

COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE HEARING

STATE CAPITOL
MAIN BUILDING
ROOM 140
HARRISBURG, PENNSYLVANIA

THURSDAY, FEBRUARY 20, 2014
3:15 P.M.

PRESENTATION FROM
THADDEUS STEVENS COLLEGE OF TECHNOLOGY

BEFORE :

HONORABLE WILLIAM F. ADOLPH, JR., MAJORITY CHAIRMAN
HONORABLE KAREN BOBACK
HONORABLE JIM CHRISTIANA
HONORABLE GARY DAY
HONORABLE BRIAN ELLIS
HONORABLE GLEN GRELL
HONORABLE ADAM HARRIS
HONORABLE TOM KILLION
HONORABLE DAVID R. MILLARD
HONORABLE MARK T. MUSTIO
HONORABLE DONNA OBERLANDER
HONORABLE BERNIE T. O'NEILL
HONORABLE MICHAEL PEIFER
HONORABLE SCOTT A. PETRI
HONORABLE JEFFREY P. PYLE
HONORABLE CURTIS G. SONNEY

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BEFORE (cont.'d):

- HONORABLE JOSEPH F. MARKOSEK, MINORITY CHAIRMAN
- HONORABLE BRENDAN BOYLE
- HONORABLE MATTHEW D. BRADFORD
- HONORABLE MICHELLE F. BROWNLEE
- HONORABLE MIKE CARROLL
- HONORABLE H. SCOTT CONKLIN
- HONORABLE MADELEINE DEAN
- HONORABLE DEBERAH KULA
- HONORABLE JOHN P. SABATINA
- HONORABLE STEVEN SANTARSIERO
- HONORABLE JAKE WHEATLEY

ALSO IN ATTENDANCE:

- DAVID DONLEY, REPUBLICAN EXECUTIVE DIRECTOR
- DAN CLARK, REPUBLICAN CHIEF COUNSEL
- MIRIAM FOX, DEMOCRATIC EXECUTIVE DIRECTOR
- HONORABLE WILL TALLMAN

JEAN M. DAVIS, REPORTER
NOTARY PUBLIC

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TESTIFIER

NAME

PAGE

DR. WILLIAM E. GRISCOM, PRESIDENT,
THADDEUS STEVENS COLLEGE OF TECHNOLOGY

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1 P R O C E E D I N G S

2 * * *

3 MAJORITY CHAIRMAN ADOLPH: Good afternoon. I'd
4 like to reconvene the House Appropriations Committee Budget
5 Hearing. The final budget hearing of the day is with
6 Thaddeus Stevens College of Technology.

7 Good afternoon, gentlemen and lady. It is nice
8 to see you.

9 DR. GRISCOM: Thank you.

10 MAJORITY CHAIRMAN ADOLPH: Doctor, if you would
11 like to make an opening statement and introduce the others
12 that are on the panel.

13 DR. GRISCOM: Sure.

14 MAJORITY CHAIRMAN ADOLPH: Then we'll get right
15 into some questions.

16 DR. GRISCOM: Thank you, Mr. Chairman. I'm
17 William Griscom, President of Thaddeus Stevens College of
18 Technology. On my left is Dr. Robert Nye, our Vice
19 President for Academic Affairs. To my immediate right is
20 Ms. Betty Tompos, our Vice President for Finance and
21 Administration. And to my far right is the Executive
22 Director of our Alumni and Foundation, Mr. Alex Munro.

23 You have a handout that I've provided. And that
24 has bullet points about the key indicators that we use at
25 Thaddeus Stevens College to measure our institutional

1 effectiveness; in other words, how well does our
2 performance measure our mission or our purpose. I've gone
3 over these before. They haven't changed a great deal since
4 the last time that we talked. I'm going to run the first
5 few real quickly and then focus on Slide No. 6 because I
6 think that's really where the substance of our testimony is
7 at.

8 MAJORITY CHAIRMAN ADOLPH: Sure.

9 DR. GRISCOM: The demand has continued from
10 applicants. We have well over 3,500 applicants this year.
11 Because of our capacity limitations, we've only accepted
12 some of the students that applied, not because they're not
13 qualified but because we don't have the capacity to accept
14 those students.

15 We're graduating 65 percent of our students
16 within the allotted time frame for graduation. We
17 graduated last year 380 students. That's the largest
18 number we've ever graduated in our history. We're placing
19 96 percent of those students.

20 Graduates employed in Pennsylvania continues to
21 be over 90 percent. This year it was 96 percent. So we're
22 not part of the brain-drain but we are really part of the
23 brain-gain, if you will.

24 If you go to the next page in terms of external
25 measures of our performance, when we were benchmarked

1 against 28 other two-year colleges in Pennsylvania, New
2 York, Maryland, and New Jersey, we're exceeding their
3 performance by a factor of 2 or 3 percent.

4 We were selected for the third year in a row
5 since the inception of the Aspen award as one of the top 10
6 percent of two-year colleges in the nation. And that's
7 based on our performance, completion, outcomes, labor
8 market outcomes, equability outcomes, which means do you
9 serve a diverse population? and learning outcomes.

10 And what that means is when normed institutional
11 evaluations like NOCTI and NATEF and some of the CAP exams
12 which measure Liberal Arts factors, how are you doing
13 compared to other institutions?

14 Again, I'm going to run through some of these
15 real quickly. As I think you're all aware, we're wholly
16 owned by the Commonwealth and have been for over 100 years.
17 Since 1905 we're a preferred appropriation. Our mission is
18 to provide a bridge through technical education for
19 underresourced or students coming from poverty at little or
20 no cost as well as tuition-paying students and to support
21 the technical workforce needs of the Commonwealth of
22 Pennsylvania.

23 And 54 percent of our students are Pell Grant
24 recipients. 45 percent of those students walked across the
25 stage at graduation. 27 percent of our students are

1 minority students. Our student body comes from 57
2 counties. We only admit Pennsylvania residents. Our
3 students performed well over 8,000 hours of community
4 service because we try and teach our students to give back.
5 56 percent of our students are the first generation in
6 their family to attend college.

7 We had over 130 employers with 300
8 representatives at our Career Fair last year. We're
9 actually conducting that Career Fair as we speak right now
10 and those numbers have exceeded. We are turning employers
11 away because we don't have room for them in three
12 collegiate basketball courts.

13 In terms of the perspective -- and if we go to
14 Slide 6, which is what I'd like to focus on -- we deal with
15 companies probably as much as any higher education
16 institution that I've ever been associated with in 40
17 years. What we're hearing from these companies is they're
18 competing -- these are high-tech companies. And we have a
19 lot of them. We're blessed to have a lot of them. There's
20 a lot of manufacturing companies in Pennsylvania.

21 The only sustainable competitive advantage they
22 have in a global marketplace, they're probably at a
23 competitive disadvantage in terms of what they have to pay
24 for labor in terms of environmental concerns and
25 regulations that they have to deal with. So they're

1 competing with companies all over the world, in China,
2 India, Japan, Asia, all over the world. And the only
3 sustainable competitive -- the only way they can win, the
4 only way they can be competitive, the only way they're
5 going to win at the end of the day is going to be based on
6 -- the only sustainable competitive advantage they have is
7 their productivity, the creativity, the innovativeness, and
8 problem-solving ability of their workforce.

9 If their workforce is better than those in other
10 countries, they can compensate for the competitive
11 disadvantages they have through that competitive advantage.
12 So they need this workforce and they need it critically.
13 Unfortunately, we're not giving them the workforce that
14 they need.

15 And let me just digress for a second. A lot of
16 these are manufacturing jobs. These are what Third-World
17 Countries -- they covet these types of jobs. This is what
18 they're going after. These jobs have multiplier effects.
19 Not only do they provide high/middle-class-income-type of
20 opportunities with full benefits and incredible
21 opportunities to advance, they multiply and they spur other
22 businesses in the service sector and a number of other
23 areas.

