

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA

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Pennsylvania State System of Higher Education

House Appropriations Committee
House Education Committee

Main Capitol Building
Room 140
Harrisburg, Pennsylvania

Tuesday, April 26, 2022 - 9:02 a.m.

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MAJORITY EDUCATION COMMITTEE MEMBERS PRESENT:

Honorable Curt Sonney, Majority Chairperson
Honorable Mark Gillen
Honorable Barbara Gleim
Honorable David Hickernell (virtual)
Honorable Milou Mackenzie
Honorable Michael Puskaric (virtual)
Honorable Meghan Schroeder
Honorable Craig Staats
Honorable Jesse Topper
Honorable Tim Twardzik
Honorable Mark Longietti, Minority Chairman
Honorable Joe Ciresi
Honorable Gina Curry
Honorable Mary Isaacson
Honorable Maureen Madden
Honorable Napoleon Nelson
Honorable Michael Zabel

Key Reporters

keyreporters@comcast.net

1 MAJORITY APPROPRIATIONS COMMITTEE MEMBERS PRESENT:

2 Honorable Lynda Schlegel-Culver

3 Honorable Keith Greiner

4 Honorable Doyle Heffley

5 Honorable R. Lee James

6 Honorable John Lawrence

7 Honorable Zach Mako

8 Honorable Clint Owlett

9 Honorable Louis Schmitt (virtual)

10 Honorable James Struzzi

11 Honorable Ryan Warner (virtual)

12 Honorable Jeff Wheeland

13 Honorable Dave Zimmerman

14 Honorable Matt Bradford, Minority Chairperson

15 Honorable Donna Bullock

16 Honorable Morgan Cephas

17 Honorable Manuel Guzman

18 Honorable Emily Kinkead

19 Honorable Stephen Kinsey

20 Honorable Kyle Mullins

21 Honorable Benjamin Sanchez

22 Honorable Peter Schweyer

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Key Reporters

keyreporters@comcast.net

1 MAJORITY STAFF PRESENT:

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3 Christine Seitz
4 Majority Executive Director

5 Diane Acri, Esquire
6 Chief Counsel to the Speaker

7 Daniel Glatfelter
8 Mitchell Rosenberger
9 Majority Research Analysts

10 Christine Crone,
11 Majority Administrative Assistant II

12 MINORITY STAFF PRESENT

13 Erin Dixon
14 Minority Executive Director

15 Alycia Laureti
16 Minority Senior Research Analyst

17 Robert "Bob" Brownawell
18 Minority Legislative Assistant

19 Marlena Miller
20 Minority Legislative Assistant

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Key Reporters

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PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION

Chancellor Daniel Greenstein

REQUEST FOR PRODUCTION OF INFORMATION

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(None)

1 MAJORITY CHAIRPERSON SONNEY:

2 (Introduction off the record).

3 We will recess the meeting until those
4 difficulties can be addressed. For the members
5 participating virtually, if you wish to make a
6 comment or ask a question, please use the raise
7 hand function. Members attending in person, please
8 silence all your electronic devices.

9 We'll start with introductions.

10 I'm Representative Curt Sonney. I
11 represent the 4th Legislative District in Erie
12 County.

13 MINORITY CHAIRPERSON BRADFORD: Thank
14 you. Matt Bradford, 70th District in central
15 Montgomery County.

16 MINORITY CHAIRPERSON LONGIETTI: Good
17 morning, Chancellor. Mark Longietti, 7th District,
18 Mercer County, and I serve as the Minority Chair of
19 the House Education Committee.

20 REPRESENTATIVE GUZMAN: Good morning.
21 Representative Guzman, City of Reading.

22 REPRESENTATIVE KINSEY: Good morning.
23 State Representative Stephen Kinsey, Philadelphia
24 County.

25 REPRESENTATIVE ISAACSON: Representative

1 Mary Isaacson, Philadelphia County.

2 REPRESENTATIVE CEPHAS: Representative
3 Morgan Cephas, Philadelphia County.

4 REPRESENTATIVE BULLOCK: Representative
5 Donna Bullock, Philadelphia County.

6 REPRESENTATIVE NELSON: Representative
7 Napoleon Nelson, Montgomery County.

8 REPRESENTATIVE SCHWEYER: Peter
9 Schweyer, Lehigh County.

10 REPRESENTATIVE SANCHEZ: Good morning.
11 Ben Sanchez, Montgomery County.

12 REPRESENTATIVE CIRESI: Good morning.
13 Joe Ciresi, Montgomery County.

14 REPRESENTATIVE KINKEAD: Emily Kinkead,
15 Allegheny County.

16 REPRESENTATIVE ZABEL: Good morning.
17 Mike Zabel, Delaware County.

18 REPRESENTATIVE MADDEN: Good morning.
19 Maureen Madden, Monroe County.

20 REPRESENTATIVE SCHROEDER:
21 Representative Meghan Schroeder from Bucks County.

22 REPRESENTATIVE LAWRENCE: John Lawrence,
23 Chester County.

24 REPRESENTATIVE GLEIM: Barb Gleim,
25 Cumberland County.

Key Reporters

keyreporters@comcast.net

1 REPRESENTATIVE TWARDZIK: Tim Twardzik,
2 Schuylkill County.

3 REPRESENTATIVE CULVER: Lynda Culver,
4 Northumberland and Snyder counties.

5 REPRESENTATIVE OWLETT: Clint Owlett,
6 Tioga, Bradford, Potter.

7 REPRESENTATIVE GILLEN: Representative
8 Mark Gillen, the end of the line here. Berks and
9 Lancaster counties.

10 REPRESENTATIVE JAMES: And yet, there
11 are more. State Representative Lee James from
12 Venango and Butler counties, and former Chairman of
13 the Clarion University Board of Trustees.

14 REPRESENTATIVE GREINER: Representative
15 Keith Greiner, Lancaster County.

16 REPRESENTATIVE ZIMMERMAN:
17 Representative Dave Zimmerman, northeast Lancaster
18 County.

19 REPRESENTATIVE MAKO: Zach Mako.

20 REPRESENTATIVE TOPPER: Jessie Topper,
21 Bedford, Fulton and Franklin counties, and filling
22 in for Chairman Saylor this morning.

