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COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES
HOUSE APPROPRIATIONS COMMITTEE

THE MAIN CAPITOL
ROOM 140
HARRISBURG, PENNSYLVANIA

WEDNESDAY, FEBRUARY 29, 2012 A.M.
11:52 A.M.

PUBLIC HEARING
THADDEUS STEVENS COLLEGE OF TECHNOLOGY

BEFORE:

- HONORABLE WILLIAM F. ADOLPH, JR., CHAIRMAN
- HONORABLE JOSEPH F. MARKOSEK
- HONORABLE JOHN BEAR
- HONORABLE MARTIN T. CAUSER
- HONORABLE GARY DAY
- HONORABLE GORDON DENLINGER
- HONORABLE BRIAN L. ELLIS
- HONORABLE MAUREE GINGRICH
- HONORABLE GLEN R. GRELL
- HONORABLE DAVID R. MILLARD
- HONORABLE T. MARK MUSTIO
- HONORABLE BERNIE O'NEILL
- HONORABLE MIKE PEIFER
- HONORABLE SCOTT A. PETRI
- HONORABLE TINA PICKETT

1 CONTINUED:

2 HONORABLE JEFFREY P. PYLE
3 HONORABLE THOMAS QUIGLEY
4 HONORABLE MARIO M. SCAVELLO
5 HONORABLE CURTIS G. SONNEY
6 HONORABLE MATTHEW D. BRADFORD
7 HONORABLE MICHELLE F. BROWNLEE
8 HONORABLE H. SCOTT CONKLIN
9 HONORABLE PAUL COSTA
10 HONORABLE DEBERAH KULA
11 HONORABLE TIM MAHONEY
12 HONORABLE MICHAEL H. O'BRIEN
13 HONORABLE CHERELLE L. PARKER
14 HONORABLE JOHN P. SABATINA, JR.
15 HONORABLE STEVE SAMUELSON
16 HONORABLE MATTHEW SMITH
17 HONORABLE GREG VITALI
18 HONORABLE RONALD G. WATERS

19 ALSO PRESENT:

20 HONORABLE KERRY A. BENNINGHOFF
21 HONORABLE MATTHEW E. BAKER
22 HONORABLE MARK M. GILLEN
23 HONORABLE PAUL I. CLYMER
24 HONORABLE MATT GABLER
25 HONORABLE DICK L. HESS
HONORABLE GENE DIGIROLAMO
HONORABLE MARK K. KELLER
HONORABLE JERRY STERN
HONORABLE ELI EVANKOVICH
HONORABLE DOYLE HEFFLEY
HONORABLE RICHARD A. GEIST
HONORABLE KATHARINE WATSON
HONORABLE WILLIAM C. KORTZ, II
HONORABLE JOHN MYERS
HONORABLE PAMELA A. DeLISSIO
HONORABLE BABETTE JOSEPHS
HONORABLE JAKE WHEATLEY
HONORABLE MARK LONGIETTI

EDWARD NOLAN, MAJORITY EXECUTIVE DIRECTOR
MIRIAM FOX, MINORITY EXECUTIVE DIRECTOR

BRENDA S. HAMILTON, RPR
REPORTER - NOTARY PUBLIC

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P R O C E E D I N G S

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CHAIRMAN ADOLPH: Thank you. I'd like to call to order the House Appropriations budget hearing. The next testifier will be representatives from Thaddeus Stevens College of Technology.

Certainly a pleasure to introduce Dr. William Griscom, Thaddeus Stevens College of Technology President.

And welcome, doctor.

DR. GRISCOM: Thank you, Mr. Chairman.

CHAIRMAN ADOLPH: And I'm sure we're going to receive a brief comment, and then I'd like you to introduce your panel.

DR. GRISCOM: Try to get everybody done before lunch.

I'm William Griscom, president of Thaddeus Stevens College of Technology. I'm accompanied today by Ms. Betty Tompos, our vice president for finance and administration; Dr. William Thompson, our vice president for academic affairs; and Mr. Alex Monro. Our executive director of the alumni association and the foundation.

The handout -- does everyone have a copy of the handout? The handout that you've been

1 provided and that we have on these slides to my right
2 and left include a bullet point summary of our
3 essential facts about the college and our key
4 performance measures of which we measure our
5 institutional effectiveness. In other words, how
6 well does our performance match our purpose?

7 I've got to get this working. With this
8 first slide, we talk about our key performance
9 measures. We measure essentially everything that we
10 do. In terms of the demand, we have 2,815 students
11 apply to be accepted at Thaddeus Stevens College of
12 Technology. We accepted one in five, or 20 percent,
13 of those students.

14 That wasn't because the other 80 percent
15 were unqualified, but we simply didn't have the
16 capacity to -- to accept them.

17 A number of those students were
18 financially disadvantaged. They were Pell eligible.
19 We were their only means of access to a
20 post-secondary education.

21 Our graduation rate in two years, not
22 three years, but 150 percent of graduation time,
23 within two years, which is what we feel an
24 associate's degree should be, was 60 percent. Sixty
25 percent of our students who came to us walked across

1 the stage, received a degree, got a job in
2 Pennsylvania in two years.

3 The number of graduates that we had last
4 year was 282 which is the highest number in our
5 history. And we would suggest that that's probably
6 the most important statistic that you should look
7 at.

8 A lot of institutions, institutions that
9 I've been employed at before, have talked about their
10 enrollment. To me, that would be analogous to a
11 company talking about the number of raw materials
12 they used.

13 Investors aren't really concerned about
14 that. They're concerned about the profit. The
15 profit for us is the number of students who graduate,
16 go out, and get jobs.

17 Our placement rate for those students is
18 really over 95 percent. Of the students who come to
19 us, walk across the stage in two years, 95 percent of
20 them -- a small percentage, less than 10 percent,
21 continue their education at a four-year institution.
22 The rest of them get jobs immediately in the
23 marketplace in Pennsylvania.

24 This last graduating class, where we had
25 a record number of graduates, 282 over 95 -- I think

1 95.6 percent of those students are employed
2 successfully in Pennsylvania at sustaining wages.

3 They are the internal performance
4 measures that we use about the institution. We do
5 those things ourselves. We keep those statistics.
6 We measure them. We change our behavior and act
7 accordingly based on those -- on those numbers.

8 There are external measures of the
9 quality of Thaddeus Stevens College of Technology.
10 Two of them that I'm citing here are IPEDS. IPEDS is
11 the institutional performance -- IPEDS is -- is the
12 Department of Education's post-secondary education
13 statistics, which we're required and every
14 institution of higher education is required to
15 report.

16 Based on that information, we benchmark
17 ourselves against 28 two-year colleges in
18 Pennsylvania, New York, Maryland, and New Jersey.
19 And we outperformed them by a factor of 300 to 500
20 percent.

21 Last year we were selected by a
22 nonprofit organization in Washington, D.C. called the
23 Aspen Institute. We were selected as the best
24 two-year college, the only two-year college in
25 Pennsylvania, and one of the top 120 in the nation.

1 That wasn't a popularity contest. That
2 was based on performance. What were your completion
3 outcomes? How many of your students that started
4 progressed and graduated in two years? How many of
5 those student -- labor outcomes. How many of those
6 students got jobs? How many of those students -- in
7 terms of equitable outcomes, did you serve a diverse
8 student body? We did. And what were the learning
9 outcomes?

10 Based on national standards, when you
11 pretest your students when they come in and you post
12 test them when they get out, how much did they
13 learn? What was the value that Thaddeus Stevens
14 College of Technology added to those students?

15 And based on those criteria, we were
16 selected as the only two-year college in Pennsylvania
17 and one of the top 120 in the nation in terms of our
18 performance.

19 We're not concerned about the SAT scores
20 or ACT scores of the students coming in, the size of
21 enrollment. We're concerned about when the student
22 comes to us, we take them at this point and then we
23 measure them and we measure what we do to them in two
24 years and what is the outcome at the end of two
25 years. And based on that, that's -- that's what we

1 call learning outcomes.

