and the pursuit of lifelong learning. Therefore, "affordability" is an important keystone of the college's mission and drives our strategic planning processes and day-to-day decision making. We understand that the more affordable our tuition, the more accessible the institution is to the residents of our service region. Below are some examples of how the College works to remain affordable, accessible and educationally relevant to the communities we serve:

- The College is administratively lean and is not burdened by significant capital expenses.
- Cambria County residents receive significant discounts due to the local monetary sponsorship.
- The College's tuition and fees remain significantly below local higher education institutions. In fact, Pennsylvania Highlands Community College remains significantly less expensive than local public universities (109% less expensive as compared to the College's sponsored county and 63% less expensive as compared to non-sponsored counties, on average) and local private colleges/universities (388% less expensive as compared to the sponsored county and 256% less expensive than the non-sponsored counties, on average).
- In collaboration with the College's Board of Trustees, the College has implemented only modest tuition and fee increases over the past five years, keeping these adjustments well below the average inflation rates for Pennsylvania and the nation.
- Tuition and fees are easily found on the College's website. We take pride in our transparent cost of attendance.
- Since most of our students live at home, there are no additional room and board expenses for students to pay, saving students thousands of dollars annually.
- The Pennsylvania Highlands Community College Foundation provided \$157,740 in scholarships to students last year. These scholarships help bridge the financial gap for many, allowing them to attend College and complete their college credential.

- Last year, the College served nearly 1,700 dual enrollment students from 52 different Pennsylvania school districts – effectively accelerating their college education. Dual enrollment students receive a significant discount (~1/3 normal cost) over standard tuition and fees. Twenty-two students graduated from the College with their associate degree before graduating from college. Since dual enrollment classes are not financial aid eligible, scholarships are also available for dual enrollment students who cannot afford to take dual enrollment with the College.
- The Foundation provides emergency funds to students to assist in unexpected expenses that could impede a student’s ability to complete their classes. Examples include the purchase of new tires for their car, paying for a short stay at a hotel, and providing bus passes.
- The College and the Foundation partner to provide a food pantry on campus for students who may need a snack or a take-home meal to support their nutritional needs.
- The KEYS program provides transportation assistance and a laptop loan program, along with other supportive programming to assist students in completing their academic goals.
- Open Educational Resources (free textbooks) are available in 10 courses, further reducing the total cost of attendance for our students. The library houses another 18 unique textbooks as learning resources; students can use the textbooks while in the library.

Affordability Across Pennsylvania’s 15 Community Colleges

Pennsylvania Highlands Community College is only a microcosm of the impact that Pennsylvania community colleges have on the residents and communities of the Commonwealth. In total, Pennsylvania’s 15 community colleges served 230,00 students from all 67 Pennsylvania counties last academic year. Our 17,600 employees are student-centered and work towards providing affordable, accessible and high-quality education to the residents of all those counties. Affordability continues to be top-of-mind for each of our institutions.

As examples:

- At the Community College of Allegheny County, the CCAC Educational Foundation awarded almost \$650,000 in scholarships in AY 2023-24 to CCAC students and awarded over \$51,000 in Student Emergency Gap funding to 217 students in FY 2023-24.

- At Bucks County Community College, only 11 percent of students take out federal loans, and the use of Open Educational Resources (OER) in the 2023/24 academic year helped students avoid over \$1 million dollars in textbook costs.
- At Butler County Community College, nearly 80 percent of its student's graduate debt-free. This is due to a combination of federal and state aid, but also a very robust and diverse scholarship program that last year awarded over \$240,000 in scholarships.
- At Delaware County Community College, strategic enrollment partnerships with sponsoring school districts to discount tuition for students.
- At Harrisburg Area Community College, Central Pennsylvania's Community College, the HACC Foundation, distributed: \$502,200.98 in scholarship funding to 441 students from July 1, 2023-June 30, 2024, and \$71,078.92 in emergency assistance funding to 127 students.
- At Lehigh Carbon Community College, Foundation and College scholarships were awarded to 1,355 students totaling \$ 1,616,413 in 2023-24. Emergency grants from the LCCC Foundation are also possible for students in need.
- At Luzerne County Community College, an Early College program offers discounted tuition to high school students, and additional funding is available to these students. In the prior year, over 75 percent of LCCC's Early College population received tuition assistance from their high school, dual enrollment grants funded by the local intermediate unit, or generous EITC donations approaching \$350,000.
- At Montgomery County Community College, its Board of Trustees did not increase tuition from FY17-FY22, which translates to a \$12.9 million projected cost avoidance to the students over that period. In FY24, the Montgomery County Community College Foundation and external grants totaled over \$900,000 in scholarships and emergency funding to over 500 students.
- At Northampton Community College, its Foundation awarded \$1.5 million in scholarships that assisted nearly 1,000 students. During the last 24 months, NCC's Spartan Aid program provided more than \$193,000 in emergency funds to 379 students.
- At Reading Area Community College, 924 students received 1,362 scholarships for \$1,543,781.63 distributed in 2023-24. Additionally, RACC has a Student Emergency Assistant Fund to assist students in need.
- At Westmoreland County Community College, students received \$135,720 in academic scholarships provided by donors to the Educational Foundation. Faculty work to contain the costs of books and supplies with Open Educational Resources (OER), in-house lab manuals, and extensive library resources.