23 MAJORITY CHAIRPERSON SONNEY: Also
24 attending virtually this morning are
25 Representatives Schmitt, Hickernell, Warner, and

1 Puskaric.

2 Good morning, Chancellor Greenstein.
3 Seems like only yesterday that you were here. But,
4 apparently it's been a few months. But we're glad
5 that you're here with us again this morning. We
6 are looking forward to the update.

7 Are there opening remarks? Chairman
8 Longietti.

9 MINORITY CHAIRPERSON LONGIETTI: Thank
10 you, Chairman Sonney.

11 And thank you again, Chancellor, for
12 appearing before us. Some great progress has been
13 made since we last met in terms of -- particularly
14 in terms of the Middle States accreditation and the
15 NCA decisions and, of course, the naming of the
16 universities.

17 We do have some questions. I'll have a
18 few questions when the appropriate time comes,
19 because I think this is the point where we really
20 hit it in earnest, right, the deadlines are looming
21 and we still have significant work done --
22 significant more work that needs to be done.

23 Thank you.

24 CHANCELLOR GREENSTEIN: Thank you.

25 MAJORITY CHAIRPERSON SONNEY: Repre-

1 sentative Topper.

2 REPRESENTATIVE TOPPER: Thank you,
3 Chancellor, once again for being here and for the
4 work we have been able to do over the past several
5 years. I think as we talked before, we're finally
6 seeing a plan come together. To quote the old TV
7 show, we love it when a plan comes together. We
8 know there's more work to do and we'll be ready to
9 engage in that process.

10 So, thank you.

11 MAJORITY CHAIRPERSON SONNEY:
12 Chancellor, will you please stand and raise your
13 right hand.

14 (Whereupon, Chancellor Greenstein was
15 duly sworn by Chairperson Sonney).

16 MAJORITY CHAIRPERSON SONNEY: You may
17 begin. Thank you.

18 CHANCELLOR GREENSTEIN: Thank you.

19 So, just very briefly, obviously, thank
20 you for your time and attention. It's always a
21 great pleasure to come back and talk with you.
22 It's my favorite subject. I hope it's yours.

23 Just a couple things I think it's worth
24 reminding ourselves of. I want to begin with the
25 information that was provided, and the funding need

1 that was circulated to leadership of the General
2 Assembly and to the Governor back in the fall.

3 This state really has a significant
4 talent gap. I'm reading more and more about it as
5 I'm sure you are every day, as you're looking
6 across industries struggling to find the talent
7 they need to fill the jobs that they have, many of
8 which, are open and going unfilled because the
9 skilled workforce doesn't exist in the State of
10 Pennsylvania. Obviously, our university system
11 provides tremendous opportunity for creating that
12 workforce, ah, A.

13 B, in order to move the numbers that we
14 need to move, which are significant in order to
15 meet the state's workforce development needs, we're
16 gonna need help, and it's not because the schools
17 necessarily need help. It's because the students
18 who we need to educate to credential or degree
19 level in order to fill that workforce gap, they
20 tend to come from backgrounds which are least able
21 to pay the price, frankly, that we're required to
22 charge because of the level of state investment, A.

23 And B, they're often the most
24 challenging students to engage with effectively.
25 We can, we will, and we do, but we need your help.

1 Again, this is not because the system of
2 universities need your help. It's because the
3 State of Pennsylvania needs your help in order to
4 ensure that the workforce remains strong. So,
5 obviously, we're talking -- look forward to talking
6 about the details of all of that, and thank you for
7 your time and attention.

8 MAJORITY CHAIRPERSON SONNEY: Thank you.

9 So the student receives a PHEAA grant
10 and a PELL grant, how much of a gap is still left
11 today?

12 CHANCELLOR GREENSTEIN: So our net
13 average price of attendance about 23,000. So if
14 you're a fully-loaded PHEAA, I just saw the new
15 numbers last night, I think it's about 5200, and I
16 think I saw PELL was up to about, let's call it
17 7-ish, and so, we've got about 12,000 would be
18 left. And then some of that would be an expected
19 family contribution, and the rest would need to be
20 made up in loans.

21 MAJORITY CHAIRPERSON SONNEY: So your
22 goal over time would be to close that gap?

23 CHANCELLOR GREENSTEIN: Yeah. I mean, I
24 think that we're really trying to get to a point
25 where families -- I'm sorry, students either

1 earning under a certain level or families earning
2 under a certain level can basically attend for
3 free. In order to move the kind of numbers that we
4 need to move to see the kind of credentialing
5 productivity, we're gonna have to engage with
6 students who are, I would call them college ready
7 and not college bound.

8 If they're coming out of high school or
9 with adults who are coming back into education
10 after a period of time away, or with that we're
11 looking to really begin a formal post-secondary
12 education and, typically, we're dealing with
13 students who are not able to pay the 23 or \$24,000
14 a year that -- that that would be required.

15 MAJORITY CHAIRPERSON SONNEY: You
16 determine that from the FAFSA; from the overall
17 income of the parents? In other words, how do you
18 make that determination that the students can't
19 afford it?

20 CHANCELLOR GREENSTEIN: If you look at
21 our enrollments over the last -- or whatever number
22 of years, 10 years, go back to say 2010, students
23 from families earning under 75,000 are leaving us
24 way more quickly than students from families 75,000
25 and above. So, our enrollment losses are directly

1 related to income.

2 And we see it in the -- in the gaps that
3 exist in retention. For example, year-to-year
4 retention, students from lower income backgrounds
5 have a much lower rate retention than students from
6 higher income backgrounds.

7 MAJORITY CHAIRPERSON SONNEY:

8 Representative Topper.

9 REPRESENTATIVE TOPPER: Thank you, Mr.
10 Chairman.

11 The PASSHE Board of Governors recently
12 voted to freeze tuition for the upcoming academic
13 year which, you know, we're always grateful to see
14 as a General Assembly. We also know that the
15 increase request is about \$75 million in additional
16 funds, about a 16 percent.

