EDUCATION COMMITTEE AND APPROPRIATIONS COMMITTEE November 07, 2011

[LR206]

The Committee on Education and the Committee on Appropriations met at 10:30 a.m. on Monday, November 7, 2011, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR206. Education Committee senators present: Greg Adams, Chairperson; Gwen Howard, Vice Chairperson; Bill Avery; Abbie Cornett; and Kate Sullivan. Education Committee senators absent: Brenda Council; Ken Haar; and Ken Schilz. Appropriations Committee senators present: Lavon Heidemann, Chairperson; John Harms, Vice Chairperson; Danielle Conrad; Tony Fulton; Tom Hansen; Heath Mello; John Nelson; Jeremy Nordquist; and John Wightman. Appropriations Committee senators absent: None. [LR206]

SENATOR ADAMS: Good morning, everyone. It is beyond 10:30, the start time, and we have been informed that we have several testifiers today and we want to be done by 12:00, so we're going to begin this joint hearing of the Education Committee and the Appropriations Committee. Today, I want to welcome everyone who's here and I want to begin, first of all, by introducing members of the Education Committee who are here, and then I'm going to ask Senator Heidemann to introduce members of the Appropriations Committee. Senator Schilz will be here in just a moment. He's a member of the Education Committee. Also, to my right is Kris Valentin. He is the research analyst for the Education Committee. I'm Greg Adams, representing the 24th District and chairing the Education Committee. Next to me is the clerk for the Education Committee, Becki Collins. Next to her is Senator Howard. Senator Howard is Vice Chair of the Education Committee, we also have Senator Sullivan with us right now, who is on the Education Committee, and I think Senator Avery will be here in just a moment. Senator Heidemann, do you want to... [LR206]

SENATOR HEIDEMANN: Welcome. State Senator Lavon Heidemann, Chair of Appropriations. My committee that are here at this time--there will be more, maybe, joining us later--but those that are here now: Senator John Harms from Scottsbluff is the

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Chair...is actually Vice Chair of our committee also. Senator Tom Hansen from North Platte; Senator Danielle Conrad from Lincoln; Senator John Nelson from Omaha; and Senator John Wightman from Lexington. And joining us at the present time is Senator Tony Fulton, who also is from Lincoln and also Senator Heath Mello, who will be presenting this interim hearing to us, sitting in the front row right there, and we'll hear from him later. [LR206]

SENATOR ADAMS: And Abbie Cornett from Education Committee, representing the Bellevue area, has also joined us. The rules of the road here today are very similar to what we do in the Education Committee during regular session. We are hearing a...LR206, an interim study to examine funding streams available to adult education programs to better transition adults into postsecondary education through bridge programs. We're going to go with the five-minute rule today, and that is pretty typical of the Education Committee to do that, and if you extend beyond the five minutes, why, I'll remind you that you are and give you a few seconds to summarize and tie things together, and then we'll move on. Each testifier, as you come to the podium, if you'll notice there is a box up there at that table right behind it. There are the registration sheets for those of you who wish to testify, and we ask that you fill those out, and then when you do testify, just put those sheets right there in that box. That will work fine. When you come to the microphone, please state your name and spell it clearly for the record so that the clerk can get that in the record, and we will go by the five-minute rule. We have a lot of people who want to testify today, I have been informed, so we're going to keep moving right along. And of course the committee, I'm sure, will have questions for the testifiers. I would ask that you turn off all of your electronic devices and only identified members of the press be allowed to use their computers and if you would do that, we'd appreciate it. That allows everybody to be able to focus and hear what questions are being asked in the testimony that's being heard today. With that, Senator Mello, you are the introducer of this interim study. The floor is yours. [LR206]

SENATOR MELLO: (Exhibit 1) Good morning, Chairman Adams and Chairman

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Heidemann, members of the Education and Appropriations Committee. My name is Heath Mello, M-e-I-I-o, and I represent the 5th Legislative District in south Omaha. LR206 is an interim study designed to examine our current adult education programs and to consider possible funding streams for what is known as "bridge programs." Speaking generally, bridge programs are educational collaboratives helped...to help adults in need of basic skills or English language learning to succeed in pursuing higher education and increased earnings by Lincoln educational courses with occupational skills development, and accelerate into the transition to employment and further education. Successful bridge programs accelerate student transitions from precollege to college level work by creating courses that teach both basic skills like English and math, and occupational skills like construction and nursing. Frequently, they are partnerships between adult education programs, community colleges, and human service agencies. As the Education Committee has heard during the previous hearing, Nebraska is clearly facing a skills gap. By 2018, 64 percent of jobs in our state will require postsecondary education, yet only 35 percent of Nebraskans currently hold such a credential. In order to fill this gap and continue to grow our economy, our state must find new strategies to train Nebraskans for the jobs of the future. Investing in bridge programs, which have been established nationwide with great success, can help keep our economy strong and create new opportunities for working families. In simple terms, establishing and supporting bridge programs can be a smart strategy to not only increase our work force, but also get improved outcomes from our current investments in adult education programs. While there are a handful of existing bridge programs in Nebraska, most of them lack a dedicated funding source, and right now are currently funded through the American Recovery Reinvestment Act or other federal grants. I've invited representatives of two such current programs: the Pathway Out of Poverties Program, through the Center for People in Need in Lincoln and the Customer Connect Program, through Goodwill, to talk about some of their successes and challenges they currently are facing. I've also invited representatives from our community colleges and the Latino American Commission to discuss their current efforts in regards to bridge programs. In addition to examining current adult education programs, I'm hopeful that we can have a

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productive conversation regarding potential funding streams and how existing dollars could be leveraged to grow resources for bridge program initiatives in Nebraska. I'd like to specially thank Senator Adams and Senator Heidemann for their assistance in reaching out to various state agencies which has jurisdiction over the potential funding sources that we've identified in the resolution, and at that point I'd be happy to answer any questions the committees may have. [LR206]

SENATOR ADAMS: Thank you, Senator Mello. Committee, are there questions for the Senator? Senator Harms. [LR206]

SENATOR HARMS: Thank you very much, Senator Mello. Would you explain to us exactly what is in the bridge program? I mean, if we're going to fund a bridge program, what are the components of being a bridge program? And then do we have any colleges, such as community colleges, doing a portion of this? [LR206]

SENATOR MELLO: Senator Harms, without stealing too much thunder, so to speak, from a variety of people who are going to present after me from...who currently run two existing bridge programs as well as the community colleges, a bridge program is a model. It's a design that's...that was created to infuse basic educational curriculum, whether it's English as a second language or English language learners with basic math, reading, and tying them into occupational skills development as well. So someone who might be learning literacy skills are also learning construction skills through the same program, so it helps accelerate their learning of real-world skill development as well as their classroom curriculum. So without going too much, that's the basic concept of what a bridge program model is. There are a variety of different programs currently in this state. Two that we're going to hear from today deals with Pathways Out of Poverty, which is dealing with the construction trades, as well as Customer Connect out of Omaha and Goodwill, which deals with customer service--a customer service oriented bridge program. And I know the community college representatives will provide more of a community college perspective as well. [LR206]