24 Every country wants manufacturing jobs. And we
25 have that opportunity. These companies don't have what

1 they need in terms of workforce. Dr. Nye can probably tell
2 you -- we have a company coming in if not every day -- I
3 don't know how many we had come in today because of the
4 Career Fair -- but at least every week. They're coming in
5 to us and saying, what can we do to get graduates? We need
6 those people. They're our life blood. They are the human
7 capital that we desperately need in order to compete.

8 And we have great companies in Pennsylvania.
9 Kennametal in Latrobe, the companies that we have all over
10 the Commonwealth that are competing successfully in a
11 global marketplace but they don't have the workforce that
12 they need. They don't have the only sustainable,
13 competitive advantage they need to continue to be
14 successful. And that's what's going to grow the economy.

15 We can talk about the deficit and we can talk
16 about the doldrums of the economy and so forth. These
17 companies are doing well. They could do 40 percent more
18 business in many cases and they could produce that many
19 more jobs and that much more taxes and that much more
20 income if they had the workforce that they need. But they
21 don't have it. And it's going to get worse. It's not
22 going to get better.

23 Today at our Career Fair we had 132 employers
24 with 300 people there. They had 300 representatives. We
25 had to turn companies away. We had 40 companies. If you

1 looked at our electrical program, electronics program, our
2 metal fabrication welding machine and mechanical
3 engineering and technology, there was 40 different
4 companies for each one of those programs trying to get
5 their 15 to 20 graduates. They're not going to get a
6 graduate.

7 And that's what we hear on a daily basis. What
8 can we do to get more people from your program? I'm a big
9 football fan. I'm a Pittsburgh Steelers fan. And one of
10 the things I'm watching is the NFL draft. Every team is
11 out there. They're spending millions of dollars trying to
12 get the best talent they can out of college.

13 And if you'd have watched the signing of colleges
14 doing the same thing, there's this voracious competition to
15 get the best athletes they can. Why? Because they are
16 going to go into a competitive environment and they're
17 going to compete and they need the best athletes they can
18 get.

19 Can you imagine if a team in football was playing
20 with eight or ten players rather than eleven or in
21 basketball or hockey without five players but only this
22 three or four? You couldn't possibly win. That's what's
23 happening to our companies in Pennsylvania. They're not
24 just trying to get the best. They can't even get a full
25 team. We're not giving them a fall team.

1 I can give you examples right now. I met with a
2 lady today. She is the co-owner. Her and her husband own
3 Acero, which is a precision machining company in West
4 Chester, Pennsylvania, who was at our Career Fair today.
5 They need right now 20 skilled machinists. I don't have 20
6 students in the class. They need 20 right now. They have
7 that much business on their plate. They can't get the
8 people that they need.

9 So we have all these companies that simply cannot
10 get the Human Resources, the human capital, that they need
11 to be competitive. That's one problem, current vacancies.
12 Let's take a look a little bit down the road, which they're
13 doing. Many of these companies, 40 percent of their
14 workforce, their skilled workforce, is eligible for
15 retirement right now. What happens? It's catastrophic if
16 they retire.

17 We have reshoring going on right now. We have a
18 number of companies that are coming back to the United
19 States for their manufacturing, these sacred jobs that the
20 Third World is fighting to get. They need skilled workers.
21 They need that human capital. And they're not going to be
22 able to find it. And that's a huge concern.

23 These are not the same manufacturing jobs that
24 left decades ago that were assembly-line type of work,
25 low-skill types of jobs. These are advanced technical

1 manufacturing jobs, the types of graduates that we're
2 producing. And they need more of them.

3 You have the potential and the reality of the
4 Marcellus Shale development. We just recently in
5 Pennsylvania passed an infrastructure project for \$7
6 billion over the next five years. Tell me, who is going --
7 where are those carpenters, those welders, those metal
8 fabricators? Where are they coming from? because they
9 don't exist right now. I have no idea where they're coming
10 from.

11 There's a trillion dollars of that type of work
12 across the country. It's paradoxical to me that the same
13 time that this is happening -- and this is the situation
14 that we're in -- incredible demand, thirty-five hundred,
15 thirty-six, thirty-seven hundred students trying to get in.
16 And there's an incredible number of employers trying to get
17 graduates on the other end that we have. And we have all
18 of these college graduates today who have large amounts of
19 college debt, student loan debt, and can't find a job.

20 They don't have -- I'm not saying they're not
21 bright. They're bright, young, and intelligent people, but
22 they don't have skills that have value in the marketplace
23 today. We're seeing more four-year college graduates
24 enrolling at Thaddeus Stevens College than we've ever had
25 in the past.

1 There was an article in the Bloomsburg News
2 Service the other day of a young lady who had just finished
3 her Master's Degree. She's a parole officer down in Texas.
4 She is a part-time teacher. She's been engaged. She's had
5 a fiance, say, like four years. She's putting off getting
6 married because she has \$170,000 worth of student loan
7 debt.

8 The Federal Reserve is looking at this. They
9 have a whole task force looking at this because what is the
10 impact of that on the economy in the future? If this lady
11 is a single parent, she has \$170,000 worth of student loan
12 debt, she has a mortgage, she has child care, she has a car
13 payment. What kind of disposal income is she going to have
14 to spend on things and grow the economy in the future?

15 We have a trillion dollars' worth of student loan
16 debt right now in the United States. So that's a
17 frightening thought. If you look at Thaddeus Stevens
18 College, our average student loan debt is like -- a median
19 is like \$7,000. Most of our student pay that off in the
20 first few months that they're employed. So to me, that's a
21 real problem.

22 Again, I'm coming to you, I'm saying, we have
23 great demand for our programs. We have great demand for
24 our graduates. We have programs that employers are
25 requesting that we don't have the resources to provide. We

1 should be at least at 2,000 students. I heard a
2 Representative ask, what are you going to get for this
3 investment? Well, if you make the investment in us, if
4 you'd make the investment that we're showing on the
5 following slide, we could double the number of graduates
6 and we could reduce the actual per-student cost over time.
7 But again, it is a significant investment.

8 We could double our current programs. We could
9 add new programs like diesel mechanics, welding, building
10 maintenance, computer engineering, and so forth. But
11 again, it's going to require the resources to do that.

12 If you look at our five-year appropriation
13 history, which I have on Slide 9, you can see that it's
14 been level funding for the last few years. And we're
15 certainly appreciative to have that, but we have unfunded
16 mandates that we're meeting. We're running a deficit this
17 year of probably \$1 million.

18 We've cut everything that we can think of to cut.
19 I have four people in my physical plant staff. I use
20 students to clean the dorms. I don't have a secretary. I
21 don't have an administrative assistant. I have nothing.
22 Any letters I need, I type them myself. Vice President
23 Tompos has no administrative assistant. We cut those
24 positions. It saved about \$100,000 a year with benefits.

25 There's just not a lot of other places for us to

1 go. All of our custodians -- we don't have a full-time
2 custodian on campus. So we're trying to be lean and mean
3 and do the right thing. But if we continue to cut and get
4 level funding with unfunded mandates, we're going to be
5 cutting the things that provide the resources we need to
6 have quality graduates.

7 We're looking at a 14.8 percent deficit for next
8 year. If we were to increase, which I think we need to do,
9 add the programs that we need and increase the number of
10 graduates -- if you look at Slide 10, you'll see the type
11 of resources that are required there. And I understand
12 that that's a difficult thing to do in this environment.
13 And I understand when you're running a deficit at the State
14 level, that's a difficult thing to do.

15 I mentioned it at the last hearing, I think it's
16 time. At some point in time, we have to change the
17 paradigm. I mean, we have to look at this and say, this is
18 the reality of the situation that we're dealing with. We
19 should be funding programs, whether they're one-year
20 programs -- I'm not talking about just institutions.