17 Do you believe that those two are tied
18 together? In other words, the ability to keep the
19 tuition freeze in place or maintain it will be
20 related to the increase request in your
21 appropriation?

22 CHANCELLOR GREENSTEIN: Yes, absolutely.

23 REPRESENTATIVE TOPPER: And how do you
24 see that playing in the out-years moving forward?
25 I mean, the goal from the conversation that you

1 just had with Representative Sonney, we want to
2 bring the price down. We want to make our state
3 system be an affordable option. Where do you see
4 that going in the out-years in terms of
5 appropriation requests?

6 CHANCELLOR GREENSTEIN: So, at a basic
7 level of 550 million assume, um, a cost of increase
8 annually from there, that is the basic cost of
9 running the institution as is and continuing to run
10 it with the degree of efficiency that we've managed
11 to introduce over the last several years.

12 That funding level will also allow us to
13 contribute additional -- additionally to student
14 financial aid. That won't have a significant
15 impact on -- on the net average price, which is why
16 the 200 million is also -- 201 million is also
17 requested direct to students, because we can only
18 do so much more administratively, if I can call it
19 that, in order to introduce sufficiencies that we
20 can then return to students.

21 REPRESENTATIVE TOPPER: So the request
22 for more federal American Rescue Plan funds, is
23 that -- is that funding for direct student to
24 student? Is that the fact that we're talking
25 about?

1 CHANCELLOR GREENSTEIN: So we have
2 sought 550 million as a general fund appropriation,
3 \$201 million per year in direct to student funding,
4 and then the remainder of the 200 million that was
5 committed by the General Assembly in ARP funding
6 last year, that additional would be -- that
7 remainder is --

8 REPRESENTATIVE TOPPER: Is any of that
9 funding going towards our integration process, or
10 is that -- or are those requests kind of been made
11 or where we need to be with the integration process
12 and now we're moving forward to the next phase?

13 CHANCELLOR GREENSTEIN: There are still
14 some of the what I would call discretionary
15 dollars, which is a combination of the ARP federal
16 funds that were allocated by the General Assembly,
17 plus the money thrown off by our prepayment of our
18 pension obligation, which is about 25 million a
19 year for the next few years. Some of those
20 combined dollars will continue to go towards
21 standing off the integration.

22 REPRESENTATIVE TOPPER: Okay. Thank
23 you.

24 Thank you, Mr. Chairman.

25 MAJORITY CHAIRPERSON SONNEY:

1 Representative Staats and Wheeland have both joined
2 us here.

3 And Representative McKenzie.

4 (No response).

5 MAJORITY CHAIRPERSON SONNEY:

6 Representative Longietti.

7 MINORITY CHAIRPERSON LONGIETTI: Thank
8 you, Chairman Sonney.

9 So, Chancellor, I want to focus in again
10 on the online hybrid segment of all this at the
11 integrated universities. So, when a student goes
12 to register for a particular course, what will they
13 see and will they be able to determine right
14 upfront, will this course going to be offered on an
15 online or hybrid basis, whereas, this other course
16 is gonna be in person? Can they see that? What
17 does that look like?

18 CHANCELLOR GREENSTEIN: Yes.

19 MINORITY CHAIRPERSON LONGIETTI: Okay.
20 So they'll be able to see that upfront right when
21 they register?

22 CHANCELLOR GREENSTEIN: Yes.

23 MINORITY CHAIRPERSON LONGIETTI: Okay.

24 Now, when I come into the university
25 when I enroll, and I declare a particular major,

1 are they going to be able to determine
2 approximately how many courses do I have to take
3 online or hybrid, and how many are going to be
4 available in person?

5 CHANCELLOR GREENSTEIN: Yeah.

6 MINORITY CHAIRPERSON LONGIETTI: I see.

7 CHANCELLOR GREENSTEIN: And I think that
8 -- And the answer to their question will change
9 over time as the curriculum becomes more and more
10 blended or more integrated.

11 So the first year you'll pretty much see
12 the courses that exist today will be there next
13 year. But as more and more -- as we go forward,
14 more and more of the curriculum will be blended by
15 the faculty. And so, they'll have more options
16 over time.

17 MINORITY CHAIRPERSON LONGIETTI: Okay.
18 Just to try to nail that down a little more, so
19 let's say I declare a political science major --

20 CHANCELLOR GREENSTEIN: Yeah.

21 MINORITY CHAIRPERSON LONGIETTI: -- and
22 I just enrolled, do I get a picture of, okay, I'm
23 gonna be able to take 15 courses in person? I'm
24 gonna be able to take -- the other ones are not
25 going to be in person. X number of courses are

1 going to be online so that I can get an
2 understanding of what my college experience is
3 going to be when I enroll.

4 CHANCELLOR GREENSTEIN: Yeah. So, the
5 answer is yes and no. Yes overall. No because
6 those section assignments change anyway semester by
7 semester, so what is available this semester will
8 not necessarily be available next semester both in
9 terms of the courses and in terms of the modality,
10 through which, that is sort of like -- that is how
11 universities operate today, right? And so, you
12 would not -- I would not expect that to change
13 going forward. Students will see the curriculum
14 options vary term by term as they do currently.

15 MINORITY CHAIRPERSON LONGIETTI: Do you
16 they'll be able to get a general idea --

17 CHANCELLOR GREENSTEIN: Yes.

18 MINORITY CHAIRPERSON LONGIETTI: --
19 that, okay, I enrolled today. If I took everything
20 right now, this is what it would look like in terms
21 of in person?

22 CHANCELLOR GREENSTEIN: Yes.

23 MINORITY CHAIRPERSON LONGIETTI: Are you
24 able to quantify -- And I know it could change for
25 majors, but maybe give us a range of, this is the

1 percentage of courses that I would need to take
2 online versus having in-person availability?

3 CHANCELLOR GREENSTEIN: No, I'm not, and
4 I won't be able to until we see the curriculum
5 blended over the next couple of years.