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SENATOR ADAMS: Are there other questions for Senator Mello? See none, thank you. Can we have the first testifier, please? Good morning. [LR206]

VIRGINIA POWELL: Good morning. My name is Virginia Powell, V-i-r-g-i-n-i-a P-o-w-e-I-I. I am the Customer Connect manager with Goodwill Industries in Omaha. Customer Connect is a training program for customer service. It is funded through ARRA dollars. So, once this funding ends in February of 2013, it is nonrenewable and the program will end if no other funding is found. We had a partnership with Metropolitan Community College in Omaha and various businesses in Omaha, such as Mutual of Omaha, Blue Cross/Blue Shield, Aflac, First National Bank--very large employers that have customer service call centers, primarily in banking and insurance, and that's the focus of our training. We send individuals to school for six months. They receive a customer service specialist diploma. While they're going through that training, they are also going to a class that is taught by a Goodwill case manager that focuses more on some of those personal self-discovery skills, as well as more information on banking and insurance fields. Most of our people have never been to college, or if they have they have not completed successfully. Right now, we have had 46 individuals graduate with the customer service specialist diploma. Of those, 20 have never been to college and 19 had been to college but had not received any kind of credential. Many of our graduates has expressed interest in continuing on with school because now they know they can be successful at college, when before they had not been. I would say our average participant is a middle-aged, African-American woman who has never been to college and never saw herself as college material. With the support that we offer through the case management, which is a lot of cheerleading, but it's also a lot of accountability. That's something that really helps the individual stay on track because it is very intensive. They meet weekly for a class with case managers to follow up on how they're doing. We receive weekly reports from the Metropolitan Community College instructors to let us know how those students are doing--if they're missing assignments, if they're not doing well in their studies--so that we can provide some assistance with

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that. Part of what makes our program a bridge program is that case management aspect; that support for individuals in college, as well as we're able to take people who would not normally be able to enter the community college without doing some remedial coursework. We have...we're in a pilot project right now where we have a tutor available to all of our students so that they can meet with them. They are required to meet with a tutor if they are lower on their COMPASS scores, which is the assessment to get into community college. So far those students are being successful in our program, and now they don't have to go through three to six months of remedial coursework in order to get into college, which is a big barrier for a lot of students because they don't see themselves wanting to go to school for six months for credit that won't actually count toward a degree. So this gives them that jump-start and support to be able to make it through. [LR206]

SENATOR ADAMS: Thank you. [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR ADAMS: Yes, Senator Conrad. [LR206]

SENATOR CONRAD: Thank you so much for being here. [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR CONRAD: Just a couple of follow up questions in regards to your program. You noted that there was about 46 students that have graduated or successfully completed the program thus far... [LR206]

VIRGINIA POWELL: Yes. Um-hum. [LR206]

SENATOR CONRAD: ...and you still have about another year or so of funding to go.

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[LR206]

VIRGINIA POWELL: Yes. Um-hum. [LR206]

SENATOR CONRAD: So, do you have any projections for the amount of students that might be served completely during that time period? [LR206]

VIRGINIA POWELL: Our goal is to serve 200 students... [LR206]

SENATOR CONRAD: Okay. [LR206]

VIRGINIA POWELL: ...for the entire program. Right now we have another--count in my head--36 who are in class, 20 are about to graduate this month, another 16 will graduate next quarter. We're enrolling right now. Hopefully we'll have 36 in our next group. So we are on track to be able to meet that. There are students who don't make it through for whatever reason. Health issues are some of the biggest reasons, and leaving for employment. So although they didn't finish successfully, they feel like they were successful. But, you know, maybe this didn't get them the credential, but it got them on track for being able to become employed. [LR206]

SENATOR CONRAD: Great. And so you're definitely finding that there is a market amongst eligible students for this kind of programming. [LR206]

VIRGINIA POWELL: Yes, and the businesses...this gives individuals an entry into the business that they would not normally have. A customer service specialist diploma is not required to work at any of these businesses. However, without any kind of past college experience and work experience, they cannot get these jobs because these are considered entry-level for these businesses. But they pay usually \$12 an hour or more, which is significantly higher than what they're able to make without this training. Many of them come from minimum-wage jobs, if they have had jobs any time in the recent past.

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[LR206]

SENATOR CONRAD: Great. That's very helpful. And then, if you wouldn't mind, could you share with us what the current budget is to serve those approximately 200 students? [LR206]

VIRGINIA POWELL: Right now, this grant was funded at \$2 million... [LR206]

SENATOR CONRAD: Okay. [LR206]

VIRGINIA POWELL: ...but we pay everything. Most of our students would probably qualify for things like Pell Grants. There's other funding opportunities for the college piece of it. The piece that there is no funding for is the case management and support piece. That's what...if our students were able to be successful in college, they would have already gone to college because they fit the parameters of being able to get financial aid. It's the support they need to be able to be successful. It's that wraparound service of a bridge program that they needed to actually make it through. [LR206]

SENATOR CONRAD: Okay, that's very helpful. And then just finally, you touched upon one of the other questions that came to mind during your opening on this is...there's been a lot of data and information and stories in the media recently about the rise of for-profit colleges, and the extraordinary amount of debt that many students find themselves in with very little job prospects at the end of their program. And I'm wondering, for people who are participating in a bridge program: the students themselves are keeping their student loans very manageable, or what's their expense in this context? [LR206]

VIRGINIA POWELL: In our program, currently there is no expense. [LR206]

SENATOR CONRAD: There's no expense. [LR206]

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VIRGINIA POWELL: There's none at all. [LR206]

SENATOR CONRAD: Okay. [LR206]

VIRGINIA POWELL: The grant pays for everything. It pays for all tuition, fees, books. We also have included what's called the Needs-Related Payment for individuals who are not working or not receiving unemployment while they were in our program, and that's a very small amount--usually about \$60 to help with any associated fees that come up. You know, things like they need to have lunch when they're at school all day, and, you know, schools don't pay for people to have lunch, so being able to have money for those things. So, right now there's no fees at all for our individuals. [LR206]

SENATOR CONRAD: So the students aren't incurring a significant amount of debt and they're coming out with a marketable skill... [LR206]

VIRGINIA POWELL: Right. [LR206]

SENATOR CONRAD: ...and entering right into the work force... [LR206]

VIRGINIA POWELL: Exactly. [LR206]