21 I'm talking about whether they're one-year
22 programs or two-year programs or four-year programs or
23 graduate or postdoctorate programs, you should be funding
24 programs where there's a reasonable chance for the student
25 who graduates from that program -- that's the assumption

1 them and their parents make is that I'm going to be able to
2 pay off whatever student loan debt that I've accumulated
3 and I'm going to get a job that will provide me with a
4 family-sustaining wage. I'm going to be able to go out and
5 realize the American dream. I'm going to be able to buy a
6 house, have a car, raise a family, and send my kids to
7 college.

8 That's how funding should be based, not on
9 historical paradigms, but based on any program at all.
10 What is -- and they should be able to answer those
11 questions. If you look at our website, you can see the
12 questions that I've placed on that last page. What is your
13 graduation rate? What is your placement rate in your
14 field? What's your placement rate in Pennsylvania? What
15 are the starting salaries? What's the median student loan
16 debt? What's the graduate and employer satisfaction with
17 the program? And what's their career progression? What
18 will that program look like one, five, and ten years out?

19 If you want to let free enterprise -- free
20 enterprise works fine, just like Democracy. Democracy
21 presumes an informed electorate. Free enterprise presumes
22 informed consumers. Why aren't we providing this
23 information to prospective students and their parents?

24 Why aren't we telling them, this program you're
25 about to sign up with, this many students get jobs in their

1 field. And this is about what they make. This is the
2 average. This is the median. This is their satisfaction
3 with the program and so forth.

4 If you want to align the production of higher
5 education, which we make a huge investment in in
6 Pennsylvania, with the needs of the economy and grow the
7 economy and provide these companies, especially
8 manufacturing companies that are such multiplier effects to
9 the economy, if we want to provide them with the resources
10 they need, the human capital, to grow the economy, to
11 create more wealth, to create more taxes and more revenues,
12 then that's the way you do it.

13 You inform consumers about the decisions they're
14 making. When these kids and these parents -- I deal with
15 these kids and these parents on a daily basis. I come with
16 students who've done the right thing, gone to college, have
17 done very well. And they say, I can't get a job and I'm
18 making \$9 an hour and I'm unemployed or underemployed and
19 I've got all this student loan debt. I want to come back
20 here and I want to get skills that have some value in the
21 marketplace.

22 If we want to make that assignment, then we need
23 to provide them that information up front. Let them make
24 informed decisions. Right now you can find out every
25 amenity -- if you go to a college website, you can probably

1 find every amenity in college housing. You can find out
2 how many cafes they have on campus, how many climbing walls
3 they have in the gym. But can you answer these questions
4 right here?

5 And I think if you started to produce this
6 information across the board for every program, that any
7 type of State funding or Federal money, whether it's Pell
8 money, PHEAA money, or any type of money, that we would
9 start to see that there would be a shift. And I think we
10 should provide -- if we're going to subsidize programs in
11 higher education, we ought to subsidize them based on their
12 productivity and their relevance to the economy.

13 That's about the end of my soapbox.

14 MAJORITY CHAIRMAN ADOLPH: Dr. Griscom, I've
15 heard you testify here before. And we've spent many hours
16 together in meetings. I've visited Thaddeus Stevens. And,
17 you know, you're doing a great job. You're really doing a
18 great job.

19 DR. GRISCOM: Thank you.

20 MAJORITY CHAIRMAN ADOLPH: And, you know, I just
21 have a couple questions.

22 DR. GRISCOM: Sure.

23 MAJORITY CHAIRMAN ADOLPH: It's on page 10 of
24 your handout.

25 DR. GRISCOM: Okay.

1 MAJORITY CHAIRMAN ADOLPH: Explain to me and the
2 rest of Committee your enrollment in 2013 or 2014 -- it
3 doesn't matter what year you take -- is 1,035 and
4 graduates, 292.

5 DR. GRISCOM: Yes.

6 MAJORITY CHAIRMAN ADOLPH: Does that mean there's
7 700 freshmen? What happens there? How many years does it
8 take to get whatever you're getting? Are you getting an
9 Associate's degree? Are you getting a certificate?

10 DR. GRISCOM: They're getting Associate's
11 Degrees.

12 MAJORITY CHAIRMAN ADOLPH: Associate's Degrees?

13 DR. GRISCOM: Yes. And that is -- again, this is
14 just a thumbnail sketch. We have reams of paper in our
15 planning matrix that show -- I mean, this is something that
16 we spend a lot of time and have thought out. What would it
17 cost for us to do this and how would we do it? At what
18 point do we add another person in Financial Aid? At what
19 point do we need a residence hall director and so forth and
20 so on? How would we provide housing and so forth and so
21 on? This includes evening programs where we would be
22 enrolling students.

23 MAJORITY CHAIRMAN ADOLPH: Okay.

24 DR. GRISCOM: And we have the facility plan in
25 place to do that. So again, I have all that and I'd be

1 happy to provide it for you.

2 MAJORITY CHAIRMAN ADOLPH: Okay.

3 DR. GRISCOM: It's reams of paper. But it shows
4 that in great detail.

5 MAJORITY CHAIRMAN ADOLPH: There's some part-time
6 students then in here; is this correct?

7 DR. GRISCOM: No. They would be full time.
8 They'd just be in the evening. They'd still be full time.

9 MAJORITY CHAIRMAN ADOLPH: Still full time?

10 DR. GRISCOM: Yes. Our evening model graduates a
11 student in the evening in two years.

12 MAJORITY CHAIRMAN ADOLPH: Okay.

13 DR. GRISCOM: We run them Monday through Thursday
14 and then all day Saturdays.

15 MAJORITY CHAIRMAN ADOLPH: Okay.

16 DR. GRISCOM: And then in the summer, we run them
17 as well.

18 MAJORITY CHAIRMAN ADOLPH: Okay.

19 DR. GRISCOM: And we can pick up the general
20 education courses.

21 MAJORITY CHAIRMAN ADOLPH: Okay.

22 DR. GRISCOM: So they graduate in two years even
23 though they're going in the evening.

24 MAJORITY CHAIRMAN ADOLPH: I see.

25 DR. GRISCOM: We're trying to accommodate, a lot

1 of times, incumbent workers who are underemployed that are
2 working during the day. That allows them be able to go at
3 night and change the circumstances.

4 MAJORITY CHAIRMAN ADOLPH: Okay.

5 DR. GRISCOM: The problem we have -- we could
6 actually run a program right now for four-year college
7 graduates, to be honest with you.

8 MAJORITY CHAIRMAN ADOLPH: Okay.

9 DR. GRISCOM: We have that much of a demand. The
10 problem is that they've used up a lot of their financial
11 aid. They've used their four years of eligibility with
12 Pell and so forth.

13 MAJORITY CHAIRMAN ADOLPH: Okay.

14 DR. GRISCOM: But we still think it's a good
15 investment. And from a personal point of view, my concern
16 is this: Everybody says, when the economy gets better, all
17 these graduates are going to be okay. No, they are not.
18 They are not going to be okay at all.

19 MAJORITY CHAIRMAN ADOLPH: Okay.

20 DR. GRISCOM: If you're an employer -- and we
21 deal with employers on a daily basis. They're not going to
22 hire those people. They are going to hire the student who
23 just graduated out of college that has a fresh set of
24 skills and fresh knowledge of the software and everything
25 else that goes with it.

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MAJORITY CHAIRMAN ADOLPH: Okay.

DR. GRISCOM: My concern is, what happened to all these people that got hit with this who got their degrees and so forth that are sitting out there underemployed or unemployed that are just kind of treading water right now and they're hoping the economy gets better and they're going to go back and get a job?

That's not who the employers are going to hire. They're going to hire the other ones.