2 I thought I'd provide you with some
3 other relevant information in case you were not aware
4 of it. And I know, Mr. Chairman, you are.

5 But we are owned by the Commonwealth of
6 Pennsylvania and we have been since our founding in
7 1905.

8 We are a preferred appropriation of the
9 Commonwealth of Pennsylvania. Our mission is to
10 provide a bridge through technical education for
11 under-resourced students, financially disadvantaged,
12 and under-resourced in many other ways at little or
13 no cost, as well as tuition-paying students, and to
14 support the technical workforce needs of the
15 Commonwealth of Pennsylvania.

16 We had 51 percent of our students who
17 were Pell eligible. Forty-six percent of those
18 students walked across the stage at graduation.

19 So we're breaking the cycle of poverty.
20 Some of those students come to us and are coming from
21 abject poverty. They've lived in three generations
22 or more of poverty.

23 And to try to determine what the value
24 of that is would be hard for me to do, but these
25 students have come again from -- from three

1 generations of poverty. They leave Stevens. They go
2 out. They get jobs. They raise families. They buy
3 homes. They pay taxes. And 300 of them that I know
4 of have started businesses in Pennsylvania.

5 Minority students, 27 percent of our
6 students are minority students. Our student
7 body come -- we're not just -- sometimes we're
8 reviewed as a Lancaster-only institution. That's not
9 the case. We draw students from 57 of the 67
10 counties in Pennsylvania.

11 Our students performed over 8,000 hours
12 of community service. And that doesn't count the
13 times -- we built 150 affordable homes in the City of
14 Lancaster that are now on the -- the tax rolls since
15 1950. And we do that with our students.

16 That doesn't count -- that's not
17 counting the 8,000 hours of community service at the
18 -- at the Water Street Mission and a number of other
19 nonprofit institutions.

20 Fifty-six percent of our students are
21 the first generation in their family that ever
22 attended college.

23 Over 125 employers attended our annual
24 career fair, which we held two weeks ago. The career
25 fair is only one means that we use for placing

1 students.

2 But I'd like to share with you a little
3 bit about that career fair. I spent two hours
4 walking around that career fair talking to
5 employers.

6 And you need to understand this. I have
7 a list of all the employers here. These are high
8 tech companies, Alcoa, large companies from -- that
9 have international interests.

10 And they're 125 companies just in our
11 career fair. They filled up the equivalent of three
12 collegiate basketball courts with booths and with
13 representatives there, coming to our college, trying
14 to recruit.

15 They are desperate for a machine
16 technology graduate, tool and die makers, HVAC
17 technicians, plumbers. I could go across the board
18 of the different programs we have.

19 There wasn't a program we have that
20 we're offering -- of the 17 associate degrees, there
21 wasn't probably 15 opportunities where -- I talked to
22 these companies for two hours. I said, what is the
23 -- he said, listen, we'd give anything for a machine
24 -- we have 15 graduates in the machine technology
25 this year. I had 30 companies there trying to

1 recruit those students. Starting salaries of \$50,000
2 60, \$70,000.

3 And they said we have been advertising
4 in our local paper and the regional papers for over a
5 year to two years and we can't find -- nobody even
6 applies anymore that's -- that's qualified. We get
7 elementary school teachers, but we don't get people
8 who are tool and die makers. We don't know what to
9 do. We wish you would triple the size of your --
10 your program.

11 We wonder why we're 49th out of 50 in
12 job creation in Pennsylvania, but we're not filling
13 the jobs that these folks have right now.

14 If you understand -- I'm talking, these
15 are high tech companies. I can give you the list.
16 You read through these companies. These are
17 significant companies.

18 And in today's -- this is a global
19 economy. These companies in Lancaster, in Lebanon,
20 and Pittsburgh that are at our job fair, and all over
21 the state, from Philadelphia and so forth, they're
22 competing in a global economy.

23 In a global economy, the -- everything
24 turns -- ends up being equal. Eventually the cost of
25 labor will be equal. Right now they have the -- the

1 -- the other countries have an advantage.

2 But in terms of transportation costs,
3 material costs, equipment costs, maintenance, and so
4 forth, those things pretty much equal out. The only
5 sustainable competitive advantage that you have as a
6 company, if you're competing with companies around
7 the world, is the quality, the competence, the
8 innovation, the creativity, the productivity of your
9 workforce.

10 And if we can't even fill these
11 positions within these companies -- they weren't
12 trying to get the best graduate we had. They were
13 trying to get any graduate that we had.

14 So how can we be -- move ahead in job
15 creation, how can we be any better if we're not
16 providing the workforce that they need? And that was
17 the -- they said, we'll stand up in line. We will --
18 I wish the legislature could have been there and
19 listened and talked to those employers.

20 So that's -- that's a significant
21 issue.

22 We understand as a two-year technical
23 college and -- and probably representative of a lot
24 of community colleges and other institutions in the
25 state that are trying to provide for the needs of

1 employers in the Commonwealth of Pennsylvania.

2 The pie is not going to get any bigger.
3 We've accepted that fact. I know it's -- we know
4 it's not going to get any bigger.

5 But we would suggest that for the
6 investment that you made -- we think you made a
7 significant investment in higher education last
8 year. You spent approximately \$2 billion, and for
9 that \$2 billion you got 87,287 baccalaureate
10 degrees. You got 9,348 associate degrees.

11 And I suggest that half those associate
12 degrees are in programs trying to remediate their
13 math and English deficiencies so they can get into
14 baccalaureate degrees. Because we tell everybody in
15 this country the only way to be successful is to go
16 into a -- a four-year or more program.

17 The fact of the matter is -- the United
18 States Department of Labor, since 1950, only 20
19 percent of the jobs in the workforce require a
20 four-year degree. And as we look into the future,
21 all the studies that have been done, it's accepted
22 that there will be the need for more post-secondary
23 education, but the projection for four-year degrees
24 remains to be 20 percent, even into the future.

25 So if we send everybody to four-year

1 schools to get these degrees, you know, what are the
2 effects? Well, we feel there's a mismatch in the
3 Commonwealth between the needs of the economy and the
4 output of our higher education system.

5 What is the return on our investment?
6 Look at the number of underemployed and unemployed
7 college graduates today. Look at the number of
8 graduates who moved to other states. We talk about
9 the brain drain. There are not opportunities for
10 them because there aren't jobs for them.

11 Last year in Pennsylvania we created --
12 we created 12,000 teachers for 3,000 jobs, and we
13 continue to do that year after year after year.

14 The number of companies who cannot find
15 qualified workers -- anywhere in the Commonwealth
16 look at the classified ads in the Sunday paper and
17 look at the demand that they have for skilled
18 employees. It's incredible.

19 But yet we have a number of graduates
20 that have four-year degrees that can't find any types
21 of employment opportunities. Look -- again, look at
22 our state's low job creation rate over the last
23 number of years.

24 Again, we understand the pie is not
25 going to get any larger and -- but we're saying that

1 you need to -- it's -- it's -- in tough times
2 sometimes it's an opportunity to -- to create
3 change. Sometimes in affluent times, in good times,
4 we can get by, we can move on, and so forth and so
5 on.

6 But in difficult times, just in -- like
7 in your personal family household, you have to set
8 priorities and you have to make decisions.

9 What we're suggesting is it's time to
10 fund higher education in Pennsylvania, as many other
11 states are starting to do, based on performance
12 measures that match the needs of the Commonwealth of
13 Pennsylvania. Don't spend more money, maybe spend
14 less, but invest it more wisely.

15 To me -- and I've been in this business
16 for over 40 years now. I was at a large four-year
17 college for 25 years. I was an assistant, associate,
18 a tenured full professor, assistant division chair,
19 division chair, an assistant to the president for
20 economic development, and I've been at this college
21 for 15 years as president.