6 MINORITY CHAIRPERSON LONGIETTI: So --

7 CHANCELLOR GREENSTEIN: I can't say the
8 way the analysis was done that determined where
9 programs would be available face to face with the
10 number of students who are enrolled in them. And
11 we determined that 75 percent of students at every
12 one of the integrating campuses is in one of about
13 eight programs, which will, obviously, as a result
14 have a footprint at each of those campuses, as will
15 the entire undergraduate first two years, the lower
16 division, general education curriculum.

17 MINORITY CHAIRPERSON LONGIETTI: The
18 general education courses would be available at the
19 campuses --

20 CHANCELLOR GREENSTEIN: Yes.

21 MINORITY CHAIRPERSON LONGIETTI: -- in
22 person?

23 CHANCELLOR GREENSTEIN: Yes.

24 MINORITY CHAIRPERSON LONGIETTI: And
25 folks in 75 percent of the majors --

1 CHANCELLOR GREENSTEIN: Correct.

2 MINORITY CHAIRPERSON LONGIETTI: --
3 would have in-person availability?

4 CHANCELLOR GREENSTEIN: 75 percent of
5 the students would be on campuses where there was a
6 physical footprint of faculty in their disciplines.

7 MINORITY CHAIRPERSON LONGIETTI: Lastly,
8 for those students that are taking an online or a
9 hybrid course, will there be laptops provided?
10 Will there be WiFi access provided by the
11 institutions?

12 CHANCELLOR GREENSTEIN: We continue to
13 provide, and we have done for sometime for students
14 who don't have those available access, and that was
15 true through the pandemic when we identified those
16 students and provided them with laptops and hot
17 spots, if necessary.

18 MINORITY CHAIRPERSON LONGIETTI: So
19 there's a commitment, you're telling me, from the
20 universities that, if I need laptop, if I need
21 WiFi, I've got to take -- it will be made
22 available?

23 CHANCELLOR GREENSTEIN: Yeah. I would
24 be careful to not fetishize the on-ground
25 experience. If 55 percent of our students today

1 take at least one course per term online,
2 increasingly, as you come out of the pandemic, what
3 you're hearing from students is interesting and in
4 some ways terrifying because, routinely, they will
5 want to have all the flexibility they had during
6 the pandemic today.

7 So, I may want to be able to decide, you
8 know, I'm taking my History 101. I may want this
9 afternoon to go in person, but on Thursday
10 afternoon, you know, maybe I'll take it online.
11 That's unrealistic in many cases. But one of the
12 things we're experiencing, and this isn't just in
13 higher education, but in K-12 is that, we're going
14 to see, my guess is, a long-term ripple effect.

15 Just as we see here, we continue to have
16 people on Zoom even though we're not wearing masks,
17 et cetera. I think we should expect to see that
18 ripple effect extend well throughout across higher
19 education.

20 MINORITY CHAIRPERSON LONGIETTI: All
21 right.

22 Thank you, Mr. Chairman.

23 MAJORITY CHAIRPERSON SONNEY: Chairman
24 Bradford.

25 MINORITY CHAIRPERSON BRADFORD: Thank

1 you.

2 I just want to flesh out the
3 affordability a little bit just to make sense --

4 CHANCELLOR GREENSTEIN: Yeah.

5 MINORITY CHAIRPERSON BRADFORD: -- of
6 the numbers. I think you said 23,000 all in would
7 be the take-home, you know, the net cost to a
8 student if they got full PHEAA and full PELL. Is
9 that what you're saying?

10 CHANCELLOR GREENSTEIN: So, 23,000 is
11 roughly what we call the net average price of
12 attendance. That is the average price that a
13 student pays once you back out aid, et cetera. So,
14 it's 23,000. If you take that number and then you
15 reduce the PELL and PHEAA, so we took out 12 grand
16 roughly, you're left holding 11.

17 MINORITY CHAIRPERSON BRADFORD: Okay.
18 So it's 23 if your family is PELL and PHEAA
19 eligible.

20 CHANCELLOR GREENSTEIN: If you're fully
21 eligible, yeah.

22 MINORITY CHAIRPERSON BRADFORD: Give me
23 an idea --

24 CHANCELLOR GREENSTEIN: Sorry. It's 23
25 for everybody, right? But if you have PELL and

1 PHEAA, you're left with the difference between 23
2 and whatever your grant aid money is.

3 MINORITY CHAIRPERSON BRADFORD: Gotcha.
4 And for those in Bucks, Chester, Montgomery County,
5 you're talking household income of a hundred
6 thousand dollars median. So you're not -- you're
7 not getting PELL and PHEAA probably.

8 CHANCELLOR GREENSTEIN: Correct.

9 MINORITY CHAIRPERSON BRADFORD: You're
10 getting PHEAA, obviously, but you're not getting
11 PELL?

12 CHANCELLOR GREENSTEIN: Yes.

13 MINORITY CHAIRPERSON BRADFORD: And even
14 Dauphin County, we're in the mid-60s, I think.

15 CHANCELLOR GREENSTEIN: Yeah.

16 MINORITY CHAIRPERSON BRADFORD:
17 Allegheny, Erie. Most of these counties are in the
18 mid-60s, you're not getting.

19 CHANCELLOR GREENSTEIN: Correct. And
20 you actually see that in our enrollment trends that
21 the families from the lowest income -- sorry.
22 Students from the lowest-income families are not
23 declining at the same rate as students from those
24 middle -- those next two tiers up. And that's
25 because the impacts are probably greater on those

1 groups that don't have as much access to PELL and
2 PHEAA.

3 MINORITY CHAIRPERSON BRADFORD: And
4 you've been kind of clear that your biggest concern
5 about implementation continues to be affordability?