So what we're saying is the only way to help address the needs of these students is to provide them with a set of skills that have value in the marketplace. And the way to do that is to bring them in, let them work during the day, come in the evening and get out in two years. And they're going to have to make some investment on their own.

But understand, when they graduate from our programs, if they don't start at \$50,000, they'll be making \$50,000 within a couple of years. And they'll probably be making 70 or 80 in three years. We have a number of four-year graduates right now, honestly, who are making over six figures . They're making over \$100,000 a year. They are working some overtime, but that's out there because there's that kind of demand for those graduates.

They're getting that with PPL. They're getting

1 it with different types of utility companies. Our students
2 start out with Alcoa, who is a local firm. They graduate
3 from us and they start at \$62,500 with full benefits as an
4 intern apprentice. And then they continue to progress
5 within that company. They pay their student loan debt back
6 in a short period of time. And that American dream that we
7 talk about is a reality for them. It's not for a lot of
8 the other folks that we're seeing out there. And that's a
9 concern.

10 That's how we try and address that with the
11 evening program.

12 MAJORITY CHAIRMAN ADOLPH: Okay.

13 Chairman Markosek.

14 MINORITY CHAIRMAN MARKOSEK: Thank you, Chairman.
15 Thank you, Doctor, and your staff.

16 DR. GRISCOM: Thank you.

17 MINORITY CHAIRMAN MARKOSEK: You do a wonderful
18 job down at Thaddeus Stevens.

19 DR. GRISCOM: Thank you.

20 MINORITY CHAIRMAN MARKOSEK: I have quite a story
21 to tell. I have a quick question about your capital
22 funding.

23 DR. GRISCOM: Okay.

24 MINORITY CHAIRMAN MARKOSEK: And if I understand
25 correctly -- and if I'm incorrect, please feel free to

1 correct me.

2 DR. GRISCOM: Sure.

3 MINORITY CHAIRMAN MARKOSEK: You have a request
4 for \$5 million in the capital budget I believe this year.
5 And there is another request for \$5 million next year. Is
6 that the same \$5 million or is it the \$5 million you think
7 you're going to get this year and then another \$5 million?

8 DR. GRISCOM: It certainly is not the same \$5
9 million.

10 MINORITY CHAIRMAN MARKOSEK: Okay.

11 DR. GRISCOM: What we did was the Governor and
12 the Secretary of Budget were very accommodating to us. I
13 think they appreciate, you know, the value of these types
14 of jobs and its impact on the economy. And for the first
15 time, we have worked -- Mr. Monroe does a lot of our
16 governmental affairs. We have been asking for at least --
17 I've been at Stevens for 17 years.

18 MINORITY CHAIRMAN MARKOSEK: Right.

19 DR. GRISCOM: And I think ever since I got there,
20 we've been asking to be put on a plan like the State
21 relateds and the State System of Higher Education. DGS
22 told us that we should do this where we had some plan.

23 MINORITY CHAIRMAN MARKOSEK: Okay.

24 DR. GRISCOM: We would lobby every year and work
25 real hard to try and get capital projects.

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MINORITY CHAIRMAN MARKOSEK: Okay.

DR. GRISCOM: Everybody else was on a plan. They have a certain allocation.

MINORITY CHAIRMAN MARKOSEK: Right.

DR. GRISCOM: And they're pretty much given autonomy to determine what are the most critical capital projects for them. So the Governor gave us a plan of \$5 million a year for the next five years as long as the capital budget is approved. We've identified the most critical projects in there.

They're not the administration building. We still have window air conditioners and a whole bunch of other things that other schools don't have. We're putting our money into -- we want a state-of-the art manufacturing center. We went out -- in the last nine months, we had an opportunity to acquire a property that was a former National Guard Armory, which is within probably two blocks from the college.

MINORITY CHAIRMAN MARKOSEK: Okay.

DR. GRISCOM: We thought that in that facility we could create additional space, double the size of our machine technology program, metal fabrication and welding, and our HVAC program and create a welding program and so forth.

MINORITY CHAIRMAN MARKOSEK: I see.

1 DR. GRISCOM: So we went out to the private
2 sector and we said, listen, here's an opportunity but we
3 need to raise at least \$2 million. We raised that \$2
4 million in 9 months. We had one donor that needs,
5 desperately needs these kind of people. They give us \$1
6 million. We raised the \$2 million from the private sector.

7 MINORITY CHAIRMAN MARKOSEK: Great.

8 DR. GRISCOM: So, you know, that's how we're
9 trying to deal with that on our side.

10 MINORITY CHAIRMAN MARKOSEK: Okay. That's your
11 match.

12 DR. GRISCOM: Yes.

13 MINORITY CHAIRMAN MARKOSEK: But the \$5 million,
14 was that approved for you?

15 DR. GRISCOM: It was approved, yes. We were
16 given that money. And now we need another.

17 MINORITY CHAIRMAN MARKOSEK: Okay.

18 DR. GRISCOM: We were given the plan. And we're
19 on the plan now.

20 MINORITY CHAIRMAN MARKOSEK: Okay.

21 DR. GRISCOM: And that's an incredible blessing
22 for us.

23 MINORITY CHAIRMAN MARKOSEK: Sure.

24 DR. GRISCOM: And that will help us create the
25 facilities. We're trying to create the resources that we

1 need to equip that. This equipment is very expensive.

2 MINORITY CHAIRMAN MARKOSEK: Sure.

3 DR. GRISCOM: And that's what folks have to
4 understand. This isn't a program of teaching an English
5 class or a computer class where you put a computer in
6 there. One electromechanical technology trainer, which the
7 industry is desperate for, costs \$250,000. You know,
8 that's expensive.

9 MINORITY CHAIRMAN MARKOSEK: You're not kidding.

10 DR. GRISCOM: And you can't have part-time
11 faculty teaching these things. You need people that are
12 the top of their field that are full-time faculty members
13 teaching these students. And that's part of the reason
14 that this is not an inexpensive process.

15 MINORITY CHAIRMAN MARKOSEK: Okay.

16 DR. GRISCOM: The other thing that adds to our
17 cost is you have to understand 51 percent of our students
18 are Stevens grant students, which means the only revenue we
19 get from them is whatever Pell or PHEAA money they have.
20 And we're simply covering their room, board, tuition, \$250
21 a semester for books, and paying for all their tools.

22 MINORITY CHAIRMAN MARKOSEK: Right.

23 DR. GRISCOM: So that's a huge loss in revenues.
24 If they were tuition-paying students, we would recoup a lot
25 of that. But that's not our mission.

1 MINORITY CHAIRMAN MARKOSEK: Right.

2 DR. GRISCOM: We're trying to break the cycle of
3 poverty for 51 percent of our students. So instead of them
4 being wards of the State and being perpetual drains on the
5 economy, they become taxpayers and increase revenues.

6 MINORITY CHAIRMAN MARKOSEK: Okay. But just
7 getting back to the question.

8 DR. GRISCOM: Okay.

9 MINORITY CHAIRMAN MARKOSEK: The \$5 million that
10 you say you've received for this budget year, is your
11 request for another \$5 million for the upcoming budget year
12 that starts July 1st or does --

13 DR. GRISCOM: We get --

14 MINORITY CHAIRMAN MARKOSEK: -- the \$5 million
15 cover it?

16 DR. GRISCOM: No. We would get \$5 million every
17 year just like all the State relateds in the State System.

18 MINORITY CHAIRMAN MARKOSEK: Okay.

19 DR. GRISCOM: They get that every year that the
20 capital budget is approved.

21 MINORITY CHAIRMAN MARKOSEK: Okay. I just wasn't
22 clear on that.

23 DR. GRISCOM: Sorry I wasn't clear.

24 MINORITY CHAIRMAN MARKOSEK: And it's a good
25 thing. I'm not suggesting you shouldn't.

1 DR. GRISCOM: Yes.

2 MINORITY CHAIRMAN MARKOSEK: The other question,
3 just taking this in a little bit of a different area here.
4 Our Committee last September, I believe, visited Adams
5 County, the Gettysburg area.