22 Let's take a look at what the graduation
23 rate is. That's -- it's almost consumer fraud to
24 bring students in, sign them up for student loans
25 that sometimes could go almost to \$200,000 in some

1 cases without any -- having a job.

2 The average student loan debt upon
3 graduation is \$40,000. To bring those students in,
4 we are telling them that, listen, there is a job for
5 you at the end of this pipeline. You do all the
6 things you're supposed to do, there's a job. You're
7 going to have the resources you need to pay off
8 whatever student loans that you have.

9 To me, that's unacceptable. We need to
10 be accum -- in the post -- in the secondary education
11 and the high schools, as a result of right to -- the
12 -- every -- every child -- No Child Left Behind
13 legislation, which we can argue about back and forth,
14 but one of the good outcomes of No Child Left Behind
15 is we have created a culture of evidence in the K
16 through 12 system. They understand that. They accum
17 -- they develop and they create and accumulate
18 information on -- on -- on how they're informing.

19 Don't have that in higher education. We
20 don't accumulate very much information about
21 everything. There needs to be a culture of
22 evidence.

23 It seems to me irresponsible to bring
24 students into a program without telling them, listen,
25 the people that just came before you, this is their

1 progression rate, this is their graduation rate, this
2 is their placement rate, this is their average
3 starting salary, this is how they did five years, ten
4 years from now.

5 We accumulate that information. We
6 are -- are surveying our students. We're trying to
7 accumulate information. But that's not out there.

8 So these are the kind of criteria,
9 graduation rate, placement rate, placement rate in
10 Pennsylvania, this is Commonwealth money. And what
11 are the starting salaries? Are you getting
12 family-sustaining wages when you graduate?

13 We're saying the pie doesn't need to get
14 any bigger but we need to take a look at the way we
15 do business. Maybe change a new paradigm and find
16 something that supports the economic needs of the
17 Commonwealth of Pennsylvania.

18 Our problem is we admitted one -- we
19 admitted 20 percent of the students that apply to our
20 college. That's not because the other 80 percent
21 weren't qualified. Many of them were qualified.
22 Many of them came from difficult circumstances. This
23 would have changed their lives and made them a
24 productive citizen.

25 But we don't have the capacity to accept

1 them. So we only took 20 percent of the students.
2 I've got employers standing in line. They'll hire
3 every student out of every class. It is incredible.

4 The bottleneck is that we don't have the
5 capacity to meet that need, and that need would
6 stimulate economic development in Pennsylvania.

7 One outcome of a paradigm shift would be
8 what we should be at Thaddeus Stevens College. We
9 should have at least 2,000 students. We should be
10 graduating 600 a year based on the need. We should
11 double our current programs.

12 I have employers say, we'll come to the
13 legislature, we'll stand in line and tell them that
14 we need to triple or quadruple that machine
15 technology that you have, the electrical program.

16 Mr. Chairman, we have electrical
17 graduates that come from our program that go to work
18 for utility companies and within four years they're
19 making over a hundred thousand dollars. They're
20 working overtime, but they're making over a hundred
21 thousand dollars.

22 I've got plumbers, HVAC technicians that
23 are easily making \$70,000 a year. We have over 300
24 companies in Pennsylvania started by our graduates at
25 this current time. Metals fabrication, welding.

1 You got Marcellus shale coming down.
2 What are people going to do with Marcellus shale if
3 they can't get welders, they can't get metal
4 fabricators, and we're not beginning to meet that --
5 that need.

6 We need new programs. We -- we have a
7 community advisor council. We work with industry
8 hand in glove. We talk to them all the time. We
9 meet twice a year with the -- with the movers and
10 shakers in the industry in this region.

11 And what they're telling us is we need
12 diesel mechanics, we need welders, we need building
13 maintenance, technology technicians.

14 We met with an expert in Pennsylvania
15 on -- on water and wastewater just the other day. He
16 said, we're going to need -- in the next few years
17 we're going to need 20,000 technicians that you could
18 prepare and they're going to start out at \$42,000 a
19 year, and there's not one program in the Commonwealth
20 that addresses that issue.

21 We're going to try to address it but
22 with limited resources. Computer engineering,
23 construction supervision, residential remodeling,
24 facilities management, again, for us to do those
25 things we're going to need a significant increase in

1 our operating budget and we're going to need at least
2 two \$10 million facilities.

3 And you say, geez, that sounds
4 egregious. Well, I understand the capital budget.
5 I've seen this one. I've seen all the ones in the
6 past.

7 If you look historically, before we
8 invest in cultural centers and -- and in -- and
9 student centers and a number of other things, I would
10 suggest give me a decent technology center to triple
11 or quadruple of the size of my machine technology.

12 Right now that machine technology
13 program, that has 15 students in it, that had 30
14 companies out there that haven't been able to fill
15 their positions for two years, is in a building built
16 in 1949 that we cobbled the electrical system
17 together so it would support the machines that are in
18 there. It's on an asphalt floor that looks like the
19 ocean.

20 What does that say to students that are
21 looking for these kinds of jobs? It's just --
22 it's -- it's -- it's inadequate.

23 Our current funding this year we've had
24 to give a half million dollars back, so we're at
25 \$9,815,000. That was a reduction. Plus our mandated

1 increases, the legacy cost, which you just heard from
2 the Secretary of Transportation, about -- we're about
3 1.5 short.

4 What did we do? We're lean to begin
5 with. You won't -- I have about seven positions
6 reporting directly to me that used to report to the
7 vice presidency, which is gone. We have no deans. I
8 have two vice president, and I have directors, some
9 of which are part-time.

10 We have three people in our maintenance
11 department, a maintenance director -- a facility
12 maintenance director who has two jobs. He's also our
13 construction maintenance project [sic] on our housing
14 project. And I have an all-purpose carpenter, and I
15 have a boiler plant operator.

16 That's it for over 500,000 square feet.
17 DGS gave us a report, said you've got to be out of
18 your mind trying to operate this facility based on
19 this type of -- of -- of -- of staffing. But that's
20 what we do.

21 We've deferred maintenance. I have 20
22 less positions on campus this year than I had last
23 year. We've requested a 12.7 percent increase just
24 to stay even.

25 We got equal funding -- I think us and

1 Lincoln University, and maybe Penn College of
2 Technology, were the only ones that received that,
3 and we take that as evidence that the Governor
4 appreciates what we're doing and understands the
5 value of this.

6 But you're going to have to redivide the
7 pie. You're going to have to change the way things
8 are done if we're going to move forward in terms of
9 economic development.

10 We need two -- we need at least two
11 buildings. We're not talking about extravagant
12 facilities for anyone. Come and look at my office.
13 There's a window air-conditioner in there. I've got
14 a boiler system that was made -- that makes noise. I
15 got kids that are changing classes overhead. Sounds
16 like a stampede.

17 We're -- we're not doing those types of
18 things. I don't have a state car. I don't have a
19 house or anything like that. We are trying to be
20 good stewards of the money that we are given in the
21 Commonwealth.

22 But we need two technology buildings to
23 meet the needs that the Commonwealth and the industry
24 has and to meet the needs for economic development.

25 The last slide that I show you there is

1 simply our historical appropriations. We're showing
2 that we received 10,332,000 this year, which we did,
3 but, again, we had to give a half million dollars of
4 those funds back.

5 That's essentially my presentation. We
6 appreciate the support we've received over the years
7 on both sides of the aisle. It's been good even in
8 bad times and so forth.

9 I'll be honest with you. We feel like
10 we're doing God's work. Okay? But we're not like a
11 lot of institutions that I've been affiliated with in
12 the past where you say, we're doing God's work, give
13 us money, and leave us alone.

14 We are saying we will be transparent.
15 We will tell you how we're spending your money. We
16 will show you our outcomes. We think that that's
17 important. We're as transparent as anybody can be.