6 CHANCELLOR GREENSTEIN: Yeah.

7 MINORITY CHAIRPERSON BRADFORD: That the
8 best plan in the world, one of the concerns I have
9 is this level of, you know, kind of the working
10 class in Pennsylvania in large swaths of
11 Pennsylvania where accessibility continues to be an
12 issue, the 23,000-dollar number, that's not coming
13 down very much because you're not PELL eligible --

14 CHANCELLOR GREENSTEIN: Correct.

15 MINORITY CHAIRPERSON BRADFORD: -- in
16 those areas.

17 CHANCELLOR GREENSTEIN: Right. So
18 you're seeing your middle class is being squeezed
19 to use the language of yesterday.

20 MINORITY CHAIRPERSON BRADFORD: And when
21 you talk about your funding level at 201 million
22 for Nellie Bly, the three-year commitment for
23 ARP --

24 CHANCELLOR GREENSTEIN: Yes.

25 MINORITY CHAIRPERSON BRADFORD: -- of

1 200 million all in over the three years, and I
2 guess you're looking for the general appropriation
3 of about 550 million. That doesn't begin to roll
4 that number back towards affordability.

5 CHANCELLOR GREENSTEIN: So, it does, it
6 can in a number of ways, but not significantly, and
7 that's what I want to be clear about. So yes, with
8 that level of funding --

9 Take the 200 million for a moment, just
10 put that to the side, the direct to student, with
11 the 550 million annual appropriation we would, for
12 example, we don't need to do a tuition increase.
13 So that's a cost avoided. We will be able to put
14 additional dollars in return to aid up to maybe
15 another \$30 million.

16 But if you think about it, \$30 million
17 -- Let me just give you a couple of numbers to give
18 you a sense of what the total need is.

19 If you look at our high-need students,
20 I'll define those as students who qualified for
21 PELL or for subsidized federal funds, okay? If you
22 look at our high-need students and you look at how
23 much unmet need there exists among those students,
24 unmet need is after your PELL, after your PHEAA,
25 after any scholarships and grants that you've

1 gotten, how much is left for you and your family,
2 the total number for our high-need students, every
3 year is \$429 million in unmet need.

4 MINORITY CHAIRPERSON BRADFORD: So,
5 that's 5 percent.

6 CHANCELLOR GREENSTEIN: Significant
7 number. If we eliminated unmet need and expected
8 family contribution, so unmet need is after you
9 sort of work out -- there's this magic math that is
10 done to figure out how much is expected from the
11 family to contribute. But if you take the unmet
12 need and the expected family contribution together,
13 that's about a billion dollars a year.

14 MINORITY CHAIRPERSON BRADFORD: Billion?

15 CHANCELLOR GREENSTEIN: Billion dollars
16 a year, yeah.

17 MINORITY CHAIRPERSON BRADFORD: And I
18 probably misspoke because I did lump the Nellie Bly
19 in with what you're asking for. Nellie Bly
20 directly goes toward student affordability.

21 CHANCELLOR GREENSTEIN: So, yeah, we
22 were seeking in the General Fund appropriation --
23 I'm sorry. We were seeking in the need's statement
24 a component of \$201 million that would not -- would
25 go directly to our students, and that is to get at

1 the total price to bring the price of an education
2 down.

3 Remember, our students are paying \$6500
4 a year more than a New York State resident would
5 pay to go to an equivalent SUNY school. And New
6 York is sort of average if you look across the
7 country at price. MINORITY CHAIRPERSON

8 BRADFORD: How would you drive out that \$200
9 million?

10 CHANCELLOR GREENSTEIN: So, we have a
11 number of scenarios. So, let me just give you a
12 sense of, again, to give you a scale of the
13 problem. If all of the money went to high-need
14 students, you could provide about \$5400 per
15 student.

16 MINORITY CHAIRPERSON BRADFORD: What do
17 you mean by high need, because I thought --

18 CHANCELLOR GREENSTEIN: So high need
19 would be people from income -- from families with
20 incomes that are low enough to qualify for the
21 maximum PELL grant, the full PELL grant, and to
22 qualify for subsidized loans. They would be
23 high-need students.

24 MINORITY CHAIRPERSON BRADFORD: And,
25 obviously, that has to be a priority. One thing I

1 worry about too, though, when you layer on
2 affordability when we talk about what that number
3 looks like in Allegheny, Erie, the southeast,
4 quickly you realize high need has a very different
5 --

6 CHANCELLOR GREENSTEIN: It does.

7 MINORITY CHAIRPERSON BRADFORD: You're
8 not wealthy making 65, 70, a hundred -- even a
9 family of a hundred thousand.

10 CHANCELLOR GREENSTEIN: Yes.

11 MINORITY CHAIRPERSON BRADFORD: These
12 dollars don't even get to them.

13 CHANCELLOR GREENSTEIN: Correct.

14 High-need students would be about 36,000
15 of our students would be -- qualify as high need.

16 MINORITY CHAIRPERSON BRADFORD: I just
17 think we have not spoken enough about the Nellie
18 Bly issue. And regardless of where people feel
19 about source of where those dollars come from, if
20 we don't deal with the affordability --

21 Again, I know Representative Topper and
22 I were joking about the A-Team earlier, the plan
23 coming together, but the plan really doesn't come
24 together if we don't deal with affordability --

25 CHANCELLOR GREENSTEIN: Correct.

1 MINORITY CHAIRPERSON BRADFORD: -- in a
2 meaningful way. Again, high needs, and then,
3 frankly, above high needs, I think Representative
4 Schroeder at one point, Bucks County did something
5 -- or maybe it was Representative Quinn I think at
6 the time for the PHEAA grant to expand that up to
7 like \$115,000 a year. I think we're missing the
8 point if we're not really talking about
9 affordability and where that really lies.

10 CHANCELLOR GREENSTEIN: And just to
11 emphasize the point, if you think about the number
12 of credentials that the workforce needs, the number
13 of jobs that are available to go unfilled because
14 the workforce -- the properly-skilled workforce is
15 not there. To meet -- To get --

16 If you ask yourself where are the people
17 who are going to get those credentials to fill that
18 gap, you end up reaching into populations which
19 have, historically, been underserved by higher
20 education -- all of higher education. And,
21 frankly, who can't -- can't meet our price points.
22 So you've got this sort of economic imperative,
23 right?