6 DR. GRISCOM: Yes.

7 MINORITY CHAIRMAN MARKOSEK: There's obviously a
8 lot of tourism down there. But one of the most interesting
9 parts of that trip for me was the tours that we had of some
10 of the agricultural areas, particularly apple orchards and
11 farms.

12 DR. GRISCOM: Yes.

13 MINORITY CHAIRMAN MARKOSEK: And one of the
14 things that we heard loud and clear down there is the
15 owners of those farms and businesses have a very difficult
16 time every year getting their crops in due to the fact that
17 a lot of that is labor intensive and they don't always have
18 the manpower and they can't find people to do the job.

19 Now, granted this is probably on the low-skill
20 side. Your institution, I think, essentially is training
21 people for higher skills than picking fruit, let's say.

22 DR. GRISCOM: Yes.

23 MINORITY CHAIRMAN MARKOSEK: But they do have to
24 import a great deal of their workforce there. And one the
25 things that they said the reason they had to do that is

1 because they couldn't find people in Pennsylvania to do
2 that kind of work.

3 DR. GRISCOM: Right.

4 MINORITY CHAIRMAN MARKOSEK: Now, if I'm way off
5 base here, tell me. Is this an area that a school like
6 Thaddeus Stevens could somehow train people to do or
7 somehow provide some sort of help with the manpower
8 situation in those kinds of areas?

9 DR. GRISCOM: What was the nature of the work
10 that they were doing, Representative?

11 MINORITY CHAIRMAN MARKOSEK: They were mostly
12 picking apples at the places we visited.

13 DR. GRISCOM: That would be kind of manual labor
14 and so forth. I don't know how much -- I grew up on a
15 farm. We had a number of people that worked for us cutting
16 asparagus, picking eggplants and tomatoes and so forth.

17 MINORITY CHAIRMAN MARKOSEK: Okay.

18 DR. GRISCOM: There wasn't a lot of training
19 involved. It was really a question of work ethic and
20 things of that nature.

21 MINORITY CHAIRMAN MARKOSEK: Okay.

22 DR. GRISCOM: What we do is really a lot
23 different than that.

24 MINORITY CHAIRMAN MARKOSEK: Sure.

25 DR. GRISCOM: I mean, what we're trying to do is

1 prepare people for the technical skill-level jobs that are
2 required in industry today. And when I was a kid -- again,
3 I grew up on a farm. I loved cars. I could take a car
4 apart and put it back together. I couldn't do that today
5 but I could a long time ago.

6 MINORITY CHAIRMAN MARKOSEK: Right.

7 DR. GRISCOM: And you could be what we called a
8 shady tree mechanic. You could kind of do that just
9 understanding enough about cars and how to take them apart.

10 MINORITY CHAIRMAN MARKOSEK: Yes.

11 DR. GRISCOM: Today if you don't understand
12 Trigonometry and College Algebra and can't understand
13 electronics, you can't touch that car.

14 MINORITY CHAIRMAN MARKOSEK: Right.

15 DR. GRISCOM: So those levels are continuously
16 changing. Actually, that's one of the greatest challenges
17 that we face when we look at our strategic plan is, can we
18 continue to enroll students who are our mission students
19 who are financially disadvantaged or underresourced who
20 have the academic ability to do the things that are going
21 to be needed because the technology is driving us?

22 MINORITY CHAIRMAN MARKOSEK: Okay.

23 DR. GRISCOM: Again, just having a willingness to
24 work and a good work ethic is not enough today. You have
25 to be able to understand some pretty high -- that's what I

1 was talking about. Those assembly-line jobs are not what
2 are coming back. What's coming back are the high-skilled
3 jobs. We teach our students Trigonometry, College Algebra,
4 Advanced Communication skills, as well as all the technical
5 skills of electronics and so forth. That's pretty
6 sophisticated stuff.

7 MINORITY CHAIRMAN MARKOSEK: Yes.

8 DR. GRISCOM: We're doing a number of things.
9 I'm digressing a little bit. But just to share with you
10 since that is a threat to us strategically, getting those
11 students coming out of public schools right now that have
12 the ability to be successful in those programs, we've
13 actually started what we call a K-12 Initiative.

14 MINORITY CHAIRMAN MARKOSEK: Okay.

15 DR. GRISCOM: For years now under Vice President
16 Tompos' direction, we have adopted kindergartens in
17 financially disadvantaged areas. And we start to get those
18 -- we go out to those kids. We teach out there. We bring
19 them. We have a graduation ceremony for them. We have a
20 middle school experience. We have early enroll.

21 MINORITY CHAIRMAN MARKOSEK: Okay.

22 DR. GRISCOM: We're trying to get those kids to
23 start thinking college. And at the same time, we're giving
24 them rewards or benefits that will be incentives for them
25 to do well and not take general math and take general

1 English but to take Algebra and to take Trigonometry and
2 Physics and Chemistry so that they'll be prepared when they
3 come here.

4 MINORITY CHAIRMAN MARKOSEK: Okay.

5 DR. GRISCOM: But probably, you know, doing the
6 kinds of things you're talking about, that's probably not
7 within our purview.

8 MINORITY CHAIRMAN MARKOSEK: And just one real
9 quick question.

10 DR. GRISCOM: Sure.

11 MINORITY CHAIRMAN MARKOSEK: What percentage of
12 your students are veterans that are coming back from
13 serving and then coming back into society?

14 DR. GRISCOM: We have a veterans affairs area.
15 I'm not sure what the number is.

16 Rob, do you know what the percentage is?

17 DR. NYE: It's 6 right now. We have six students
18 that are veterans in the program now.

19 MINORITY CHAIRMAN MARKOSEK: Are they covered by
20 the GI programs?

21 DR. NYE: They have the option to be covered by
22 the GI programs if they wish to, yes.

23 MINORITY CHAIRMAN MARKOSEK: Okay.

24 DR. GRISCOM: Dr. Nye was a provost at the
25 Carlisle War College. He was a Colonel before he came to

1 us last year. So he deals with all of our veterans.

2 MINORITY CHAIRMAN MARKOSEK: Oh, he got promoted?

3 DR. GRISCOM: Yes, he did.

4 MINORITY CHAIRMAN MARKOSEK: Thank you very much.

5 DR. GRISCOM: You're welcome.

6 MINORITY CHAIRMAN MARKOSEK: Thank you,
7 Mr. Chairman.

8 MAJORITY CHAIRMAN ADOLPH: Thank you,
9 Representative.

10 Representative Gordon Denlinger.

11 REP. DENLINGER: Thank you, Mr. Chairman.

12 And welcome to all of you. It's wonderful to
13 have you here. Special Lancaster County greetings.

14 DR. GRISCOM: Glad to be here.

15 REP. DENLINGER: And we very much appreciated
16 your earlier comments on the alignment of our educational
17 system with those areas of need sectors within our economy,
18 which really is, I think, the path of success for our young
19 people and what you do so very well there at Thaddeus
20 Stevens.

21 DR. GRISCOM: Thank you.

22 REP. DENLINGER: That's applauded.

23 DR. GRISCOM: Thank you.

24 REP. DENLINGER: And also I did want to address
25 your very bold vision of increasing your enrollments

1 significantly. That's applauded.

2 DR. GRISCOM: Thank you, Representative.

3 REP. DENLINGER: And also I just wanted to kind
4 of touch on that if we can.

5 DR. GRISCOM: Sure.

6 REP. DENLINGER: I joined you at school for a
7 ribbon cutting here within the last months. And certainly
8 we're seeing the investment that you're making, a critical
9 investment. A doubling of enrollment isn't done easily.
10 And the campus is rather limited, the base campus, if you
11 will.