Pennsylvania's community colleges collectively work to address basic needs, which has a real impact on affordability. By providing food through our collective pantry programs, we are

allowing students to put their funds toward other important needs in their life, including their education.

Conclusion

We believe that community colleges offer affordable, accessible, and high-quality educational opportunities to students who might otherwise be unable to attend college due to financial and accessibility barriers. The annual funding provided to community colleges by the Commonwealth and local sponsors is a crucial investment, enabling community colleges to continue offering affordable higher education to the communities we serve. History has shown that community colleges are effective and efficient stewards of taxpayer money and worthy of investment.

On a more personal level, students at Pennsylvania Highlands Community College discover that they can dream big, even at a small institution like ours. Our experiences indicate that community colleges bring hope to students in places where hope is often scarce.

Thank you.

Dr. Steve Nunez

Joe Slifko



COMMONWEALTH UNIVERSITY OF PENNSYLVANIA

**PA House of Representatives Education Committee
Informational Meeting on College Affordability
September 17, 2024 – 2:00 PM**

Chair Schweyer, Chair Topper, members of the Education Committee, and fellow presenters – thank you for your time today and for the opportunity to highlight the critical issue of college affordability. For those I have not yet met, my name is Bashar Hanna, and I serve as President of Commonwealth University of Pennsylvania. A state-owned, PASSHE institution, Commonwealth University serves over 11,000 undergraduate and graduate students across campuses in Bloomsburg, Clearfield, Lock Haven, and Mansfield. We are proud of the work we have done to remain one of the most affordable four-year options for Pennsylvanians, and I am honored to be able to share some of that with you today. College affordability is a critical priority for us at CU. I have the honor of testifying toward solely due to the power of education. I am an immigrant and a first generation college student and spoke no English in 5th grade. If it weren't for amazing teachers in Allentown PA, I would have never a bachelor's degree, and certainly not a master's or PhD. I was a PELL eligible student. This is precisely why affordability is very personal for my team and me.

Tuition Freeze

A significant driver in Commonwealth University's ability to maintain our affordability edge has been the incredible partnership with you, Pennsylvania's General Assembly, over the past several years. We have benefited from bipartisan support for sustained, increased financial appropriation provided to Pennsylvania's state-owned universities in recent budget cycles, and we have passed along the benefit directly to our students by freezing tuition across PASSHE institutions an unprecedented seven years in a row.

Had tuition rose with inflation, it would have increased by 25% over that period. Instead, tuition today at Commonwealth University is \$7,716 per academic year, the same as it was in 2018. To be sure, this is still a significant investment for Pennsylvania families, but by maintaining price stability for nearly a decade, we have helped keep the pathway to college open for the thousands of students we serve. Additionally, 37% of our first-year students are awarded Pell grants, and over 2,800 students across CU were PHEAA eligible in the 2022/23 academic year.



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Early College

As important as the annual cost of education is ensuring that students can complete their degree in a timely manner – or even get a head start. At Commonwealth University, we are proud to have relationships with over 100 area school districts near our campuses. We serve over 500 high school students who enroll in college courses concurrent with their high school education. These students take advantage of the opportunity to earn college credits that count toward a bachelor's degree. Most of our general education courses and some introductory level major courses are available, and our Early College staff works closely with high school guidance counselors to find options that fit best with student schedules. The cost of tuition for an early college student is \$115 per credit, or \$345 for a 3-credit course. A 75% reduction compared to base tuition, our Early College Program provides a significant affordability advantage and allows students to pursue college degrees in less time. In fact, some of our Early College students who enroll at Commonwealth University have reduced time-to-graduation by a full semester or more.