24 We need more folks to get credentialed.
25 The folks who are left to be credentialed need more

1 help than those who are currently in higher
2 education, yeah.

3 MINORITY CHAIRPERSON BRADFORD: Thank
4 you, Chancellor.

5 Thank you, Chairman.

6 MAJORITY CHAIRPERSON SONNEY: We've also
7 been joined this morning by Representatives Heffley
8 and Curry.

9 Next question will come from
10 Representative Schroeder.

11 REPRESENTATIVE SCHROEDER: Thank you,
12 Chairman.

13 Good morning, Chancellor.

14 CHANCELLOR GREENSTEIN: Good morning.

15 REPRESENTATIVE SCHROEDER: My question
16 has to do with the materials you gave us, one of
17 the pieces, number 4, is technology. So the launch
18 of integrated CRM and SIS began.

19 So, is that something you developed
20 in-house, or did you get an outside vendor for
21 that.

22 CHANCELLOR GREENSTEIN: Most of our, um
23 -- Most of our systems are provided by third
24 parties.

25 REPRESENTATIVE SCHROEDER: Okay. And

1 then, as a student of the state's system prior, I
2 thought that was really exciting that we're gonna
3 have this whole class online, you know, way to go
4 about things. It's actually easier for the
5 student. Is there --

6 Did you talk to the student body about
7 it? Have they talked to you about this? Like, how
8 are the students taking it?

9 CHANCELLOR GREENSTEIN: So, a couple of
10 things. One, with respect to technology, there are
11 opportunities to sort of engage with them. Also
12 sit with all users to sort of begin to sort of
13 hammer away at the technology.

14 I just saw some -- That's why I'm
15 smiling. I just saw some screen shots recently.
16 It's pretty cool to be able to see, like, all the
17 things that are available to me. And, actually,
18 for universities; not just in the integrated; to be
19 able to open up courses to others. I'm gonna turn
20 the light on these, but maybe keep these others in
21 the dark. So, it's all pretty neat.

22 And now, in my excitement, I've
23 forgotten your question, and I apologize.

24 REPRESENTATIVE SCHROEDER: No. It was
25 the engagement of the student body and how they're

1 talking and engaging with you about it.

2 CHANCELLOR GREENSTEIN: Yes, yes. In
3 both -- in both -- in both north -- in both
4 Commonwealth and in Penn West.

5 REPRESENTATIVE SCHROEDER: Okay. Great.

6 I just wanted to see how that was going
7 because I think it's a really good idea for the
8 long term. And so, sounds like good news. Thank
9 you. Keep it up.

10 MAJORITY CHAIRPERSON SONNEY:
11 Representative Kinhead.

12 REPRESENTATIVE KINKEAD: Thank you,
13 Chancellor.

14 CHANCELLOR GREENSTEIN: Good morning.

15 REPRESENTATIVE KINKEAD: Last time we
16 talked about, sort of the culture of acknowledgment
17 that you wanted to have instilled in the
18 university, I'm wondering how you're applying that
19 to the professors, particularly as we're seeing
20 professors being asked to teach considerably more
21 classes than, you know, they had been previously.

22 CHANCELLOR GREENSTEIN: So, I am not
23 aware of faculty being asked to teach more classes.

24 I did actually look recently at a run of
25 data, looked at section size, I'm gonna called it

1 average section size, how many students in a class
2 on average. And that really hasn't changed much.

3 And if you think about it, it sort of --
4 I mean, over a long period of time it is relatively
5 static, highly set.

6 REPRESENTATIVE KINKEAD: We're getting
7 more reports that professors who were teaching four
8 classes are now teaching five, six classes, or
9 being potentially asked to especially as we're
10 seeing attrition and layoffs and folks retiring and
11 not being replaced.

12 CHANCELLOR GREENSTEIN: Our faculty are
13 hired to teach 4-4, which is four sections per
14 term. If they teach more than that they're paid
15 overtime, called overload. So that's all
16 contractually laid out. So we just can't assign
17 faculty to teach five courses. That's just not --

18 REPRESENTATIVE KINKEAD: And what are
19 you doing to address burnout in professors?

20 CHANCELLOR GREENSTEIN: So, I think, you
21 know, burnout is an issue across all industries,
22 including ours, and across all the members of the
23 community, students, faculty, as well as staff. It
24 is real, it's palpable, and it's a concern. And I
25 think it goes to some of the funding requests.

1 We've been running this university
2 system, I would say very efficiently for many years
3 because of the -- because of the funding needs.
4 And, you know, for the first time through the use
5 of ARP dollars this year and, hopefully, with an
6 increased level of investment, we can begin to
7 invest in our people in a way that we're gonna need
8 to.

9 It's a really interesting situation that
10 we're facing. If we want to meet the state's
11 workforce development needs, we have to address the
12 affordability issues, because the students that are
13 there to be educated to degree level as required to
14 meet the economic needs of the state require that
15 level of help, A.

16 B, there are also students who we need
17 to refresh all of our skills and understanding in
18 order to be able to teach properly. So -- And, as
19 it happens, we're all learning that higher
20 education is not just a fire hose. You turn it
21 from one person to the next, they get equally as
22 wet. That's just not true.

23 Teaching an adult who's returning to
24 college and probably not, frankly, interested in a
25 residential experience because I have a family and

1 I'm working, et cetera, and teaching a student who
2 is probably first in her family to go to college
3 and comes to us from, you know, an underresourced
4 community, it's completely different activities.
5 And so, we need to invest in our people in order to
6 be able to deliver the highest quality, most
7 successful education to both. In fact, to all.
8 And that investment is available, potentially,
9 through that higher level of funding that we're
10 seeking.

11 But we have to do two things with that
12 money--give it to the students and refresh our own
13 skills. Sorry for --

14 REPRESENTATIVE KINKEAD: Yeah. I
15 actually just want to drill down into -- You talk
16 about investing in your people, but what does that
17 look like, and what do you want to spend the money
18 on to invest in your people specifically?