12 DR. GRISCOM: Yes.

13 REP. DENLINGER: Can you talk with us about
14 capital needs related to the bold vision you have and just
15 take us through it?

16 DR. GRISCOM: Sure.

17 REP. DENLINGER: I guess tied to that is the age
18 of some of the current structures you have and what will be
19 needed to kind of put this all into place.

20 DR. GRISCOM: Again, that's the planning matrix
21 that we created.

22 REP. DENLINGER: Okay.

23 DR. GRISCOM: We've just finished our master
24 plan. We've done a lot of work on this over the last
25 couple of years.

1 REP. DENLINGER: Okay.

2 DR. GRISCOM: We had the opportunity to acquire
3 the former National Guard Armory and are in the process of
4 acquiring that right now. And if we double the size of
5 those buildings, which is within the capital capacity of
6 what we've been given within our capital plan of five
7 years, \$5 million, our biggest challenge is going to be the
8 equipment to put inside those buildings.

9 REP. DENLINGER: Okay.

10 DR. GRISCOM: But we think that with those
11 buildings with the additional capacity we have within the
12 branch campus, which we finished renovating recently, and
13 our main campus reallocating some things, we have the
14 physical capacity, especially running the programs in the
15 evening.

16 REP. DENLINGER: Okay.

17 DR. GRISCOM: We're going to need to add staff.
18 They're not cheap programs to run.

19 REP. DENLINGER: Right.

20 DR. GRISCOM: It'd be a lot -- economically, it's
21 a lot easier to put students in four-year transfer programs
22 and teach them English and Math and Computer Science
23 classes and so forth.

24 REP. DENLINGER: Okay.

25 DR. GRISCOM: But the problem is there's no place

1 for those students when they get through, in many cases, to
2 get jobs that will help them to be productive and so forth.

3 REP. DENLINGER: Okay.

4 DR. GRISCOM: So these programs require a lot of
5 expensive equipment. They require high ceilings, heavy
6 load-bearing floors. They require a lot of utilities.
7 They require educational materials and supplies. They
8 require propane and gas and, you know, a whole bunch of
9 things like that.

10 REP. DENLINGER: Sure.

11 DR. GRISCOM: So when you look at those numbers,
12 that's realistic. Based on our experience, that's what it
13 costs to do that. And we can look at it as an expense or
14 we can look at it as an investment.

15 REP. DENLINGER: Sure.

16 DR. GRISCOM: I think it's an investment. I
17 think that if these companies could grow their businesses
18 40 percent like Griner, the one that gave us the million
19 dollars for our expansion, Griner Industries, Frank Griner
20 said, listen, I could do 40 percent more business if I had
21 more machinists and welders and metal fabricators but I
22 just can't get enough. I love yours. But you're not
23 giving me enough of them.

24 REP. DENLINGER: Okay.

25 DR. GRISCOM: And I can't get them anywhere else.

1 REP. DENLINGER: Okay.

2 DR. GRISCOM: And we see that over and over
3 again. Kennametal is an incredible Pennsylvania company in
4 Latrobe, huge company, competes globally.

5 REP. DENLINGER: Sure.

6 DR. GRISCOM: Since I was a young person and
7 dealt in the technical areas, their machine tools were the
8 standard. And again, they are running up against the same
9 problem. They can't get the workforce they need to
10 continue to be competitive.

11 REP. DENLINGER: Okay.

12 DR. GRISCOM: So I think it's an investment. I
13 think we can lament the doldrums of the economy and talk
14 about economic expansion.

15 REP. DENLINGER: Sure.

16 DR. GRISCOM: But if you gave these companies --
17 I talked at the last Career Fair to 30 companies that have
18 been trying to recruit a machinist for two years
19 practically. They run ads in the Sunday paper at \$2,000 an
20 ad.

21 REP. DENLINGER: Wow.

22 DR. GRISCOM: And they can't find anybody. So
23 what are they going to do when 40 percent of their
24 workforce retires?

25 REP. DENLINGER: Right.

1 DR. GRISCOM: Griner told us the same thing. He
2 said, I've got a guy who I send out to these huge jobs to
3 do this machine. He said, when he's gone, I don't have
4 anybody else to replace him. I'm going to lose all that
5 business. And that's an extremely lucrative business to
6 us.

7 REP. DENLINGER: Sure.

8 DR. GRISCOM: I talked to an owner the other day
9 that said he had to go back to one of his machinists that
10 had retired because he had a really good job there, which
11 is going to be a lot of money, and give him all kinds of
12 incentives and beg him to come out of retirement to come
13 back and do this job so he could go ahead and take the job.

14 REP. DENLINGER: Wow.

15 DR. GRISCOM: So I think there's incredible
16 potential out there for economic growth and development. I
17 see what we're talking about not so much as higher
18 education. I see it as economic development. How do you
19 expand and grow the economy? You do it by providing these
20 people with the human capital they need so they can go out.

21 REP. DENLINGER: Right.

22 DR. GRISCOM: We've got great companies. And a
23 lot of them are coming back and they're there trying to
24 expand here. But we've got to give them the workforce that
25 they need.

1 REP. DENLINGER: Very good. One last question,
2 if I may.

3 DR. GRISCOM: Sure.

4 REP. DENLINGER: I'm obviously a bit parochial
5 with regard to our county.

6 DR. GRISCOM: Yes.

7 REP. DENLINGER: But to the extent that you have
8 such a rate of success with young people, have you thought
9 of a branch campus in Western PA or another part of
10 Pennsylvania?

11 DR. GRISCOM: We've looked at it.

12 REP. DENLINGER: Okay.

13 DR. GRISCOM: I guess we felt within the -- you
14 know, the political reality of today and everything, the
15 biggest bang for our buck is to expand where we are. We
16 know what we're doing. We've done it for 100 years. We
17 would love to do that.

18 REP. DENLINGER: Okay.

19 DR. GRISCOM: I think you need to clone Stevens
20 and put it around the State. I heard the community
21 colleges testifying here before. I empathize with them. I
22 think in other states the community college system is much
23 more robust than it is here.

24 REP. DENLINGER: Okay.

25 DR. GRISCOM: If I was a community college

1 president and I got a third of my funding from the State
2 and a third from tuition and a third from a local source, I
3 would not be incentivized to have the kind of programs that
4 we have. It just doesn't make sense. Financially, it's
5 not something that's really going to work for you.

6 REP. DENLINGER: Okay.

7 DR. GRISCOM: That's not the way other states
8 fund their community colleges. So whether you clone
9 Stevens or whatever you do, somehow you have to find a way.
10 We spend a lot of money in higher education in
11 Pennsylvania.

12 REP. DENLINGER: Yes.

13 DR. GRISCOM: So I'm not saying you necessarily
14 need to spend more but you need to spend it differently.

15 REP. DENLINGER: Okay.

16 DR. GRISCOM: And again, I would go back. I'm
17 not advocating for two year or four year or anything. I'm
18 saying look at programs, whether they're one-year programs,
19 two-year programs, four-year programs, or graduate programs
20 and fund them based on their performance.

21 REP. DENLINGER: Right.

22 DR. GRISCOM: Are they performing? Are people
23 graduating from the programs? Are they getting jobs in
24 their fields? Are people being able to pay off their
25 student loan debt? Are employers happy with them?

1 REP. DENLINGER: Okay.

2 DR. GRISCOM: That's the way you should fund
3 them, not based on historical parameters. And I understand
4 the political reality of the whole situation. But I'm
5 still saying, if you really want to do the best thing for
6 the Commonwealth, you fund programs based on their
7 performance.