Credit for Prior Learning

Keeping college affordable also involves ensuring that students do not take or retake credits for learning they have already accomplished, even if that learning took place outside of the traditional higher education setting. At Commonwealth University, we are particularly proud of the work we have done for military students and – most recently – our partnership with the Pennsylvania State Police.

CU's Military Academic Credit Review Board (MAC-RB) is a team of faculty, staff, and students committed to assisting those who have served – or are currently serving – in the U.S. armed forces. This team conducts a focused analysis of all occupations, trainings, and deployments an individual military student experienced over the course of their career in the armed forces and then provides appropriate CU credit equivalencies. This program helps ensure that military service and experience is acknowledged as equivalent academic credit on an individualized basis and in a manner most advantageous to the student's educational and career aspirations.

A similar program was jointly announced earlier this summer by Commonwealth University and the Pennsylvania State Police. This new agreement allows cadets graduating from the Pennsylvania State Police Academy to receive 20 credits at CU upon graduation toward a criminal



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justice degree at any of our campus locations. By recognizing the substantial training these cadets have already received, CU helps our state troopers get closer to degree attainment and career mobility.

Scholarship Support & Emergency Aid

While state support is critical to maintaining our affordability advantage, Commonwealth University students also benefit from the incredible generosity of alumni and donors through our affiliated Foundations, the Bloomsburg University Foundation, the Lock Haven University Foundation, and the newly created Mansfield University Mountaineer Foundation. These entities collectively brought in over \$30 million in donor support during the 2023/24 fiscal year – a record-breaking year for Commonwealth University. These dollars are crucial in filling in need-based gaps and providing scholarship support to students to keep higher education attainable and affordable regardless of background or means. Additionally, Commonwealth University offers university-funded scholarships for first-year and transfer students based on their academic performance, helping to reduce the cost of attendance for qualifying students.

Internal Cost Management

In addition to external sources of funding (state appropriations, tuition and fees, donor support, etc.), Commonwealth University takes seriously its responsibility to judiciously steward resources in order to maintain affordability for our students. Over the past several years – both prior to and following integration – our campuses have reduced staffing levels to more appropriately align with actual enrollment. In 2017, our campuses had a combined employee count of 2,144. As of the 2023/24 academic year, that number was 1,568 – a reduction of 576. Importantly, this rightsizing was achieved through System-level enhanced retirement packages, voluntary separations, and off-lining vacant positions. We have built a leadership culture of assessing every vacancy at the level of the President and his Cabinet – rather than automatically filling the position, we look for opportunities to repurpose, combine duties, and assess whether the role remains mission-critical and student-facing.



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As a state-owned institution, we recognize our special responsibility to provide a high-quality, high-value education at an affordable cost. Through these steps, and with the continued support of Governor Shapiro and the Pennsylvania General Assembly, we are optimistic about the future of Commonwealth University of Pennsylvania and the impact we can have on our students' lives.

I look forward to today's discussion. Additionally, should you have questions or require further information following this committee meeting hearing, please do not hesitate to reach me at president@commonwealthu.edu.

Sincerely,

Bashar W. Hanna, Ph.D.
President

PA House Education Committee
Testimony from
Dr. Chris W. Brussalis
President
Point Park University

September 17, 2024

Good morning, Chairman Schweyer, Chairman Topper, and members of the Committee. Thank you for the opportunity to testify today on the critical issue of college affordability and other challenges facing institutions of higher education in Pennsylvania.

I am Chris Brussalis, President of Point Park University. I also serve as adjunct professor of management and policy at the Heinz College of Carnegie Mellon University, a position I have held for over 30 years. In addition, I served as longtime president and later chairman of The Hill Group Inc., a national management consulting firm. As an engaged scholar-practitioner for over 33 years, I have taught at the graduate level, provided advice and counsel to numerous *Fortune* 500 corporations, governments, large institutions, including many colleges and universities, and served in a variety of higher education executive leadership roles.

Before addressing the main topics, I would like to highlight two recent initiatives that demonstrate Point Park's commitment to students. When Philadelphia's University of the Arts closure was announced in May, we worked quickly to offer direct admissions and free, first-semester housing to affected students. Similarly, we collaborated with Pittsburgh Technical College to create pathways for their students to continue at Point Park after Pittsburgh Technical College's closure. I am pleased to report that over 60 students from these institutions have joined our community this semester.

While federal and state governments remain crucial partners, recent challenges like the FAFSA delays have strained many institutions, including ours. These issues have created uncertainty for students and families, complicating financial planning and potentially deterring some from pursuing higher education. I would urge you all to keep a watchful eye on the FAFSA situation this year and assist us in making sure the delays and problems with this crucial financial aid tool do not negatively impact students, families, and institutions like they did this past year.