19 CHANCELLOR GREENSTEIN: So, this year,
20 just to give you an example, from the ARP dollars,
21 and again, thanks to the General Assembly for its
22 generosity, we have been investing in three areas.
23 Most of that money sort of goes to the people who
24 are facing the students.

25 One of them is, we call it investing in

1 student's success, which is anything from improving
2 the kind of supports, we're advising, for example,
3 that we're providing to our students to emergency
4 aid scholarship dollars, we're investing in a
5 variety of initiatives to improve the diversity
6 equity inclusiveness of our communities. Some of
7 that involves investing in faculty who are
8 diversifying the curriculum; making sure that the
9 curriculum, the courses that they're offering
10 represents all views and provide numerous different
11 perspectives.

12 And we're investing in -- a small sum of
13 that money in ensuring our programs are closely
14 aligned to workforce needs. Most of that money or
15 much of that money will flow into the people who
16 are doing the work. Of course, we can't do that
17 with one time, although it's a loading dose and
18 it's really important. You have to work that into
19 your annual operating budget. You have to invest
20 in people as a kind of ongoing thing; not as a one
21 time we get some money every 20 years.

22 REPRESENTATIVE KINKEAD: And I have just
23 one quick --

24 CHANCELLOR GREENSTEIN: Sure.

25 REPRESENTATIVE SCHROEDER: -- question

1 on a different topic, which is, you did talk about
2 the ARP money, and some of that money went to be
3 used for marketing. And I'm wondering if you can
4 talk about how that was spent and -- and, you know,
5 what the return on that has been.

6 CHANCELLOR GREENSTEIN: Yes. So, that
7 money was spent, actually, all of the students'
8 success -- our three categories, student success,
9 DEI and workforce was all spent pretty much in the
10 same way. We had a broad number of areas that we
11 wanted to see progress in.

12 We asked our universities, how would you
13 spend the money? Here's your forming -- here's
14 your formulated allocation of that dollar amount,
15 how will you spend this money to achieve those
16 broad set of objectives and tell us what is the
17 return you're expecting to see typically measured
18 in student outcomes, graduation rates, or
19 retention.

20 So, it was very intentionally done in
21 that way because it leverages investments that
22 universities are already making, which means you're
23 getting more bang for the buck.

24 REPRESENTATIVE KINKEAD: Are we seeing
25 that, though? That's the second part of my

1 question. Are we seeing the outcomes from that
2 spending?

3 CHANCELLOR GREENSTEIN: God willing.

4 And just to be clear, we should -- you
5 know, we should -- we'll see in the fall whether we
6 see changes in our retention rates versus the
7 second year, and our second to third year, et
8 cetera, and also in our new student enrollments.

9 REPRESENTATIVE KINKEAD: Okay. So we
10 just don't have the data right now?

11 CHANCELLOR GREENSTEIN: We do not have
12 the data. We have the goals that the university
13 set for themselves, this is what we want to
14 accomplish. We'll be in a position, not only to
15 see where we are in terms of how did folks do
16 against the goals.

17 But also, then, to begin -- And this was
18 another reason for going through that very
19 deliberate process of distributing the dollars, to
20 begin to look across the various initiatives and
21 say, you know, did something seem to work better
22 than others? You know, there's a natural kind of
23 experiment that we can learn from.

24 REPRESENTATIVE SCHROEDER: Thank you.

25 CHANCELLOR GREENSTEIN: Thanks.

1 MAJORITY CHAIRPERSON SONNEY:

2 Chancellor, it appears that Representative Ciresi
3 will be offering the last question.

4 REPRESENTATIVE CIRESI: Chancellor, it's
5 good to see you.

6 CHANCELLOR GREENSTEIN: And you.

7 REPRESENTATIVE CIRESI: I'd like to
8 piggy-back a little on what Representative Kinhead
9 just asked. And I've said this to you multiple
10 times as we sat in this room, but I'm not -- I am
11 going to have an education question.

12 But, the name. The name that I see
13 here, we only have two names. In the west,
14 Pennsylvania University -- Pennsylvania Western
15 University, and in the east Commonwealth University
16 of Pennsylvania.

17 Now, I've often said I was just a music
18 major who took a lot of marketing classes and then
19 worked in the marketing industry for 25 years. And
20 the brand is confusing. You mentioned SUNY. We
21 look at the Florida State System. We look around
22 the country, it's one name.

23 And I don't know if anyone really thinks
24 about the significance in names. But, if we brand
25 one name across the Commonwealth, whether it's

1 Commonwealth University or Pennsylvania University,
2 I think we'd see more consistency, and students
3 would look at this as, I'm going to Pennsylvania
4 University or I'm going to Commonwealth University.

5 I don't like the idea of the PASSHE
6 system having two different names. I think we're
7 still doing the same thing we did before. And
8 again, maybe I'm not the marketing expert, but I'm
9 sure if you would ask some marketing people, they'd
10 come back and say the brand is not consistent, once
11 again.

12 So how did you come about with these two
13 names? Because I thought the last time we spoke it
14 was just going to be east and west, which I didn't
15 like anyway, but now I really don't like it.

16 CHANCELLOR GREENSTEIN: So the -- How
17 did we come about the name? Both groups went with
18 support, consulting help. I believe choosing
19 people who knew at least one, and often more of the
20 universities had some capability, and then did the
21 usual kind of market appraisal, market testing, and
22 then there was a lot of really important
23 discussion, I thought, about how -- how the
24 different institutions wanted to use the name, and
25 there's some differences there and important

1 differences there.

2 Penn West has a fully online
3 undergraduate degree program that they'll be
4 rolling out, and that needs its own name, right?
5 And they determined that they were gonna much more
6 front load Penn West in terms of the use with other
7 of the campuses, Penn West-Clarion, et cetera. And
8 they determined that through their own reach into
9 the -- into their -- into their markets.

10 The Northwest went a similar route
11 insofar as they sort of sought some help, got some
12 data, looked at a variety of different options.
13 But in their particular view of the world, they --
14 they want to kind of foreground the historic names
15 of each of the universities.