8 REP. DENLINGER: Sure.

9 DR. GRISCOM: And if you have -- I've been in
10 higher education for 40 years. I was at a large four-year
11 college for 25 years of my career and went up from
12 assistant professor up to assistant to the president. I
13 pretty much understand the business.

14 REP. DENLINGER: Sure.

15 DR. GRISCOM: The political reality is people
16 aren't going to change unless there's incentives to change.
17 They're going to continue to offer teacher education
18 programs and produce 12,000 elementary school teachers for
19 3,000 jobs every year unless there's incentive not to do
20 that. And the incentive is economic.

21 And if you start to reward people for doing what
22 you want them to do, behavior will change. That's the
23 reality of it. I've seen it in my entire career.

24 REP. DENLINGER: Okay.

25 DR. GRISCOM: If we want to see change, we're

1 going to have to start to reward institutions like Stevens
2 and other institutions, whether they're one-year, two-year,
3 four-year, or graduate programs, that are producing
4 graduates that there's a place for them in the marketplace.
5 And that will help industry and it will help economic
6 growth and development.

7 REP. DENLINGER: Very good. Well, we appreciate
8 your testimony and certainly applaud the success that
9 you've had in the lives of so many young people.

10 DR. GRISCOM: Thank you.

11 REP. DENLINGER: We need more of it --

12 DR. GRISCOM: I agree.

13 REP. DENLINGER: -- whether that's in a branch
14 campus or right there in Lancaster.

15 DR. GRISCOM: I agree.

16 REP. DENLINGER: Keep up the good work. And we
17 applaud your bold vision to expand your enrollment as well.

18 DR. GRISCOM: Thank you.

19 REP. DENLINGER: Thank you.

20 DR. GRISCOM: We appreciate your support.

21 REP. DENLINGER: Thank you, Mr. Chairman.

22 MAJORITY CHAIRMAN ADOLPH: Thank you,
23 Representative.

24 Representative Carroll.

25 REP. CARROLL: Thank you, Mr. Chairman.

1 I'm over here to your left, folks. Doctor, thank
2 you so much for your testimony today.

3 DR. GRISCOM: You're welcome.

4 REP. CARROLL: The three of us sitting over here
5 are thrilled to learn of what's happening at Thaddeus
6 Stevens College.

7 DR. GRISCOM: Thank you.

8 REP. CARROLL: I personally -- and I think
9 Representative Santarsiero and Representative Bradford --
10 none of us have been to the college. And I think that I,
11 for one, would love to have an opportunity to go down and
12 visit.

13 DR. GRISCOM: We'd love to have you.

14 REP. CARROLL: The results seem stunning and
15 impressive.

16 DR. GRISCOM: Thank you.

17 REP. CARROLL: It really suggests to me, at
18 least, that the million and a half dollar request that you
19 have that you described as significant, I would describe it
20 as a modest request considering the results here.

21 DR. GRISCOM: Yes.

22 REP. CARROLL: What I would like to ask, if you
23 don't mind answering, in one of our slides you indicate
24 that you accept one in five applicants. Can you tell me
25 what the -- is it a traditional student that we're talking

1 about here, you know, somebody that graduates from our K-12
2 system? Is it somebody that is later in life? And what is
3 the nature of the student body?

4 DR. GRISCOM: By and large, it'd be a traditional
5 college, high school graduate, by and large.

6 REP. CARROLL: Okay.

7 DR. GRISCOM: We have non-traditional students.
8 We've had students that are over 60 years old and so forth.
9 In our evening programs -- we offer evening programs --
10 they're more non-traditional students. And we have a
11 number of those.

12 REP. CARROLL: Okay.

13 DR. GRISCOM: But by and large, the largest
14 majority of our students are traditional college-aged, high
15 school graduates that enter at the age of 18 or 19.

16 REP. CARROLL: And do you have any sense of what
17 happens with the four out of five that don't get accepted?

18 DR. GRISCOM: I don't know. I don't know what
19 happens to the ones that don't get accepted. A lot of
20 times -- not a lot of times, but a significant amount of
21 times, they wait a year and then apply again.

22 REP. CARROLL: Okay.

23 DR. GRISCOM: Our programs -- we had a number of
24 programs that were full in probably November -- October.
25 In October we had programs that were already full back

1 then. We're pretty open. And we don't have, like -- we're
2 not open enrollment like community colleges. We have
3 standards. They have to pass competency exams. And we
4 look at their PSSA and the Keystone Exams now and so forth
5 to see what the opportunities for them to be successful
6 are.

7 REP. CARROLL: Okay.

8 DR. GRISCOM: And, again, our focus, our mission,
9 is to try and provide that opportunity for underresourced
10 students. So we keep a number -- at least half our spots
11 open for underresourced students and try and admit them.
12 We have a one-year developmental program. We call it a
13 pre-major program for students who are not academically
14 qualified to enter our programs but we feel that if we
15 could remediate them for a year that they could be
16 successful and they're underresourced and we're very
17 interested in breaking that cycle of poverty because we
18 think that's -- the value of that's incredible.

19 REP. CARROLL: Okay.

20 DR. GRISCOM: It's invaluable if you can break
21 that cycle of poverty so that you don't have families and
22 the social costs and everything that goes with it and the
23 incarceration, which is also a part of that equation.

24 REP. CARROLL: Okay.

25 DR. GRISCOM: So, you know, that's important for

1 us. So we admit academically qualified students. And then
2 we hold spots and we try and bring the other students in.
3 But, again, by and large, they're typical high school
4 graduates.

5 REP. CARROLL: Well, thank you for what you do.

6 DR. GRISCOM: Thank you.

7 REP. CARROLL: It's a good reminder to me, at
8 least, to hear this presentation. This, in my view, is an
9 outstanding investment of State dollars in programs that
10 obviously are working.

11 DR. GRISCOM: Yes.

12 REP. CARROLL: They're doing a whole series of
13 things that are beneficial to our Commonwealth and to our
14 community. And so I applaud what you all do.

15 DR. GRISCOM: Thank you.

16 REP. CARROLL: And I look forward to making sure
17 that we can adequately support financially the efforts of
18 those of you that are really making a great difference in
19 our community in a way that's outside the usual balance of
20 a four-year college degree.

21 Thank you.

22 DR. GRISCOM: I appreciate that. And we would
23 certainly be more than happy to host you at any time. We
24 really would like to show you around and get you to
25 understand the Stevens' story.

1 REP. CARROLL: I'll look forward to doing that.

2 DR. GRISCOM: Great.

3 REP. CARROLL: Thank you.

4 DR. GRISCOM: Thank you, Representative.

5 REP. CARROLL: Thank you, Mr. Chairman.

6 MAJORITY CHAIRMAN ADOLPH: Thank you,
7 Representative.

8 The last question will be asked by Representative
9 Karen Boback.

10 REP. BOBACK: Thank you, Mr. Chairman.

11 The first time I've been last. I don't know what
12 that means. If I had pom-poms, I'd be a cheerleader for
13 you, Doctor.

14 DR. GRISCOM: Thank you.

15 REP. BOBACK: You're singing the same song that
16 I've been singing all week. And that's curriculum has to
17 align itself with job demand.

18 DR. GRISCOM: Right.

19 REP. BOBACK: Otherwise, our students are
20 graduating without a job and a big debt to have to handle.

21 DR. GRISCOM: Right.

22 REP. BOBACK: Anyway, what is the average wage?
23 Did you ever do any kind of a study of the average wage of
24 your students that graduate?

25 DR. GRISCOM: We do track all that.

1 REP. BOBACK: Okay.

2 DR. GRISCOM: We can tell you the average and
3 median salary for every graduate in every program.

4 REP. BOBACK: You do?

5 DR. GRISCOM: We do that through Career Services.
6 We believe -- I think we probably have the most extensive
7 set of dashboards of any institution I'm aware of. We
8 track every demographic. We can tell you what the
9 progression in graduation rate was of every
10 African-American female in every program or Caucasian or
11 whether they were grant students, not grant students, and
12 so forth.