SENATOR CONRAD: ...in self-sufficiency... [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR CONRAD: ...kind of wages and jobs, which is different than the

minimum-wage job... [LR206]

VIRGINIA POWELL: Right. [LR206]

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SENATOR CONRAD: ...and public assistance they were receiving beforehand. [LR206]

VIRGINIA POWELL: Absolutely. And I think that's something that...the bridge program helps bridge the student from, you know, high school into college, but a bridge...a good bridge program, in my opinion, also helps bridge the community college and business--that we work with both sides in order to connect individuals to businesses, you know, make sure that we are training what is a very hot job in the Omaha area, and that we have the business contacts to be able to advocate for our participants to get those jobs. [LR206]

SENATOR CONRAD: And I know Senator Harms always speaks so eloquently about the flexibility inherent in our fantastic community college system that allows for those real-time adjustments to be made so that we have good match-ups for students and the marketplace, which is wonderful. And then just finally, I promise, last question: is there an eligibility parameter for students to participate in this program? [LR206]

VIRGINIA POWELL: There is. You need to be unemployed or underemployed, which is not hard to do. You need to be at least 18; you cannot have a felony--misdemeanors are on a case-by-case basis, but typically ones of theft are not eligible for our program; and you need to have a high school diploma or GED. Those requirements are for our program because of the industry that we look at with banking and insurance. So, those are the requirements to get jobs in that field, so that's why we have some of those requirements for our program. [LR206]

SENATOR CONRAD: Great. Thank you so much. [LR206]

VIRGINIA POWELL: You're welcome. [LR206]

SENATOR ADAMS: Senator Wightman. [LR206]

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SENATOR WIGHTMAN: Thank you, Senator Adams. Thank you for being here. You talked about a \$2 million grant, and that's not the annual. That's a one-time grant. [LR206]

VIRGINIA POWELL: Yes. That's for the whole three years. [LR206]

SENATOR WIGHTMAN: And it's a three-year program? [LR206]

VIRGINIA POWELL: Yes. [LR206]

SENATOR WIGHTMAN: And you talked about 200 students...is that, like, detectable (inaudible) [LR206]

VIRGINIA POWELL: Um-hum. Yes. Yes. We've had 100 enrolled so far. We've got about another 100 to go. [LR206]

SENATOR WIGHTMAN: So that's about \$10,000, if you reached your goal, that's about \$10,000 per student. [LR206]

VIRGINIA POWELL: That would be about correct. Um-hum. [LR206]

SENATOR WIGHTMAN: You said you've had 46 graduates to date...(inaudible). [LR206]

VIRGINIA POWELL: We have had 52 students complete the program. Forty-six of them received the specialist diploma. We had six of them who completed all the classes but did not pass one, so they could not get the specialist diploma. Many of those have still gone on to get jobs in these fields based on the coursework that they took up. [LR206]

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SENATOR WIGHTMAN: I am interested in your profile of the average student. I think, you said, the average would be a black American female. Is that correct? [LR206]

VIRGINIA POWELL: Yes. Um-hum. [LR206]

SENATOR WIGHTMAN: Could you give us any percentage--how many African-Americans or blacks there were (inaudible)? [LR206]

VIRGINIA POWELL: I'm trying to remember the numbers that I most recently looked at. Out of 111 that we've served, I know at least 90 were female, and I want to think that maybe 70 were African-American. That is an estimate off the top of my head because I didn't bring those numbers with me on the demographics. [LR206]

SENATOR WIGHTMAN: But really, a predomination of... [LR206]

VIRGINIA POWELL: Yes. Um-hum. [LR206]

SENATOR WIGHTMAN: ...of black women. [LR206]

VIRGINIA POWELL: Absolutely. [LR206]

SENATOR WIGHTMAN: Thank you. [LR206]

VIRGINIA POWELL: You're welcome. [LR206]

SENATOR ADAMS: Senator Fulton. Did... [LR206]

SENATOR FULTON: Yeah. [LR206]

SENATOR ADAMS: Did you want to be recognized? [LR206]

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SENATOR FULTON: Yeah, thank you. Thank you, Mr. Chairman. The...I'm betraying some...I'm not familiar with the bridge program. How were bridge programs funded before ARRA? [LR206]

VIRGINIA POWELL: They can be funded through a variety of ways. I think that's something kind of unique in the bridge program is that when you find the need for it, you have to try and find the funding for it. There have been a lot of Department of Labor grants here and there. A lot of those have now dried up. A lot of the federal funding is gone. In other states there is funding through WIA dollars and through SNAP. There is also city funding, local funding. It's a huge variety on how these are funded. I would say going forward with our program, like I said, a lot of the students would qualify for financial aid that would not add to their debt at the end, so it's more the...it's the bridge piece more than the education piece that needs that funding support in our program. [LR206]

SENATOR FULTON: How were they funded, though, here, before...and all of those different funding mechanisms were used previously? [LR206]

VIRGINIA POWELL: I can't really speak for any others. We...this is some...our first bridge program. We had a pilot program of this on a much smaller scale that kind of resulted in a little bit different credentials, and that was funded through the chamber and the businesses. That was about two years ago, two and a half years ago. But I think in these times it's hard to get businesses to put much money into programs. Though I think the return on investment is pretty high, I think it needs some legislative support to encourage businesses to look at it as a viable option. [LR206]

SENATOR FULTON: Thank you. [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

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SENATOR ADAMS: Senator Nelson, I'd like to recognize you. [LR206]

SENATOR NELSON: Thank you. Thank you, Chairman, and I'm set. Thank you, Ms. Powell, for testifying. Just so I understand the process a little better, you are the case manager at Goodwill. Is that correct? [LR206]

VIRGINIA POWELL: I am the manager of the program, so I oversee our case managers. [LR206]

SENATOR NELSON: All right. Who provides...with regard to the call centers, who provides the initial training that enables those persons to begin employment there? [LR206]

VIRGINIA POWELL: Metropolitan Community College provides the instructors, so it's all for credit. And then they have a case management class that's taught by their case manager. So altogether, both Metro and community...the community college and Goodwill provide the training to receive that specialist diploma. Then when they go on to the business, that's where they learn those specific skills of how to use two different screens and how to look up information and use their particular system and their computer knowledge. So what we're teaching them is more how to interact with customers. That was feedback we got from the businesses based off our pilot. We had been teaching more of those very specific computer skills, and the businesses said we know how to teach that. We don't know how to teach people how to be good customer service representatives. They need more of that initial how to interact with people appropriately, a little more basic on the computer before they come to us. [LR206]

SENATOR NELSON: So they can't just begin working at the firm. They have to enroll at Metro first and take the course, or whatever length it is. How long does that take before they begin their employment then with the employer? [LR206]