16 And it's a nuance, I mean, because it
17 will be Commonwealth, Lock Haven, Bloom and
18 Mansfield. So it's a nuance difference, but it's
19 an important one. And it gets at the different
20 cultures of the two places.

21 REPRESENTATIVE CIRESI: I'm not going --
22 arguing with the point of keeping the university,
23 the college name. But, it's the brand.

24 But you brought up SUNY. Representative
25 to my right went to SUNY Oneonta. You know, SUNY

1 Geneseo, SUNY Binghamton. This could be the same
2 thing. Commonwealth Edinboro, Commonwealth Lock
3 Haven, Commonwealth West Chester. We need one
4 brand.

5 Here we're back to two brands under the
6 PASSHE system, which again, is confusing. The
7 average person is not going to know that they're
8 both the same system. You know, what's
9 Commonwealth, what's Pennsylvania University?

10 I would ask, once again, that they go
11 back to the table and come up with one name, and
12 you could put the college or the university at the
13 end of the name, which is fine. But let's brand it
14 across the board. It's one look. It's one
15 advertising campaign. It's one everything.

16 That's my comment on that.

17 The other thing that disturbed me is
18 what you said about the 6500-dollar difference in
19 cost compared to the SUNY system. And I think it's
20 an obligation of the legislators to find a way to
21 bring down the full cost of everything we do. And
22 we've often heard that there is a surplus that sits
23 on the books right now.

24 Is there a way we can apply that money
25 that's not one-time money, but it's consistent

1 money that brings down a higher cost that the
2 system is going through? It would be a one-time
3 cost, but it will bring it down for 10 to 15 years
4 that we can do one massive infusion to bring this
5 down and to make us more competitive with the
6 states that lie around us?

7 CHANCELLOR GREENSTEIN: So, there would
8 definitely be, you know, uses of significant one-
9 time funding. It wouldn't have the impacts kind of
10 consistently across the system.

11 But, as you know, we have, in a number
12 of our universities, have significant debt service
13 in a residents' hall, typically. And because
14 they've lost students, they don't enough students
15 to -- to -- in the residents' halls to pay the debt
16 service, so that actually adds to their debt burden
17 on an annual basis. That is a big number to
18 address it wholistically.

19 It -- You know, again, it has -- it's
20 important. I don't wanna -- I don't wanna -- And
21 it's a continued obstacle that we're gonna have to
22 figure out how to get through or over. But it's
23 not going to have the same effect as money directly
24 in the student's pocket. You know, we've just --

25 And it's historic. I mean, we built up

1 this situation over time and it's arguably going to
2 take time to address. But I'm concerned that we
3 have to make significant inroads into the total net
4 price that a student pays to attend one of our
5 universities significant beyond anything we could
6 achieve through what I would call administrative
7 measures, either -- through our allocation of
8 existing.

9 So yes, debt service would make a big
10 difference if I had to compare it, like in terms
11 what will reach a student, you're going to get far
12 better impact in affordability, specifically money
13 in a student's pocket.

14 REPRESENTATIVE CIRESI: Or put money
15 in --

16 Well, thank you very much.

17 And thank you, Mr. Chairman.

18 MAJORITY CHAIRPERSON SONNEY:

19 Chancellor, I want to thank you for being here this
20 morning. I also want to thank you and your team,
21 Board of Trustees for incredible amount of work
22 that has gone into this.

23 So, you've created two new universities,
24 got the Middle States accreditation, got the NCAA
25 approval to retain the sports, so what's left?

1 CHANCELLOR GREENSTEIN: Well, I'd like
2 to think we've been on this journey together. So
3 thank you all for accompanying along the way and
4 learning together.

5 You know, I think we have a number of
6 things to do with the integrated universities.
7 There's still quite a bit of work left to do;
8 blending the curriculum, standing up the technology
9 environments. Day 1 of the new entity is July 1st,
10 2022, that's pretty soon, and then our first cohort
11 of students that come in the fall. And that
12 process of, you know, blending cultures and
13 communities and curriculum is -- is -- is gonna
14 take -- is gonna take time.

15 Meantime, you know, there's other
16 universities in the system and all of us together
17 are really looking forward to be able to, you know,
18 reach more deeply into the populations that we have
19 a track record in serving; and doing that in a way
20 which allows us to produce what we need to produce
21 for the state so the state can remain strong.

22 I think there's a kind of excitement
23 about turning the page into a new chapter of our
24 redesign. You know, the first was really focused
25 on, you know, sizing ourselves; living within our

1 means; doing the kind of clean-up work which was
2 necessary to do in light of our experience. But
3 now to begin to focus on building something new;
4 not just in the integrated entities, but in public
5 higher education.

6 I mean, Pennsylvania, it's so
7 interesting. We're certainly the talk of the --
8 We're certainly the talk of the town. Thinking of
9 the town being a much larger entity, which, you
10 know, the size of the nation. Folks are watching.
11 And we have an opportunity to demonstrate what --
12 what public higher education actually can be in the
13 21st Century, and there's some excitement around
14 that.

15 And earlier, I think it was
16 Representative Kinkead talked about burnout. The
17 best way to address burnout is to invest in our
18 folks and let them do what they're good at doing,
19 which is serving our students, serving the
20 Commonwealth. And, you know, we can engender
21 excitement around that.

22 MAJORITY CHAIRPERSON SONNEY: Again,
23 Chancellor, thank you. Thank you for being here
24 this morning.

25 CHANCELLOR GREENSTEIN: Thank you.

1 MAJORITY CHAIRPERSON SONNEY: Meeting is
2 adjourned.

3 (At or about 9:46 a.m., meeting
4 concluded).

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C E R T I F I C A T E

I, Karen J. Meister, Reporter, Notary Public, qualified in and for the County of York, Commonwealth of Pennsylvania, hereby certify that this transcript was recorded by me in stenotype from a Zoom videoconference, to the best of my ability, and subsequently reduced to computer printout under my supervision, and that this copy is a true and correct record of the same.

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Dated this 12th day of May, 2022.

Karen J. Meister

Karen J. Meister – Reporter

Notary Public