18 Vice President Tompos is right now
19 putting all of our information -- what's that
20 called?

21 MS. TOMPOS: Which one?

22 DR. GRISCOM: That program you're
23 working with, the new program to put -- no. No. To
24 put the money into -- the information -- all of
25 our --

1 MS. TOMPOS: PennWatch.

2 DR. GRISCOM: PennWatch. We're putting
3 all of our information in PennWatch. We're in the
4 other program that's -- that's -- it's Right to
5 Know.

6 We're more than happy to show anybody
7 how we spend every penny that we receive from the
8 Commonwealth and feel that's our responsibility. We
9 have no problem with it.

10 And to be accountable, to show how -- we
11 don't feel that it's important to measure the SAT
12 scores of students coming in and brag about how we
13 have the highest class coming in and so forth and
14 this is what our enrollment is.

15 I can't imagine a private sector company
16 talking about how much money they spend on raw
17 materials or everything. They talk about what is
18 their profit. What did you make at the end of the
19 day?

20 For us our profit is our number of
21 graduates, who graduate, get jobs, go out, they're
22 employed, they -- they raise families, they pay
23 taxes, and they give something back to their
24 communities. That's -- that's what we feel is -- is
25 important.

1 can't create a machine technology program and double
2 its size or an HVAC program or plumbing or metals
3 fabrication program?

4 So, again, between Dr. Thompson, Vice
5 President Tompos and myself, you're looking at
6 about -- close to 140 years of -- of higher education
7 experience at many different levels. And we're not
8 bragging about that, but I mean we -- we have seen a
9 lot what goes on and we feel this is -- is an
10 important shift that needs -- that needs to take
11 place.

12 I appreciate your time and we would
13 welcome any questions.

14 CHAIRMAN ADOLPH: Thank you, doctor,
15 and -- and -- and we can feel your passion. We hear
16 your passion.

17 I've had the opportunity to visit your
18 campus on several occasions and, you know, it's --
19 it's a bare -- bare bones operation. There's no
20 question about that.

21 The only thing I disagree with you with
22 is that I think between you and Dr. Thompson there's
23 about 120 --

24 DR. GRISCOM: Yeah. We'll leave her out
25 of it.

1 CHAIRMAN ADOLPH: Yeah. That would
2 leave -- I would leave Betty --

3 DR. GRISCOM: Good idea.

4 CHAIRMAN ADOLPH: -- Tompos out of
5 that -- those years of experience.

6 But other than that, specifically you
7 talk about these two new buildings --

8 DR. GRISCOM: Uh-huh.

9 CHAIRMAN ADOLPH: -- that -- that you
10 would like to have on campus. Do you have any
11 specific cost involved there?

12 DR. GRISCOM: \$20 million.

13 CHAIRMAN ADOLPH: Excuse me?

14 DR. GRISCOM: \$20 million.

15 CHAIRMAN ADOLPH: \$20 million. And I
16 know an awful lot of Pennsylvania residents do not
17 realize that Thaddeus Stevens is owned by the
18 Commonwealth of Pennsylvania.

19 Does the college have any money
20 themselves regarding this? Would there be any type
21 of -- type of match involved? Is there any type
22 of --

23 DR. GRISCOM: We have no funds
24 whatsoever.

25 CHAIRMAN ADOLPH: You have no endowment?

1 DR. GRISCOM: We spend every money that
2 --

3 CHAIRMAN ADOLPH: You have no capital --

4 DR. GRISCOM: No.

5 CHAIRMAN ADOLPH: Capital budget --

6 DR. GRISCOM: No.

7 CHAIRMAN ADOLPH: -- plan?

8 DR. GRISCOM: No, we don't. And you
9 have to understand that we provide a very low cost
10 education for over 50 percent of our students, who
11 come from -- from poverty. And I think it's 200 and
12 some come from the 100 percent poverty level in the
13 United States.

14 So we have to provide them with whatever
15 support. I mean those kids come into my office, I
16 say maybe four or five a week, and we have a
17 president's fund that we have raised through external
18 funding that sits over in the found -- foundation
19 that Alex administers, and I'm giving those kids
20 grants and loans five a week.

21 I had a kid come in just yesterday, I
22 need to get back to Pittsburgh and I don't have any
23 money to get back to Pittsburgh. Spring break is
24 coming on and so forth. And it's \$40, \$50, so forth
25 and so on.

1 So we spend all our money on the
2 students. Fifty percent of them we almost
3 completely --

4 CHAIRMAN ADOLPH: Yes.

5 DR. GRISCOM: -- subsidize. So we don't
6 have those types of resources. We don't have any
7 hidden fees. To me, fees are nothing but a way of
8 hiding tuition increases.

9 So we have two fees. We have a \$15 a
10 year parking fee, and we have a \$30 student activity
11 fee which goes purely to the students to do whatever
12 things the residents like, decides that they should
13 could.

14 We have no other fees. We don't have
15 technology fees. We don't have transportation fees.
16 We eat all those things.

17 We say this is what our costs are and
18 bill that in tuition. So we have opposed any types
19 of -- of fees.

20 So, again, we see those kids every day.
21 We know what they're dealing with. Some of them
22 aren't kids. Some are adults that have children and
23 so forth and so on. But we're trying to help them
24 break the cycle of poverty, to go out and -- and
25 change the nature of our -- I can't imagine what

1 those costs would be to break the cycle of poverty.
2 The -- the social costs that are involved.

3 I mean if you look at people that come
4 from poverty, a significant number end up
5 incarcerated and so forth. When you take a student
6 who comes from three generations or more of poverty,
7 not situational poverty where there was a divorce in
8 the family or there was a tragedy, but who come from
9 generational poverty and they come to Stevens and
10 they get the skills that they need and they go out
11 and they get a job and they raise a family and they
12 buy a home and they pay taxes. And 300 of them
13 started companies.

14 I don't know how you put a dollar sign
15 on that. But it -- it's -- it's incredible. I think
16 it's one of those -- I mean I was looking at some
17 statistic the other day from the -- from the
18 Commonwealth about the cost of incarcerating people
19 in Pennsylvania and -- and so forth and so on, which
20 doesn't take into account the social cost that the
21 family has to deal with.

22 So, you know, we've been doing that for
23 a hundred years. And from the coal regions, from
24 Pittsburgh, from Erie, from Philadelphia, and from --
25 from central Pennsylvania. So it's -- it's an

1 incredible value.

2 And it's what gets you up in the
3 morning. It's why we come to work everyday. Like I
4 said, we got a lot of -- both of us could retire
5 tomorrow, but -- and there's probably no good reason
6 that we don't, but -- except that we -- we love what
7 we do.

8 We see -- it's like social engineering.
9 You see these kids come. You see their lives
10 change. And you see -- you see generations in the
11 future change. It's -- it's -- it's an incredible
12 experience. We're lucky to have --

13 CHAIRMAN ADOLPH: We -- we -- we
14 understand. Just take a deep breath.

15 DR. GRISCOM: I am.

16 CHAIRMAN ADOLPH: Take a deep breath.

17 You know, I know Representative Parker
18 can understand. You know, you get --

19 REP. PARKER: Not fair, Mr. Chair. Not
20 fair.

21 CHAIRMAN ADOLPH: You get an
22 opportunity, and this gentleman has been in my office
23 many times, and -- but you have an awful lot of
24 support here.

25 DR. GRISCOM: Thank you.

1 CHAIRMAN ADOLPH: Is there a bill that
2 has been introduced regarding this project?

3 DR. GRISCOM: There is one bill that's
4 been introduced that is one technology center, I
5 think, for -- it would have been like \$12 million.
6 Yeah. And we continue to put it on our priority
7 list.