A key challenge we face is demonstrating the value of a college degree in today's climate of skepticism towards higher education. At Point Park, we emphasize our career-ready approach, integrating real-world experience and professional skills development into our curriculum. Our Professional Career-Readiness Center offers comprehensive support from career mapping to job placement, helping students see a clear path from education to employment.

Like other independent nonprofit AICUP schools, we educate a higher percentage of fully-Pell eligible students than many of the state's public colleges and university. On average 40 to 45 percent of our student body come from families with great financial need. I am proud to report that 99 percent of our incoming freshmen receive financial aid, with an average assistance package of \$32,095. The net tuition at Point Park, like many independent nonprofit AICUP

schools, is less than the average state-related school tuition without receiving an annual state supplement.

We are committed to making higher education accessible and affordable. Our recently launched “Bison Book Bundle” program simplifies textbook costs by providing all required course materials before classes start for a flat fee, reducing textbook expenses by 40 percent. We have also worked diligently to keep room and board costs down. Additionally, we offer generous monthly payment plans, allowing families to spread tuition payments throughout the year, over 12 months, which is more generous and a longer payment plan than most schools offer. These initiatives, combined with our substantial financial aid packages, demonstrate Point Park's dedication to keeping college affordable for all students, regardless of their financial circumstances

I am pleased to share that even with the strong headwinds higher education is facing nationally and across Pennsylvania, Point Park was able to increase the size of our new incoming student class this year by 10 percent and our retention rate increased by over 3 percentage points.

There is much for all of us to do to make a college education available, attainable, and affordable for all Pennsylvanians.

I urge this committee to partner with universities like Point Park to:

1. Fully fund PHEAA's Pennsylvania State Grant Program, which helps Pennsylvania residents pursue higher education based on financial need.
2. Encourage all higher education institutions to engage in collaborative approaches that save costs. Currently Point Park is part of a working group of schools in Western Pennsylvania, exploring ways that we can share services among our institutions. Even though we are not part of a “system,” we believe that working together to create efficiencies is the right thing to do, for both our campuses and our students.
 - a. While many of the shared services opportunities will be relatively easy to implement, some may require action by leaders in Harrisburg. For instance, Pennsylvania statute, 22 P.S. § 501(c), relating to college campus police or public safety officers at private universities, could be amended to allow private college police forces to collaborate across jurisdictions, enhancing student safety and reducing costs. The law could be modified to include provisions for inter-institutional agreements, enabling private college police departments to share resources, conduct joint training, and respond to incidents on each other's campuses. This approach is already being implemented across Pennsylvania with municipal police forces. Expanding this model to allow private college police forces to work together could lead to more efficient use of personnel and equipment, potentially reducing costs while improving campus safety through shared resources and expanded coverage.

3. When proposals and conversations turn to utilizing state or federal funds to provide “Free College” or “Free Tuition,” it is crucial to include independent nonprofit AICUP schools like Point Park in these discussions, so they might benefit all Pennsylvanians. Independent non-profit schools like Point Park educate 45 percent of all need-eligible students in the commonwealth. Our institutions graduate 40 percent of teachers, 49 percent of adult students, 54 percent of minority students, and 67 percent of nurses in Pennsylvania. If you do not include independent nonprofit AICUP schools like Point Park, you are excluding all these students – in effect penalizing them for attending the college of their choosing.

In conclusion, I want to emphasize the critical importance of addressing the challenges facing higher education in Pennsylvania. The issues we have discussed today – from FAFSA delays to demonstrating the value of a college degree – have significant implications for students, institutions, and our commonwealth’s economic future.

Point Park University remains committed to providing accessible, high-quality education that prepares students for successful careers. Our recent initiatives to support students from closing institutions and our focus on career readiness demonstrate this commitment. However, we cannot do it alone.

I urge this Committee and the broader legislature and the Governor to act on the recommendations I have outlined. By fully funding grant programs, encouraging institutional collaboration, and ensuring equitable support for all types of higher education institutions, we can make significant strides in improving college affordability and accessibility.

The challenges we face are complex, but the potential rewards of a well-educated workforce are immense. By working together – institutions, policymakers, and communities – we can ensure that Pennsylvania remains a leader in higher education and continues to provide opportunities for all its residents.

Thank you for your time and attention to these critical issues. I look forward to continuing this important dialogue and partnering with you to strengthen higher education in our state.

Thank you.

Dr. Chris W. Brussalis
President
Point Park University