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VIRGINIA POWELL: Our program is six months. It is possible for somebody to go and get a job at Mutual of Omaha or Aflac without going through our training. I will say it's highly unlikely for the people we serve to go to Mutual of Omaha or Blue Cross and get a job without our training because they do not have, honestly, that level of professionalism, and that's part of what we teach them is how to survive in a professional work environment as opposed to a job. How do you actually start a career? So there are individuals who can go and get those jobs, but they're typically people who have already had some college, if not a college degree. They are people who have had professional-level jobs of some form or another with a lot of experience. So when our people don't have that, this helps them have education in place of experience. [LR206]

SENATOR NELSON: Is there a commitment from these various companies to hire people that have completed and got their diploma? [LR206]

VIRGINIA POWELL: There is not a commitment to hire any certain number. These are...the businesses are heavily involved. They meet with us quarterly to give input into our program. They come out to the classes and talk about their field and what they look for when they hire. They do mock interviews for us. And hiring is happening as they have classes open. They have not had the classes that they hoped when we first wrote this grant, but they have still been doing the hiring and those positions are there, and so we expect that to continue to grow as people meet the qualifications, but there's not a commitment that they are going to hire our people just because they've graduated from our program. [LR206]

SENATOR NELSON: All right, thank you. Thank you, Mr. Chairman. [LR206]

SENATOR ADAMS: Senator Harms, and then Senator Sullivan. [LR206]

SENATOR HARMS: Thank you very much for coming and testifying. How many of your

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students who do this six-month program go into the world of work and actually are employed right after they leave? [LR206]

VIRGINIA POWELL: Out of the 52 individuals who have completed the classes, we have 34 employed right now. So right now we're at a 65 percent rate. All of the individuals who have finished are still looking for employment, a lot with call centers as they hire in waves. They hire in classes, so they kind of have to wait for the next class to open up at certain businesses in order to be able to have a good shot at hiring, because most of them don't hire in ones and twos. They wait and hire, you know, for a class of 10-15. [LR206]

SENATOR HARMS: When people come to your program, what are the deficiencies they actually have, basically? I understand that they maybe don't feel like they're college ready, but what are the actual deficiencies you're finding? Then I want to tie that back to are they graduating from high school? Do they have a high school diploma or not have a high school diploma? So what are the deficiencies they actually have? [LR206]

VIRGINIA POWELL: All of our students have to have a high school diploma or GED. [LR206]

SENATOR HARMS: Okay, now, let's stop there. If they don't have that, do you tie them back to the community college to the GED program? [LR206]

VIRGINIA POWELL: Yes. We would refer them to other places that could help with that, that can support them with that, just because our grant...there is no funding to help somebody get their high school diploma or GED, unfortunately. Though we do have, depending on their age, Goodwill has other programs that we're able to tie them into, if necessary. But still they have deficiencies in reading and writing, which is what we have them test in the COMPASS in order to get into the community college, and those are the biggest deficits. Usually writing more than reading, and that's something that one of

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their first classes addresses, and that's what the tutor is there to help with as well. [LR206]

SENATOR HARMS: So the wraparound services you provide fall into the areas of math and reading. What else do you have as a wraparound service for a student who comes into that environment? [LR206]

VIRGINIA POWELL: We have the Goodwill class that focuses a lot on self-discovery. They do a DiSC assessment, if you're familiar with that, which kind of helps them learn their own style of interaction in the workplace and how to work with others. They learn a lot about communication styles. They have to write a lot of papers in both classes. The tutor there kind of reviews and helps them with. We have the case management which is really writing a plan. How are you going to succeed? What are your barriers? What are you going to do about them? And helping attach resources to that or find out how they can get those help that they need. A lot of it is teaching self-advocacy: learning how to help yourself and how to find ways to kind of break that cycle of poverty in your family. We have the needs-related payment and then we help with the job placement and finding those jobs for them, which helping them find jobs. We don't find them for them because we want them to learn how to do that. But providing those job leads and support through that and then support once they are hired--following up to make sure things are going well, if they're having any problems at work, don't know what to do about something--that we can help kind of talk them through that situation. [LR206]

SENATOR HARMS: Does any of the work that they take, is any of that applicable to like, for example, community college, like a certificate diploma or towards associate's degree, is anything that they're taking... [LR206]

VIRGINIA POWELL: Yes, they do receive a customer service specialist diploma which is about...requires about 25 credit hours, so they're also a quarter of the way towards an associate's when they complete our program. [LR206]

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SENATOR HARMS: But the community...do the community colleges then take that, like naturally they take all the work that you require? [LR206]

VIRGINIA POWELL: Yes, they're all Metro classes. [LR206]

SENATOR HARMS: That's great. [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR HARMS: I mean, you've really got those students really set up. I hope they go on so that's not a dead end once they take and then they don't... [LR206]

VIRGINIA POWELL: Absolutely, and several of ours, though...our grant focuses on that they do this and they get employed, several of our students have decided to keep going to school which we consider a success, even though it doesn't fit our numbers. To us, that's a huge success: that somebody who didn't think they were ever going to be able to go to college decided to stay in college and keep going toward that associate's. [LR206]

SENATOR ADAMS: Senator Sullivan. [LR206]

SENATOR SULLIVAN: Thank you, Senator Adams, and thank you for your comments. You mentioned earlier that there are case managers who work with the students. Now, where do those case managers come from? Are they part of the Goodwill staff? [LR206]

VIRGINIA POWELL: Yes. They are Goodwill employees. [LR206]

SENATOR SULLIVAN: Okay, and this grant runs out when? [LR206]

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VIRGINIA POWELL: February of 2013. [LR206]

SENATOR SULLIVAN: So, are you accepting students into the program right now?

[LR206]

VIRGINIA POWELL: Yes, we are. [LR206]

SENATOR SULLIVAN: Up until? [LR206]

VIRGINIA POWELL: Our last class will be June of 2012 if we don't find alternate funding, because then they will finish in November and that still gives us time to hopefully help them find employment and get stable and employment before the grant ends. [LR206]

SENATOR SULLIVAN: Are you exploring, right now, other sources of potential funding? [LR206]

VIRGINIA POWELL: That's something that I'm constantly looking for. But we've primarily run on grants in the past, Goodwill has, and so this is a change for us to try and look for alternate funding for our programs, because the federal grants just aren't materializing as they have in the past. [LR206]

SENATOR SULLIVAN: Is there any indication at this point of potential help from the cooperating businesses? [LR206]

VIRGINIA POWELL: Not at this point, and I think that's something that hopefully one of the things I'm going to try and do is just kind of show that return on investment that they've gotten out of this program. We looked and there have been six individuals employed at Mutual of Omaha and five of them are still there. Two have reached their one-year marker this month. And so just based on that alone, that is much higher than