8 But what we were trying to share with
9 you today is what's really needed.

10 CHAIRMAN ADOLPH: We under --

11 DR. GRISCOM: And I'm sure we can
12 introduce the bill.

13 CHAIRMAN ADOLPH: We -- we understand.
14 I know you mentioned Pell grants.

15 DR. GRISCOM: Uh-huh.

16 CHAIRMAN ADOLPH: Okay. And a good
17 percentage of your students receive Pell grants. Are
18 your students qualified for the PHEAA grants?

19 DR. GRISCOM: Yeah. A -- a large number
20 of them get PHEAA grants.

21 CHAIRMAN ADOLPH: Okay. So they -- they
22 qualify for the Pell grants as well as the PHEAA
23 grants. And I know in the Governor's budget address,
24 you know, he's very concerned about students going
25 into school, coming out with great debt, and no

1 jobs.

2 And in his budget address he is talking
3 about giving an incentive to these type of trade
4 schools and trying to expand the PHEAA grants into --
5 into those trade schools as well. And, of course,
6 you get an associate degree from Thaddeus Stevens.

7 You've been level funded. That's what
8 the Governor has recommended. And I'm trying to
9 get -- get from you -- and I know -- I know you lost
10 some federal funds two years ago and -- which is a
11 large percentage.

12 If -- if there's anyway -- and I don't
13 know if there is a way -- the capital budget, what
14 is -- what is your -- your budget request as far as
15 the operational?

16 Can you -- can you live within this
17 proposal? Are you looking for an increase in the
18 Governor's proposal? Are you -- are you requesting a
19 movement on this capital project bill?

20 DR. GRISCOM: Both.

21 CHAIRMAN ADOLPH: Both?

22 DR. GRISCOM: What we're -- what we're
23 saying is that, based on what I just talked to you
24 about, if we're going to meet the need that's out
25 there, we're going to need more facilities. We're

1 going to need a significant increase in our operating
2 budget.

3 And we understand the pie is not getting
4 any bigger, but you're going to have to make some
5 decisions. You're going to have to tie
6 appropriations to accountability, to performance
7 measures.

8 I am not in any way, shape, or form
9 denigrating four-year education. I'm a product of
10 that system. I've worked in it for 25 years, and
11 there is a critical need for four-year engineering
12 technology graduates, engineering graduates. You
13 heard the Secretary talk -- the previous Secretary
14 talk about the needs in the transportation area.

15 There's a need for business graduates
16 and health care and so forth and so on. But why are
17 we taking Commonwealth money and subsidizing students
18 either through PHEAA grants or through direct
19 appropriations in their operating budgets or in their
20 capital budgets to go into programs where there isn't
21 -- they're not going to get a job? They have no
22 marketable skills.

23 These kids -- these -- these students
24 that are graduating right now I think are becoming
25 disillusioned. They've done everything we asked them

1 to do.

2 I mean the American dream is to what?
3 Go on -- that's what we tell everybody. Go to
4 college. Get a degree. Go out, own a home. Go to
5 college, own a home, and -- and have a higher
6 standard of living than your parents do.

7 These students graduating, they are not
8 going to have a higher standard of living than their
9 families. They're going to have a lower standard of
10 living because they don't have marketable skills.
11 They've done everything that they've done. They're
12 bright, young, intelligent people who have gone out
13 there and they're working for \$9 an hour at a lot of
14 menial jobs that normally were done by people that
15 did not have college degrees, just to try and
16 survive.

17 So what we're saying is there's no
18 reason to fund those type of programs. Fund
19 engineering technology programs, business programs,
20 health care programs, other programs where there is a
21 marketable set of skills when they're done.

22 But what's in the best interests of the
23 Commonwealth? What's in the best interests of the
24 Commonwealth is to support the needs of industry.
25 And I've just walked through 125 employers just in

1 central Pennsylvania, come from Maryland and
2 Allegheny County that -- that -- that were at that
3 career fair, and from Philadelphia, who are saying,
4 you're not meeting our needs. We -- we can't -- we
5 can't operate right now, let alone expand, so we need
6 more people.

7 So we're saying we need an operating
8 budget. Long term, we need a operating budget. Not
9 just us. Other schools who do the same thing. We
10 need an operating budget and a capital budget that
11 reflects our needs.

12 You all have the capital budget. I've
13 looked at the capital budget. I've seen it for
14 several years, and you see where the funds are
15 going.

16 Why would we continue to invest capital
17 money and operating money in programs? Why wouldn't
18 we start by just asking programs -- if I -- when I
19 talked about consumer fraud before, as a parent and
20 as a student going into a program, if the
21 Commonwealth is supporting that program, especially
22 if it's a public institution, the presumption would
23 be in my mind that at the end of the day -- and --
24 and you're giving them loans, all kinds of loans,
25 student loans as well as PHEAA and -- and -- and

1 other things, my presumption would be at the end of
2 the day there's going to be a job for you and you're
3 going to be able to pay off those loans and you're
4 going to make a good living and you're going to have
5 a higher standard.

6 That's not the case at all. They're
7 unemployed. They're underemployed. They're leaving
8 this state. They're living at home with mom and
9 dad. And they go to -- and I see a lot of those
10 students coming to college because they can only make
11 \$9 with no benefits and they want to get -- I've got
12 graduates from Ivy-League-type schools coming to our
13 institutions, from a lot of prestigious institutions
14 in the Commonwealth of Pennsylvania, coming to our
15 college because they want to get the skills that they
16 need so they can go out and make \$50,000 a year and
17 support their family, buy a home, pay for a car,
18 raise a family, and so forth and so on.

19 CHAIRMAN ADOLPH: I understand. I
20 understand. And I -- I really, really appreciate
21 your passion.

22 DR. GRISCOM: I apologize for --

23 CHAIRMAN ADOLPH: That's okay.

24 Passion --

25 DR. GRISCOM: But I see it every day.

1 CHAIRMAN ADOLPH: Passion -- passion --
2 passion is good. Passion is good.

3 The -- the -- I made a comment at the
4 higher education budget hearing about graduating with
5 a Greek mythology degree, and the chairman, my good
6 friend, Joe Markosek, you know, teased me about it.

7 But I'm -- I'm with you on this. I
8 mean, you know, I'm with you on this and, you know,
9 it's important and the kids that are going to your
10 school, you know, come out of the lower income areas
11 and it's a fantastic story and I'm very proud of
12 Thaddeus Stevens' success and what they're doing for
13 Pennsylvania residents.

14 I'm going to ask you this. I'm going to
15 ask you this. We have about a good six questions of
16 you. Okay? And I want you to get on record.

17 But we're going to ask you budgetary
18 questions. Okay? And see if we can keep the
19 answers --

20 DR. GRISCOM: I'll control --

21 CHAIRMAN ADOLPH: -- nice and concise.

22 DR. GRISCOM: I'll control it.

23 CHAIRMAN ADOLPH: Okay?

24 DR. GRISCOM: Okay.

25 CHAIRMAN ADOLPH: And it's an

1 opportunity to be on PCN and -- and broadcast what a
2 great job you're doing. I know that's what you're
3 doing.

4 You know, I -- I know there's a reason
5 why you have this passion out there. You're --
6 you're recruiting, doctor, at the same time here. So
7 --

8 DR. GRISCOM: I've got plenty of
9 students.

10 CHAIRMAN ADOLPH: -- good for you. Good
11 for you. But I'd like to start with Representative
12 Ron Waters.

13 REP. WATERS: Thank you, Mr. Chairman.

14 Thank you Mr. -- or Dr. Griscom for --
15 for being here. And, as you remember, I took a tour
16 of your facility, too, with Chairman Frank
17 Sturla [sic] a couple years ago and I -- and I agree
18 with our chairman that it is a fine facility, doing
19 an outstanding job with bare bones.

20 You -- you spoke with a lot of passion,
21 but you -- you spoke in a way that makes a lot of
22 sense, too, common sense on top of it.