13 REP. BOBACK: That's great.

14 DR. GRISCOM: And we try and share that with our
15 faculty and try and increase performance based on that
16 information. Our dashboards are about that thick
17 (indicating) and we do those voluntarily. The salaries
18 vary from program to program.

19 REP. BOBACK: Sure.

20 DR. GRISCOM: So we would have to look -- you'd
21 have to look at that. And it's all over the board. Every
22 industry is different.

23 REP. BOBACK: Sure.

24 DR. GRISCOM: What we find in the automotive
25 industry, for example, is that they hire their people

1 relatively low. They like to watch them for a while and
2 then probably after six months or something, they'll be
3 making forty or fifty thousand dollars a year. In the
4 machine industry, they bring them in at the hourly rate and
5 they promote them.

6 REP. BOBACK: Okay.

7 DR. GRISCOM: So it just varies all over the
8 place.

9 REP. BOBACK: Okay.

10 DR. GRISCOM: I would say that probably on the
11 lower end of our spectrum would be graphic communications
12 and technology. We're looking at that program right now.
13 And the reason is every kid out there wants to get on a
14 computer and do graphic design. And there's programs all
15 over the country.

16 REP. BOBACK: Okay.

17 DR. GRISCOM: So we're looking at that. When we
18 have a program that we think is -- we're not interested in
19 competing if the need is being met. We terminated what we
20 felt was the highest quality respiratory care program in
21 the region a few years ago because when we looked at the
22 numbers, we said, listen, all these other schools are
23 adding respiratory care. There's going to be a glut based
24 on the projections of openings in the future.

25 REP. BOBACK: Okay.

1 DR. GRISCOM: We terminated the program even
2 though it was, we felt, the best program in the area. It
3 just didn't make sense to be producing graduates that
4 weren't going to make a family-sustaining wage.

5 REP. BOBACK: Sure.

6 DR. GRISCOM: We're looking at that area right
7 now.

8 REP. BOBACK: Good.

9 DR. GRISCOM: We have a great program. We have
10 great faculty. There's a great interest.

11 REP. BOBACK: Okay.

12 DR. GRISCOM: But are the outcomes going to match
13 the needs of the economy? If they're not, then we need to
14 put our -- that's not our business to keep programs. Our
15 business is to support the needs of the economy and provide
16 an opportunity for students to transform the circumstances
17 of their lives.

18 REP. BOBACK: Sure.

19 DR. GRISCOM: I'm not tied to programs. I'm tied
20 to outcomes. I don't know if that answers your question.

21 But again, those salaries vary across the board.
22 Electrical is very high. And I would say -- I don't think
23 we've had machine technology graduates make less than
24 \$55,000 as a starting salary for years, for a number of
25 years.

1 REP. BOBACK: Okay.

2 DR. GRISCOM: It just depends.

3 REP. BOBACK: Sure.

4 DR. GRISCOM: Carpentry, for example, is it a
5 Union environment they're going into or a non-Union
6 environment?

7 REP. BOBACK: I understand.

8 DR. GRISCOM: But I have those statistics and
9 would be happy to share them with you.

10 REP. BOBACK: What is the percentage of graduates
11 that get a job right after graduation? I know it was high.
12 It was alluded to it somewhere.

13 DR. GRISCOM: It's 65 percent.

14 REP. BOBACK: Okay.

15 DR. GRISCOM: Now, in addition, in that 65
16 percent are those that go on to four-year programs within
17 their area. So if we have a student in architecture that
18 graduates from our program, on a pretty regular basis a lot
19 of them want to be professional architects. They can't be
20 that out of a two-year program. So they will go into
21 Drexel and Drexel will accept their full two years here.

22 REP. BOBACK: Okay.

23 DR. GRISCOM: And we have a number of registered
24 architects that have graduated from Stevens. We count
25 those in our placement rate.

1 REP. BOBACK: Thank you.

2 DR. GRISCOM: You're welcome.

3 REP. BOBACK: And the last question, you were
4 very positive in saying that we are bringing manufacturing
5 jobs home.

6 DR. GRISCOM: Yes.

7 REP. BOBACK: I'm thrilled.

8 DR. GRISCOM: Yes.

9 REP. BOBACK: What's bring them home?

10 DR. GRISCOM: I think a number of things. One of
11 them is, I don't think that they're having the success, the
12 companies that we've dealt with, in some of these countries
13 with a number of issues. We probably don't have time to
14 get into all those right now. We really do have a good
15 skilled workforce here.

16 REP. BOBACK: That's great.

17 DR. GRISCOM: But the problem is it's not as
18 robust as it needs to be. And I think that's a big part of
19 it. I think the low-skill, low-wage jobs, I think that
20 type of work, that assembly-line-type work, that unskilled
21 labor, will still continue to be in other countries.

22 REP. BOBACK: Okay.

23 DR. GRISCOM: And for a lot of us, that's fine.
24 But what we're seeing is we're seeing the high-skill,
25 high-wage, what we call gold-collar jobs, coming back to

1 this country in pretty significant numbers.

2 Pennsylvania has more manufacturing jobs than
3 most states. It's an incredible asset. And we need to
4 leverage that because manufacturing jobs create other jobs.

5 REP. BOBACK: Yes.

6 DR. GRISCOM: They create jobs in the service
7 sector. They create other manufacturing jobs in related
8 industries. And, you know, again, Third-World Countries
9 understand this and they're doing everything they can to
10 get those jobs.

11 REP. BOBACK: Sure.

12 DR. GRISCOM: Steve Jobs said a number of years
13 ago before he passed away something at a meeting that I was
14 at or something and I heard him talking. He said, the
15 magnet that attracted economic development in the past was
16 access to natural resources and transportation. If you
17 look at St. Louis and Pittsburgh, you see that. He said,
18 but in the future, the magnet that will attract economic
19 development is human capital, access to human capital.

20 REP. BOBACK: Okay.

21 DR. GRISCOM: Do you have skilled people?
22 Because that's your sustainable competitive advantage. So
23 do you have that? And I think if we produce that -- you
24 know, build it and they will come -- that we'll see even
25 more of that. These companies are here. We just need to

1 support them.

2 REP. BOBACK: Sure.

3 DR. GRISCOM: They're great companies.

4 REP. BOBACK: Right.

5 DR. GRISCOM: They're trying to do the right
6 thing. They're great jobs. They need more people. And
7 they see all those people coming in and applying. And
8 they're really bright young people but they don't have
9 skill sets that have value when they come and they don't
10 have the time to train them. That's why they're sending
11 them back to us.

12 REP. BOBACK: Thank you very much.

13 DR. GRISCOM: Thank you.

14 REP. BOBACK: And thank you for your enthusiasm.

15 DR. GRISCOM: Thank you.

16 REP. BOBACK: Thank you, Mr. Chairman.

17 MAJORITY CHAIRMAN ADOLPH: Thank you,
18 Representative.

19 For the member's information, a member of the
20 General Assembly is a proud graduate of Thaddeus Stevens,
21 Representative Jerry Knowles.

22 DR. GRISCOM: Yes. We're very proud of him.

23 MAJORITY CHAIRMAN ADOLPH: Doctor, thank you so
24 much for your testimony.

25 DR. GRISCOM: Thank you, Mr. Chairman.

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MAJORITY CHAIRMAN ADOLPH: This Committee will certainly take your budget request under consideration.

DR. GRISCOM: Thank you.

MAJORITY CHAIRMAN ADOLPH: Thank you very much.

For your information, members, we'll reconvene Monday morning at 10 a.m., at which time the Department of Health as well as the Department of Drug and Alcohol will be in front of us.

Thank you.

(The hearing concluded at 4:10 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.

Jean M. Davis
Notary Public