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the average turnover in a call center environment, so that our people stay at jobs and that that's something we hope will bring the businesses in to be able to provide some support. [LR206]

SENATOR SULLIVAN: Thank you. [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR ADAMS: Senator Howard. [LR206]

SENATOR HOWARD: Thank you, Senator Adams. That goes right into what I was going to ask you. Are you doing some tracking and gathering some information about people remaining and staying on the jobs? And then an additional question would be with the case management. How long does that last because usually, when people are able to get placed in a job, they still have issues of transportation and childcare. [LR206]

VIRGINIA POWELL: We have the case managers through the entire education part of it and then typically I take over to help them find those jobs and then check in with them. I try monthly to see how they're doing on a job, but then we are always available if they need to call us to get some kind of assistance, get referrals, get advice. We're always still there. We do follow up for two quarters after employment, but I like to go back and check and see how people are doing past that. Since it's a small enough number, that's easy enough to do with this size of grant: to see if people are able to keep their jobs past that six-month marker, though six months is typically kind of the make or break. If they've made it that far, usually they're going to be successful going forward. [LR206]

SENATOR HOWARD: So have you been able to track that? Do you have any numbers on your graduates? [LR206]

VIRGINIA POWELL: So far, we have had 13 people remain employed for two quarters

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after employment. That does not mean that those other people have lost their jobs, they just haven't reached two quarters yet. I only know of a couple people who are not employed out of that 34 that got jobs. Most of them are still employed, they just haven't reached two quarters yet to know how that's going. [LR206]

SENATOR HOWARD: Thank you. [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR ADAMS: Are there other questions? I have just a couple very quick ones. Approximately what percentage of the \$2 million, would you estimate, goes for case management? [LR206]

VIRGINIA POWELL: Let's see. I would say if I'm looking at personnel costs, because there is myself, there's an intake coordinator who goes and looks for the students and helps get them through the enrollment and intake process and then we have two case managers and then we have a compliance specialist who makes sure that we are conforming to all of the Department of Labor guidelines and expectations. So I would have to estimate--one, two, three, four--about \$250,000 a year at the most. [LR206]

SENATOR ADAMS: Okay. [LR206]

VIRGINIA POWELL: It depends on who takes health insurance and who doesn't. [LR206]

SENATOR ADAMS: Okay. The eligibility rules that you spoke of, are those determined by your organization or were there some guidelines established when you accepted the ARRA money? [LR206]

VIRGINIA POWELL: These were guidelines that we wrote into our grant based on the

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businesses and what they stated they would hire. So the grant, in and of itself, didn't necessarily set those requirements, but they were part of our acceptance. In getting that grant, that was what we said we would do. [LR206]

SENATOR ADAMS: All right. Senator Heidemann. [LR206]

SENATOR HEIDEMANN: So you have five people? Five? [LR206]

VIRGINIA POWELL: Yes. It's four and a half. The compliance person is only part-time. [LR206]

SENATOR HEIDEMANN: And approximately \$250,000 a year, so out of the three-year period, you'll spend \$750,000 out of the \$2 million for administration? [LR206]

VIRGINIA POWELL: That would be a high estimate, I would think, but without my budget in front of me I couldn't tell you. And that includes benefits, health insurance, which is a large amount. [LR206]

SENATOR HEIDEMANN: Okay, thank you. [LR206]

SENATOR ADAMS: Are there any final questions for this testifier? Yes, Senator Conrad. [LR206]

SENATOR CONRAD: Hi. Just to follow up on Senator Heidemann's question, what's a typical caseworker make at Goodwill Industries? [LR206]

VIRGINIA POWELL: Our starting pay for a case manager is...base, with no diploma...not no diploma, no bachelor's degree, would be about \$28,500. [LR206]

SENATOR CONRAD: Okay, and in terms of the leadership at your organization, do you

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have a lot of high-paid executives or can you, are you willing to visit about what those make in that... [LR206]

VIRGINIA POWELL: I honestly have no idea what the people above me make. [LR206]

SENATOR CONRAD: (Laugh) Okay. [LR206]

VIRGINIA POWELL: I make \$45,000 as the manager. [LR206]

SENATOR CONRAD: I appreciate your candor and I think it's fair to say that nonprofits like Goodwill, which have an excellent reputation in our various communities across this great state, a lot of the employees are drawn there because they're committed to the work... [LR206]

VIRGINIA POWELL: Absolutely. Absolutely. [LR206]

SENATOR CONRAD: ...rather than a high paycheck. [LR206]

VIRGINIA POWELL: Because typically social services is not high compensation. I've been in the field almost 20 years, so, and I'm thrilled to make what I make in social services. (Laugh) [LR206]

SENATOR HOWARD: Yeah. Well, thank you for your candor... [LR206]

VIRGINIA POWELL: Absolutely. [LR206]

SENATOR CONRAD: ...and your service. [LR206]

SENATOR ADAMS: Senator Howard. [LR206]

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SENATOR HOWARD: Thank you, Senator Adams. Well, I have to ask you then... [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR HOWARD: ...your case managers aren't social workers? [LR206]

VIRGINIA POWELL: They are not licensed social workers. [LR206]

SENATOR HOWARD: They don't have degrees. [LR206]

VIRGINIA POWELL: Yes, they do. [LR206]

SENATOR HOWARD: I thought you said they didn't require...you didn't require a B.A. [LR206]

VIRGINIA POWELL: We don't require degrees for many of our jobs, but it's highly preferred. So actually, one of our degrees has a bach...one of ours has a bachelor's and one has a master's and in order to participate how we have with Metro, at least one of them had to have a bachelor's. So they're not required, but they're highly preferred in our organization. [LR206]

SENATOR HOWARD: What's the minimum requirement? [LR206]

VIRGINIA POWELL: A minimum requirement for one of our case managers? [LR206]

SENATOR HOWARD: Right. [LR206]

VIRGINIA POWELL: I would say...I'm trying to think of how our...the one position has to have a bachelor's degree and then the other position, if they don't have a bachelor's,

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they have to have a minimum of two years' experience providing case management. [LR206]

SENATOR HOWARD: Fine, thank you. [LR206]

VIRGINIA POWELL: But it's unusual for us to hire somebody without a bachelor's degree and experience. [LR206]

SENATOR HOWARD: Thank you. [LR206]

VIRGINIA POWELL: Um-hum. [LR206]

SENATOR ADAMS: Are there any other questions for this testifier? I guess not. Thank you. [LR206]

VIRGINIA POWELL: Thank you. [LR206]

SENATOR ADAMS: Next testifier, please. Ma'am, before you begin, did you fill out one of our registration... [LR206]

BEATTY BRASCH: I did. I already...here it is... [LR206]

SENATOR ADAMS: Could you put it right there in the box? Great. Thank you. Good morning. [LR206]

BEATTY BRASCH: Good morning. My name is Beatty Brasch. I'm executive director of the Center for People in Need in Lincoln, Nebraska. I support the efforts of these committees to examine... [LR206]

SENATOR ADAMS: Ma'am, could you spell your last name for the clerk, please?