23 The -- the -- the school that you run --

24 DR. GRISCOM: Uh-huh.

25 REP. WATERS: -- I believe it could

1 easily accommodate more students if it had more
2 sites. There -- Philadelphia -- the Philadelphia
3 area would greatly benefit from a school like this.
4 And -- and I would support it in any way possible
5 to -- to -- to see it happen.

6 The -- I had a chance to take a -- a
7 tour of a couple other schools. One was the Lehigh
8 School of -- Technology Institute, I believe it was
9 called.

10 DR. GRISCOM: The Lehigh Carbon --

11 REP. WATERS: Yes.

12 DR. GRISCOM: -- Community College?

13 Sure.

14 REP. WATERS: Yeah. The one out there.

15 DR. GRISCOM: Good school.

16 REP. WATERS: And had a chance to see
17 how they were able to attract funders. They -- which
18 is the issue that you are -- are addressing right now
19 today with the budgetary issue.

20 They have businesses that -- who know
21 what kind of workforce that they need. So the
22 corporations and businesses supply the revenue by way
23 of either manpower or financial or supplies to help
24 produce a workforce that they know will benefit their
25 operation.

1 And I just wanted to ask you -- but when
2 I was there, I talked about Thaddeus Stevens.

3 DR. GRISCOM: Uh-huh.

4 REP. WATERS: Because I saw so much of a
5 similarity in -- in the -- in the operation. And
6 have you had -- have you had a chance to look into --
7 and I don't know if it's possible, because you're
8 state-owned, but have you had a chance to look into
9 the possibility of getting direct funding to promote
10 the -- rather of brain drain, but the brain gain for
11 Pennsylvania? Have you had a chance to look at
12 that?

13 DR. GRISCOM: Absolutely. We get EITC
14 money from a large number of companies. We get
15 direct grants. We got \$25,000 the other day from a
16 private sector company that wanted us to increase
17 the -- the -- the welding program that we have.

18 But unfortunately we need \$250,000 to do
19 that, not just 25,000. But that was a step in the
20 right direction. That person has a hundred thousand
21 dollar scholarship for students at our institution.

22 So, yeah, we go out there in -- into
23 the -- into the private sector, and they partner as
24 much as possible.

25 But I need to be honest with you. Our

1 private sector partners, all the companies that we
2 deal with, they say, why is it like this in
3 Pennsylvania? If we're in North Carolina, we've got
4 a system that comes in and provides us with all the
5 workforce training we need, all the stuff and so
6 forth and so on. Why aren't we on a level playing
7 field? Why aren't we like North Carolina? Why
8 aren't we like West Virginia? Why aren't we like all
9 these other states that provide this robust system of
10 workforce training and technical support and so
11 forth? Why is it here that we have to -- that we
12 have to fight for it so much? And why do we have to
13 take so many of our own dollars? We're not on a
14 level playing field. So that's from our bottom line
15 and makes us uncompetitive.

16 If we're trying to attract companies
17 from New Jersey and from Ohio and -- and so on and so
18 forth, we need a level playing field. I think part
19 of that is our workforce training system.

20 We should be able to produce the number
21 of metal fabricators and welders that industry
22 needs. We should be able to produce the machinists
23 and tool and die makers that companies need.

24 They shouldn't have to -- we shouldn't
25 have to have 125 companies, and a lot of them have

1 personal relationships. They come other times. But
2 these are just 125 that come to career fair that try
3 to attract -- to try and recruit 15 students. It's
4 like an NFL combine, so to speak.

5 So I'm saying we certainly want to have
6 jobs for our students and so forth and so on. But
7 we'd like to create an environment where employers
8 have more than enough of the human resource they
9 need.

10 Steve Jobs -- I was at a conference one
11 time that Steve Jobs gave before he passed --
12 obviously before he passed away, and he talked about
13 economic development.

14 And he said, in the past the magnet that
15 attracted economic development was access to
16 transportation and natural resources. And if you
17 look at Pittsburgh and you look at St. Louis and you
18 look around this country, you can see that that's
19 where the economic development occurred. Where you
20 had the nexus of those two elements.

21 But he said in the future that's not
22 going to be the case. That's unimportant. In the
23 future the magnet that's going to attract economic
24 development is going to be human capital.

25 Do you have a trained, skilled,

1 competent workforce that can -- that can provide you
2 the competitive edge you need into the future?

3 And that's where I think we're -- we're
4 missing the boat. It's not in my best interests, but
5 to be honest with you, we don't fund community
6 colleges in Pennsylvania the way that we should. A
7 third local match, a third from the state, and a
8 third from tuition.

9 If I'm a president of one of those
10 colleges, I'm not incentivized to invest in programs
11 that have expensive capital needs and that have --
12 need full-time faculty and -- and operating expense.

13 I'm going to do what they do
14 rationally. I'm going to invest in general education
15 courses and produce more people that go to four-year
16 colleges. Yet only 20 percent of the jobs since 1950
17 have required a four-year degree.

18 It's just not a system that's -- that's
19 working. And if you look around the United States,
20 you're going to see other states are understanding
21 this and they're starting to make some changes in
22 their paradigm.

23 And what I'm suggesting here is in the
24 best interests of the Commonwealth we've got to
25 change that paradigm as well.

1 I'm not in any way, shape, or form
2 denigrating four-year colleges. Programs that
3 there's a need for the graduates, especially the
4 graduates in Pennsylvania to go out and make a
5 family-sustaining wage, then -- then we should have
6 more of those programs.

7 But why should we be investing in
8 programs that are only graduating 20 or 30 percent of
9 the students that start there and they're -- none of
10 them are getting jobs or less than 10 percent get
11 jobs in Pennsylvania, at unsustaining family wages?

12 To me, when you have lean times, you
13 make hard decisions. And that's not a decision that
14 I would be making in my personal life, and I wouldn't
15 think that we should make it as a Commonwealth.

16 REP. WATERS: It's amazing that what you
17 said also addresses a call that I got from a
18 constituent about a half hour before you -- your --
19 the panel came before us and it was someone looking
20 for a job that has a doctorate degree and has great
21 student loans to pay back.

22 DR. GRISCOM: Okay.

23 REP. WATERS: About \$150,000 in student
24 loans to pay back.

25 DR. GRISCOM: Yep.

1 REP. WATERS: They're even looking to
2 find something paying way below what someone of that
3 academic achievement should be being paid.

4 DR. GRISCOM: Sure.

5 REP. WATERS: But nonetheless, because
6 they went to school and they got an education, but,
7 as you said earlier, 12 -- what did you say? About
8 1,200 people graduate with teacher's degrees and
9 there's only 300 positions to fill.

10 So something is wrong with how we're
11 planning and educating people towards the jobs that
12 are in demand.

13 The -- also I went out to another school
14 called Penn School of Technology.

15 DR. GRISCOM: Penn College of
16 Technology.

17 REP. WATERS: Yeah. And they are trying
18 -- they have a similar job placement, about 95
19 percent job --

20 DR. GRISCOM: Yes.

21 REP. WATERS: -- placement, too. And
22 the Marcellus shale operation, that is definitely
23 taking a lot of students that are graduating from
24 there. They've got -- they got -- because Marcellus
25 shale --

1 DR. GRISCOM: Sure.

2 REP. WATERS: -- based on what I've been
3 told, they can't hire enough people --

4 DR. GRISCOM: Exactly.

5 REP. WATERS: -- to handle the demands
6 with that industry in Pennsylvania.

7 So has the Thaddeus Stevens school had
8 any concerns or interests in getting involved with
9 preparing students for that technology?

10 DR. GRISCOM: Absolutely. Yeah.

11 REP. WATERS: Okay.

12 DR. GRISCOM: And our graduates are --
13 are fully qualified to -- to work in those jobs,
14 whether it be metal fabrication and welding,
15 plumbing, and, you know, across the board. And we
16 have students that go there.

17 But also those -- those -- those demands
18 of Marcellus shale are also pulling students from --
19 and -- and employees from our area, from our
20 companies to that area, and we're filling those --
21 backfilling those programs as well.