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[LR206]

BEATTY BRASCH: Oh, I'm sorry. Sure. B-r-a-s-c-h. [LR206]

SENATOR ADAMS: Thank you. [LR206]

BEATTY BRASCH: (Exhibit 2) I support the efforts of these committees to examine the potential funding streams for bridge programs because they are a key factor in successes for low-income people who are trying to move towards self-sufficiency. They can be a vital tool for fighting poverty. Thirty-eight percent of Nebraska adults over 18 have no formal schooling beyond a high school degree--almost one in four. These adults represent 29 percent of Nebraska's total population. Among Nebraskans aged 25 or older, the poverty rate is 3 percent for those with a bachelor's degree, 8 percent for those who have some college or an associate's degree, 11 percent for those with only a high school degree, and 25 percent for those with less than a high school degree. There is an eightfold increase in the poverty rate between college grads and those who did not graduate from high school. I know from years of working with the low income that lack of education is their biggest barrier they face. Every year we conduct a survey and publish an annual report called The Faces of Poverty. In 2010, when asked about a highest education level, 1,183 out of 1,790 respondents had less than a high school education. Two hundred and twenty-seven reported having no more than an eighth grade education. Many had less or no education at all. At the Center for People in Need, we help clients work to overcome barriers through our job skills training and education programs. Many of them are hindered by lack of education and marketable job skills and our refugee clients add to that problem of illiteracy and innumeracy. In order for them to have the slightest chance to succeed, we provide wraparound services that include food, clothing, personal care products, household goods, and we help them with access to healthcare and childcare. We offer GED, ESL, computer lab. We have gas vouchers for them if they're getting a job and also we have reduced bus fare for them. These wraparound services are instrumental in helping clients stay in job training

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programs, as shown by our 90 percent completion rate in the Center for People in Need's job training programs. We see at the center many TANF recipients, about 100-120 every day and what we're trying to do is find job training programs that meet their skill level and ones that they can do. We also, as part of that, most of them are refugees who have very, very little English, if any. So our job training programs for them, there has to be very, very basic. We have what we call VESL classes, which is vocational ESL, where they come in and we teach them this is a mop. The mop is to sweep the floors. We have to teach them the days of the week. We have to teach them the calendar. We have to teach them what a clock is, and we go through a very slow process because it's very all related to job training and the words they need to know if they go and get a job. We do these job trainings and janitorial, food service, reception--not reception. Those two are the main ones, and basic job readiness that would help them for any classes. We feel they're very important because you have to speak English if you're going to get a job. You have to know the basic words for getting a job. We also have training and forklift training. We also have it in warehouse and retail and receptionist. Now, we have done forklift training with refugees, but I can tell you that's an interesting challenge. A great thing about janitorial and...well, janitorial in particular, you...is it's limited English. Food service is hard. It's great for if you speak English, but for someone who does not speak English it can be very, very difficult. I mean, they talk about swirl, and...I mean, all those food words that you and I are familiar with, but you wouldn't be if you didn't. And these programs, as I said, we have a 90 percent completion rate and they do get jobs. Clients on government assistance like TANF have opportunities to go back to school full time if their education plans are approved. This offers a small window with which TANF client can return to school with material support service, academic achievement assistance, and mentoring from the bridge program. We're very, very interested in this program and hope it is funded because I...frankly, there's so many people who we see who their only hope is to get training and start them in something basic and something they can do. They're gradually going to pick it up. We also have at our agency, Southeast Community College is providing a medical assistant's program or basic public health nursing and so forth, so I

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just want to encourage you all to support the program because it has the potential for being great. [LR206]

SENATOR ADAMS: Thank you, ma'am. Are there questions now? Senator Conrad. [LR206]

SENATOR CONRAD: Thank you, Beatty, for being here. In full disclosure, I am unabashedly biased (laugh) in support of the good work that you do at the Center for People in Need because it's right in the heart and soul of the "Fighting 46" in north Lincoln. And of course, you serve the entirety of our community so very, very well on so many different and important projects. I've had an opportunity to tour your facilities many times and see these programs firsthand, and always come away amazed and impressed and I'm wondering, since we are all here for the next couple weeks, and some of us with more heavy lifting to do than others (laugh), if an invitation may be extended or open to other senators on these two committees to maybe come out and have a chance to see these programs work firsthand and maybe even visit with some of the recipients. I can't speak for anybody's schedule, but that might be a provocative and important invitation that we could help to arrange. [LR206]

BEATTY BRASCH: That would just be great. We'd love to have you any time. Morning is the best, just because that's when most of our job training programs are going on, but we could certainly give you a flavor of it at any time. [LR206]

SENATOR CONRAD: And then, just finally, and maybe there will be some other testifiers who come later, there's no question there's expenses in administering these programs and that's why you're here today, to try and figure out state solutions in the absence of federal funding and how maybe we can be a piece of that in cooperation with the private sector, which I'm hopeful that we can find those solutions. Before you started the Center for People in Need, you've worked at Lincoln Action Program for 20-plus years? I don't know. [LR206]

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BEATTY BRASCH: Fifteen. [LR206]

SENATOR CONRAD: Fifteen. Okay, I'm sorry. [LR206]

BEATTY BRASCH: I'm not sure, frankly. (Laugh) It was a long time. [LR206]

SENATOR CONRAD: But I think it's fair to say that you've got some pretty well-established credentials when it comes to poverty issues and antipoverty solutions and what I wanted to talk about is just your perceptions or impressions in a program like this and breaking the cycle of poverty that we see with a lot of families. And we know, for example, that the 120 folks that are on TANF and coming to your programs each day are utilizing a significant amount of public resources: childcare, TANF, food stamps, what have you. And how do these programs help to lessen that reliance on public assistance and ultimately save the state a great deal of money? If you want to just visit about any of those kinds of issues that would be helpful. [LR206]

BEATTY BRASCH: Sure. Yeah. And, I mean, our focus is on finding people jobs. And the TANF program, actually, is very, very focused on that. They do a lot of work on trying to help them with job readiness, job search, and we also do, too. But, I mean, if we can get them a job, I mean, it makes a huge difference. It gets them off of the system and many people we've seen have gotten completely off of the system. I think one of my concerns is, like with the refugees, one of the jobs they frequently get is meat packing and they can get that pretty easily because it's a job that no one else wants. But the problem is they're not learning English then. I mean, they're very isolated. They aren't learning English and I'd much rather have them stay for a period of time so they can get their education skills up, they can learn English, so that they have basic skills so they can go on because they can only keep the job, meat packing jobs, usually for two years. And then, I mean, if that. And then they are physically...they can't do it and so what happens? And they're back, right back on the system. We're not helping them. So