22 But we've been in direct conversations
23 with Penn College -- Dr. Thompson has been in direct
24 conversations with Penn College of Technology and we
25 feel that we are completely congruent with the -- the

1 needs of that industry and -- and -- and the programs
2 that we have.

3 REP. WATERS: Thank you. I just want to
4 say that I support it. I think it's cost effective.
5 I think it's great in terms of family building,
6 family-sustaining jobs, and we should do everything
7 in our power to make sure that we support programs
8 like yours. And that's my -- my say --

9 DR. GRISCOM: Thank you, Representative
10 Waters.

11 REP. WATERS: -- Mr. Chairman.

12 CHAIRMAN ADOLPH: Thank you,
13 representative.

14 Representative Gordon Denlinger.

15 REP. DENLINGER: Thank you,
16 Mr. Chairman.

17 Dr. Griscom, welcome, and --

18 DR. GRISCOM: Thank you.

19 REP. DENLINGER: -- your capable staff.
20 It's good to see all of you here today.

21 My comments will be in the form of a
22 statement, Mr. Chairman. Just about a -- I believe a
23 month ago, the Lancaster delegation and the broader
24 counties around were welcomed to Thaddeus Stevens
25 where much of this update was presented to us at that

1 time. And so they very capably answered my questions
2 at that point.

3 But, as you know, Mr. Chairman, I've
4 been a consistent advocate for this institution and I
5 want to share that with this committee today.

6 Beyond the obvious tremendous numbers in
7 terms of hiring rates and the costs of providing an
8 excellent education, the transformation of lives
9 moving people from chronic poverty to successful
10 citizenship, I think that just stands on its own
11 merits. And I can't say enough for what these fine
12 folks are doing and -- and the school behind them.

13 And so throughout this budget process it
14 is my desire to see them fully supported, and I'll be
15 sharing those thoughts with you directly.

16 Thank you, Mr. Chairman.

17 CHAIRMAN ADOLPH: Thank you,
18 representative.

19 Chairman Markosek.

20 REP. MARKOSEK: Thank you, Chair.

21 Just for the information of the members,
22 Representative Steve Samuelson, Representative Scott
23 Conklin, Representative Michelle Brownlee, members of
24 the committee, have arrived; and also we have a
25 guest, Representative Jake Wheatley from Allegheny

1 County.

2 And I -- Mr. Chairman, if it's okay, I
3 believe Representative Steve Samuelson has a
4 question.

5 REP. SAMUELSON: Thank you,
6 Mr. Chairman.

7 And thank you, and I commend Thaddeus
8 Stevens College of Technology for the wonderful work
9 that you do. And I think you'll find that members of
10 both parties strongly support this appropriation.
11 We're glad to see that this appropriation is being
12 maintained.

13 We have discussed -- we'll be discussing
14 higher education funding three different weeks during
15 these budget hearings, and at today's hearing we're
16 seeing a budget that's actually maintained at the
17 \$10.3 million level. No cut.

18 Unfortunately, last week we talked about
19 state-related schools which were -- the Governor has
20 proposed for a 30 percent cut. The next week we have
21 the state system schools, the West Chesters, the
22 Kutztowns and they're being proposed for a 20 percent
23 cut in the Governor's budget.

24 So my hope is that the Governor would
25 see the light and maintain funding for all levels of

1 higher education.

2 I think -- I -- I -- I appreciate -- you
3 commented about the value of four-year degrees and
4 talked about engineering and business and health care
5 and so many important -- important majors.

6 I -- I do want to add that the arts and
7 science graduates of the world also make important
8 contributions to our society, and today I'm thinking
9 of two, an English major named Mitt Romney and a
10 political science major named Rick Santorum.

11 Now, while they're -- right now they're
12 both looking for work. They have been employed for
13 much of their adult lives. And I mean there are
14 millions of arts and science graduates around the
15 country, and they do make very important
16 contributions to our society.

17 I -- we talked a lot at the budget last
18 week about the impact of budget cuts on tuition and
19 if some of the colleges were cut back in funding what
20 would happen to tuition.

21 So here I'm going to ask that question a
22 different way. You're having a budget where the
23 funding is maintained, which, as I said, should be
24 the goal of our -- of our state.

25 What happens with your tuition? I

1 realize a lot of students get the Pell grants and
2 the --

3 DR. GRISCOM: Uh-huh.

4 REP. SAMUELSON: And the PHEAA grants.
5 But what happens with your tuition rate last year and
6 this year?

7 DR. GRISCOM: It goes up \$200.

8 REP. SAMUELSON: Okay.

9 DR. GRISCOM: A hundred dollars a
10 semester.

11 REP. SAMUELSON: Is there a
12 percentage --

13 DR. GRISCOM: That -- that doesn't begin
14 to touch what our mandated costs -- you heard the
15 Secretary of Transportation costs -- transportation
16 talk about legacy costs.

17 Legacy costs are one of the most
18 significant things that we have to do. Vice
19 President Tompos can -- can address that.

20 But for our retired employees, our
21 health care benefits, our pension benefits, our
22 raises are going to come into effect next year.

23 We lost probably close to a million
24 dollars in a mandated increase based on legacy costs
25 and so absolutely -- that resonates with us. So we

1 understand what those costs are.

2 And, again, we reduced 20 positions to
3 compensate for that -- for those mandated increases.
4 So all we've done is increase tuition 200. So
5 tuition costs next year will be \$7,000 for those
6 students that pay tuition, which is roughly 49
7 percent of our students. The other ones don't pay
8 that.

9 So that's -- that's what we're
10 proposing. We think that's modest compared to
11 anybody else. And, again, we're not hiding any
12 fees. We're not increasing fees. We're not
13 implementing any technology fee.

14 Again, we have \$15 a semester for
15 parking and we have \$30 for student activities, which
16 they use for student activities. We don't touch that
17 money. So that's it.

18 REP. SAMUELSON: And if I'm doing the
19 math right, a \$200 tuition increase would come out to
20 about 2.8 percent, which is a modest tuition
21 increase.

22 I'm asking the question because in the
23 context --

24 DR. GRISCOM: Uh-huh.

25 REP. SAMUELSON: -- of what the Governor

1 has proposed for most of the other higher educational
2 institutions in our state --

3 DR. GRISCOM: Uh-huh.

4 REP. SAMUELSON: -- they're talking
5 about tuition increases a lot higher than 2.8
6 percent. So I -- I do think that you do some very
7 important work in our state. You have a wonderful
8 107-year history and some success -- the success of
9 the individual graduates of your school is to be
10 commended.

11 I -- I just hope that we take a broader
12 view and fund higher education -- maintain funding
13 for higher education at all levels.

14 And I -- I thank the Chair.

15 CHAIRMAN ADOLPH: Thank you,
16 representative.

17 Another member of the Appropriations
18 Committee that resides in Lancaster County,
19 Representative Bear.

20 REP. BEAR: Thank you, Mr. Chairman.
21 And actually, Mr. Chairman, my -- I just have a
22 comment I want to share.

23 So, you know, to Dr. Griscom and his
24 team, you guys do a bang-up job. We're very proud of
25 you. And in my estimation you really offer the

1 taxpayers of this Commonwealth a very unique value
2 proposition. So keep up the good -- good work.

3 My statement is I really think there's a
4 value to having a capital budget for Thaddeus Stevens
5 College and it would be my hope that maybe we could
6 include that, because that could go a long way,
7 whether it just being up -- updating the facilities
8 to even raising monies for this facility.

9 So I want to thank you for your work and
10 thank you for joining us.

11 Thank you, Mr. Chairman.

12 DR. GRISCOM: Thank you. Thank you.

13 CHAIRMAN ADOLPH: And thank you,
14 representative.

15 Representative Bernie O'Neill.

16 REP. O'NEILL: Thank you, Mr. Chairman.

17 One of my questions was just answered,
18 but I just have a couple of -- a few ones that you
19 can just give me a direct answer.