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if we gave them the job training that was necessary while they're on the system instead of pushing them off so quickly, we'd be much better off. And getting them a GED--I don't know how many of you really talk about the GED continually. But I know of...how many of you have taken the GED in this room? Forty percent of our high school graduates cannot pass the GED the day they graduate, so it's a very, very hard test. So it's a very hard...it takes a lot, a lot, a lot of work for the people we see to get their GED because it is...I mean, they've been out of school for a period of time. They probably didn't do that well in school when they were there. So, I mean, just getting a GED is not the answer. We have to have job skills training programs for people who do not have a GED. We have to have skill training so that they can have the wage of self...so they can be self-sufficient and off the system. [LR206]

SENATOR CONRAD: Great. Thank you. [LR206]

SENATOR ADAMS: Senator Avery. [LR206]

SENATOR AVERY: Thank you, Senator Adams. Thank you, Beatty, for coming. Tell me something about your instructors. Where do they come from? Do you have to pay them? Are they volunteers? What kind of skills do they have? Experience? Because that matters when you're teaching. [LR206]

BEATTY BRASCH: Well, we have Southeast Community College who does do some coursework out there and teaches some of the classes, but basically getting to your questions, we don't have the money to pay people. I mean we, you know, we run on a shoestring. And what we use is AmeriCorps volunteers. Are you all familiar with AmeriCorps? And that's who we use, so they really are not costing us anything. I mean, they cost us their room and their space and so forth, but their...we don't have to pay them...we do not pay their wages. That is covered and their health insurance is covered. But frankly, we...one of our AmeriCorps members is one of the best teachers anywhere, as far as teaching the VESL classes, the vocational ESL classes. I mean, she's great. I

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mean, certification helps and so forth, but a lot of it is who the person is and Dr. Torraco from the University says she's the best teacher he's ever seen and she does not have a GED, so. [LR206]

SENATOR AVERY: How do you decide what the students need to learn? What words...you say you teach them words like mop and... [LR206]

BEATTY BRASCH: Yeah. [LR206]

SENATOR AVERY: But how do you know all of the things that need to go into the curriculum? [LR206]

BEATTY BRASCH: Well, Dr. Torraco actually has volunteered his time and he is a specialist in this area. He actually works it out it goes very progressively from "Hello, my name is, I live at" to...then the job training where "this is a broom" or whatever it is, and then he has pictures with it. They have pictures to show them what the word is actually. So he's developed some curriculum for us for all of our programs. And we're just starting in childcare and he's in the process of doing that also. And we're very fortunate to have him and that he volunteers, but he's very committed to helping people who do not have a college...high school degree develop some job training so they can get a job and get off the system. [LR206]

SENATOR AVERY: Are most of your personnel volunteers? [LR206]

BEATTY BRASCH: No. We have a job training staff person that we do pay and otherwise they're AmeriCorps. And we have other staff people, too, for different things, but in the job training education field. We have a computer lab that the ADC recipients are required to go to every day and that has...we do do job...computer training in there, you know, basic computer training. But they also...they get ESL and all those other courses on-line. But we do pay that staff person but there are AmeriCorps members

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that help him because they need a lot of individual attention. A lot of people have never seen a computer. You cannot get a job today if you do not have a computer. So, I mean, it's a key skill they have to learn and that's why we insist on it. [LR206]

SENATOR AVERY: I remember going out and touring the center once. I commented, it was one evening, and I commented about the number of people that were there and how many people you were serving. [LR206]

BEATTY BRASCH: Yeah. [LR206]

SENATOR AVERY: And I was thrilled to see that you were doing that much. Your response, though, was quite different. Yours was oh, but Bill, there is such a great need and this is just a small part of it. [LR206]

BEATTY BRASCH: Right. We see about 38 percent of the low-income people in Lincoln every year. They come through our doors. Now some of it is through the Toyland Program or other programs, but... [LR206]

SENATOR AVERY: And the medical program, too. [LR206]

BEATTY BRASCH: Yeah. Health Hub. Yeah. [LR206]

SENATOR AVERY: Yeah. [LR206]

SENATOR ADAMS: Senator Sullivan. [LR206]

SENATOR SULLIVAN: Thank you, Senator Adams. Thank you, Beatty. How is the Center funded? [LR206]

BEATTY BRASCH: Donations, grants, grants, donations. I mean, that's...you know. And

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we really work very...we use our TANF participants also. I mean, the one way we're able to do it all is because we do job training janitorial and they get their work experience by doing the janitorial work. So they go through a curriculum of job training and then they did 300 hours of work experience. And we give them a certificate at the end which shows, you know that they can frame or take to their employer, showing all the different types of things they've learned like janitorial. You know, they watch the videos how to clean the toilet, how to mop, how to do this and that. So they save us a lot of money. I mean, it also works for our warehouse. We teach people how to drive a forklift so we don't have to pay people to drive the forklift. We have one person to supervise that's the staff, but that's how we operate on so little money is the people that are there really getting their job skills, like forklift training, and they got certified and they get 300 hours of forklift, you know. And we can say that on the certificate and all the different skills they have learned so it helps them get a job. They can take this with them when they get a job. [LR206]

SENATOR SULLIVAN: Beyond that, what sort of a relationship do you have with businesses? [LR206]

BEATTY BRASCH: We have Lunch and Learns with businesses and we do try...we need money to help develop that even more, but we do work with businesses and we know which businesses are more apt to hire people and which aren't and we do job search also and help...we take people sometimes on a job interview or we'll give whatever types of supports we can because, I mean, a lot of them have not a clue how to fill out an application blank or how to make a phone call. So we'll practice with them calling before they make the actual call. [LR206]

SENATOR SULLIVAN: What percentage of the people that you serve are refugees? [LR206]

BEATTY BRASCH: In the TANF program, the ADC program, probably between

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three-fourths. We get, as I said, 100, 120, 150 sometimes every day that come through the doors and they...they're there for community work experience, community experience. What happened was basically they were coming here and doing our janitorial work and our forklift training and all that and it really bothered my conscience because I thought, my God, they're learning all these skills, but they walk off of that and they have nothing to show for it. So that's when we started the job training program so they have something to show for it and really make it a structured program so they could have something they could take with them, because before that they just would leave and, you know, they might tell their employer they had...knew how to drive a forklift. But, you know, why would they believe them, particularly? [LR206]

SENATOR SULLIVAN: Thank you. [LR206]