20 You had mentioned earlier during your
21 presentation about -- and I might have the number
22 wrong, 40,000 technician jobs. Was that correct?

23 DR. GRISCOM: I talked about 20,000
24 water and --

25 REP. O'NEILL: 20,000.

1 DR. GRISCOM: -- wastewater firms. Just
2 -- just let me update you on that. There was a
3 recent study that just came out the other day from
4 the National Manufacturers Association. There's
5 600,000 jobs right now that are open in manufacturing
6 in the United States of America which are unfilled.
7 Just representing what I talked about what I
8 experienced when I went through our -- our career
9 fair with 125 employers.

10 REP. O'NEILL: And -- and what -- what
11 type of technician jobs are they? There's 20,000 out
12 there that you could --

13 DR. GRISCOM: The 20,000 I was talking
14 about were water and wastewater treatment plants.

15 REP. O'NEILL: Wastewater. Oh, I got
16 you.

17 DR. GRISCOM: That's -- that relates to
18 the Chesapeake Bay --

19 REP. O'NEILL: Right.

20 DR. GRISCOM: -- Commission and all the
21 things that are --

22 REP. O'NEILL: Right.

23 DR. GRISCOM: -- going on there.

24 REP. O'NEILL: Right

25 DR. GRISCOM: And our wastewater plants

1 across the Commonwealth having to comply with that --
2 with that court decision.

3 REP. O'NEILL: Thank you. In your
4 presentation you have something called double --
5 double current programs. What is a double current
6 programs?

7 DR. GRISCOM: We -- with double current
8 programs, what that means is instead of having 25
9 students enter our machine technology program, we'd
10 have 50 or 75 or 100.

11 Right now, the only reason I can't do
12 that -- it's not because I don't have enough demand
13 on the input side or the output side. I just don't
14 have enough capacity. I need to expand that facility
15 and have a larger budget to -- to operate it.

16 REP. O'NEILL: And do you offer any
17 four-year programs?

18 DR. GRISCOM: No. None.

19 REP. O'NEILL: None at all.

20 DR. GRISCOM: And we won't.

21 REP. O'NEILL: Okay. Great. I guess my
22 last question is -- and then I have a little comment
23 to make is --

24 DR. GRISCOM: Sure.

25 REP. O'NEILL: Are your employees

1 considered state employees and then they're in the
2 state system?

3 DR. GRISCOM: Within the institution?
4 Are all Commonwealth employees.

5 REP. O'NEILL: Okay. Great. Thank
6 you.

7 I just want to thank you for all the
8 work you do.

9 DR. GRISCOM: Thank you.

10 REP. O'NEILL: I actually have a
11 personal story. I ran into one of my former students
12 who went to Thaddeus back in the fall. He actually
13 stopped by to see me, to tell me how well he's
14 doing. And I'd like to think it's because of me, but
15 it's not. It's because of him. And he -- he was
16 very proud to tell me now he owns his own business.

17 DR. GRISCOM: Sure.

18 REP. O'NEILL: Because of what, you
19 know, you guys --

20 DR. GRISCOM: Thank you.

21 REP. O'NEILL: -- did for him and what
22 he learned there. And -- and the one thing he did
23 learn from me though was he married a good woman.

24 DR. GRISCOM: Okay.

25 REP. O'NEILL: And she is -- and she

1 does his bookwork. So it's working out very well
2 also.

3 DR. GRISCOM: Thank you.

4 REP. O'NEILL: But thank you.

5 DR. GRISCOM: Thank you.

6 CHAIRMAN ADOLPH: Thank you,
7 representative.

8 The next question is from Representative
9 Parker.

10 REP. PARKER: Thank you, Mr. Chair. I
11 promise 15 seconds. 15 seconds.

12 Hello and just ditto to everything that
13 my --

14 DR. GRISCOM: Thank you.

15 REP. PARKER: -- colleagues have said
16 about the great work that you do at Thaddeus.

17 But I wanted to comment on the
18 Chairman's opening remarks. He talked about the
19 Governor's interest in seeing more Pennsylvania
20 students attend institutions of higher education that
21 were much more career driven and industry focused.

22 And while I think it's admirable, I just
23 wanted to note for the record that all career and
24 technical promoted higher education institutions are
25 not created equal and they are not --

1 DR. GRISCOM: That's true.

2 REP. PARKER: -- all in the category
3 like Thaddeus Stevens.

4 DR. GRISCOM: Right.

5 REP. PARKER: I think the federal
6 government really put us on notice that we had many
7 students across the country that were sort of
8 enrolling in these fly-by-night, for-profit --

9 DR. GRISCOM: Absolutely.

10 REP. PARKER: -- being promoted higher
11 educational institutions that had absolutely no
12 accreditation. They were sort of drawing down on,
13 you know, the very small pot of grants and loans that
14 were available for students who should be at a
15 Thaddeus Stevens, but they attended these other
16 institutions, finished, didn't get a job, and had a
17 ton of -- of debt.

18 So I believe in sort of the skilled
19 trades. I wish -- like Rep. Waters, I wish you were
20 in Philadelphia, but we make sure we export as many
21 students as we can to you.

22 But I just want to caution us to not
23 think that those for-profit entities that are sort of
24 coming online overnight, that they are like Thaddeus
25 Stevens. They have issues with accreditation.

1 They're not respected in --

2 DR. GRISCOM: Thank you.

3 REP. PARKER: -- in -- in -- in many
4 industries, and we should keep that in mind.

5 DR. GRISCOM: Some of the proprietaries
6 are made --are taking advantage of the demand that's
7 out there from industry, and I couldn't agree with
8 you more.

9 And we would like nothing better, if we
10 had the resources, to put a branch in -- in
11 Philadelphia. We think -- we have -- a lot of our
12 students come from Philadelphia. We've been in touch
13 with Youth Build. We hope to have a meeting with
14 Mayor Nutter pretty soon.

15 We're -- we're partners with Youth
16 Build. I've talked to Youth Build about Thaddeus
17 Stevens College. We bring those students in in the
18 summer. We just met with them recently, the
19 leadership. So that's something that we certainly
20 want to do.

21 REP. PARKER: Do you have one of the
22 trades unions?

23 DR. GRISCOM: Pardon me?

24 REP. PARKER: The trades.

25 DR. GRISCOM: The what?

1 REP. PARKER: The trade unions? All the
2 different trades in Philadelphia. Do you have that?

3 DR. GRISCOM: Yeah, we work with the
4 trade unions. Yes, we do.

5 REP. PARKER: Okay.

6 DR. GRISCOM: And we work with the
7 nontrade unions. We work with ABC and other
8 companies, certainly.

9 REP. PARKER: Thank you, Mr. Chair.

10 DR. GRISCOM: Thank you.

11 CHAIRMAN ADOLPH: And thank you very
12 much, doctor and staff, for joining us today.

13 DR. GRISCOM: Thank you.

14 CHAIRMAN ADOLPH: There's an awful lot
15 of support for Thaddeus Steven's budget request, and
16 I'm looking forward to working with my colleagues to
17 see if we can find a way to help you out.

18 DR. GRISCOM: Representative Adolph, we
19 appreciate your generosity and support over the years
20 and this opportunity for us to -- to share our
21 message. Thank you very much.

22 CHAIRMAN ADOLPH: Thank you. And thank
23 you for your passion.

24 DR. GRISCOM: Thank you.

25 CHAIRMAN ADOLPH: Thank you

1 DR. THOMPSON: Thank you.

2 CHAIRMAN ADOLPH: For the members, the
3 next hearing will begin at two o'clock. We moved it
4 back a half hour, two o'clock, and it's the
5 Department of Health.

6 Thank you.

7 (The proceedings were adjourned at
8 12:55 p.m.)

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I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

Brenda S. Hamilton, RPR
Reporter - Notary Public