SENATOR ADAMS: Senator Wightman. [LR206]

SENATOR WIGHTMAN: Thank you. Just a couple of follow-up questions. You talked about grants. What's the source of the grants? Are they mostly private or are they government? [LR206]

BEATTY BRASCH: All variety of that. We've got some refugee federal grant...we just got a federal grant or that comes through the state and then came to us. We just got a federal grant for job training for childcare. You know, the United Way and those types of grants, too. Then we send out a lot of letters, and some of you probably have gotten them, saying please, please give us money. [LR206]

SENATOR WIGHTMAN: What's the amount of your annual budget? [LR206]

BEATTY BRASCH: Over \$2 million...a little over \$2 million. [LR206]

SENATOR WIGHTMAN: Over \$2 million per year. Is it just a one-time funding or is this

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a continuing? [LR206]

BEATTY BRASCH: Oh, you know, some of it's continual, sometimes it's one time. You know, so it's always...it's hard to get money these days. [LR206]

SENATOR WIGHTMAN: So some of your grants come from foundations... [LR206]

BEATTY BRASCH: Yeah. [LR206]

SENATOR WIGHTMAN: ...and some from various charitable... [LR206]

BEATTY BRASCH: Various places, yeah. [LR206]

SENATOR WIGHTMAN: ...organizations... [LR206]

BEATTY BRASCH: Right. [LR206]

SENATOR WIGHTMAN: ...and then a substantial amount from government, is that...or federal grants? [LR206]

BEATTY BRASCH: Well, it's federal, some, I move...we can pay for gas vouchers for people because we have JARC funding, they call it. So if they're getting a job, so it just kind of varies. Some of it's trickle down. Some of it's... [LR206]

SENATOR WIGHTMAN: How many people go through your program? And you may have given this on an annual basis... [LR206]

BEATTY BRASCH: I think it's 35,000. [LR206]

SENATOR WIGHTMAN: Thirty-five thousand... [LR206]

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BEATTY BRASCH: Um-hum. [LR206]

SENATOR WIGHTMAN: In the state of Nebraska, or... [LR206]

BEATTY BRASCH: No, from Lincoln, Lancaster County, and some of them... [LR206]

SENATOR WIGHTMAN: But mostly Lancaster County. [LR206]

BEATTY BRASCH: Yeah, Lincoln, Lancaster, yeah. Now, some of those are programs that I call Band-aid programs because they're not really getting at the cause of poverty and making a difference, but like we distribute toys to 10,000 kids every year. We have a back to school fair and give them backpacks and so forth, so. [LR206]

SENATOR WIGHTMAN: What kind of administrators are there? [LR206]

BEATTY BRASCH: Oh... [LR206]

SENATOR WIGHTMAN: Full or part-time? [LR206]

BEATTY BRASCH: We have 25 full-time people; administrators probably about 10.

[LR206]

SENATOR WIGHTMAN: Thank you. [LR206]

SENATOR ADAMS: Senator Howard. [LR206]

SENATOR HOWARD: Thank you, Senator Adams. I just, I really want to second Senator Conrad's comments. You do an amazing job with virtually very little and you started it out from scratch and brought it to where it is now. I just...when I think of social

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work I think of you. You really do it. Thanks so much. [LR206]

BEATTY BRASCH: Oh, well, thank you for that. [LR206]

SENATOR HOWARD: You're really welcome. [LR206]

BEATTY BRASCH: Thanks. [LR206]

SENATOR HOWARD: Thank you. [LR206]

SENATOR ADAMS: Are there other questions from the committees? See none, thank you, ma'am... [LR206]

BEATTY BRASCH: Thank you very much. [LR206]

SENATOR ADAMS: ...for your testimony. Appreciate it. Can we have our next... [LR206]

BEATTY BRASCH: Oh... [LR206]

SENATOR ADAMS: ...testifier please? [LR206]

BEATTY BRASCH: I have some copies of other information... [LR206]

SENATOR ADAMS: The page will handle it. Thank you. Can we have our next testifier, please? [LR206]

LAZARO SPINDOLA: (Exhibit 3) Good morning, Senator Adams, Senator Heidemann. Members of the Appropriations and Education Committee, thank you for receiving me today. My name is... [LR206]

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SENATOR ADAMS: Did you fill out one of the registration forms here? Hey, thank you very much. [LR206]

LAZARO SPINDOLA: My name... [LR206]

SENATOR ADAMS: Could you spell...go ahead. [LR206]

LAZARO SPINDOLA: (Laugh) My name is Lazaro Spindola, that's L-a-z-a-r-o S-p-i-n-d-o-l-a. I am the director of the Latino American Commission. Before even considering participating in a bridge program, an individual needs a high school diploma or equivalent. Roughly 50 percent of Latinos between 18 and 25 years of age do not have such a diploma. Six months ago I informed the Appropriations Committee that one of the goals of the Latino American Commission is to enable 200 Latino individuals to earn their GED by July of 2013. Today I can say that we partnered with three organizations that offer GED education. We have provided 150 books of GED education and collaborate with five volunteers in the provision of the education. Twenty-seven students have earned their GED diplomas and 50 more are currently enrolled in order to achieve this goal. By the time these 200 individuals earn their degrees, the cost to the state would be about \$250 per individual. Considering that a single high school graduate has a cost to the state of Nebraska between \$7,000 and \$10,000, this is a highly cost effective approach to improve the educational level of a particular segment of our population. Nevertheless, a high school diploma does not guarantee admission to a postsecondary education program. Complementing high school education with a bridge program, such as a career readiness certification program, improves not only marketability and work performance of the individuals. In states such as Oklahoma, the average ACT scores of the individuals improve enough to enable admission to institutions of higher education and qualify for better career opportunities. If the Legislature approves the implementation of a bridge program to transition adults into postsecondary education, the Latino American Commission will collaborate to the extent

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of its capacity in order to promote, implement, and evaluate the results within the Latino Community. [LR206]

SENATOR ADAMS: Thank you, sir. [LR206]

LAZARO SPINDOLA: You're welcome. [LR206]

SENATOR ADAMS: What questions do we have for this testifier? Anyone? I guess we're going to let you off the hook. [LR206]

LAZARO SPINDOLA: Thank you. [LR206]

SENATOR ADAMS: Thank you for your testimony, though. Could we have our next testifier? Good morning. [LR206]

TODD HOLCOMB: Good morning. Good morning, committee members. My name is Dr. Todd Holcomb, president of Western Nebraska Community College. I serve as chair of the CEO Council for the Nebraska Community College Association. Remedial and developmental courses are taught in the areas of math, English and study skills, and English as a Second Language. Based on data gathered by all Nebraska community colleges, we are seeing a growing population of students in our remedial and developmental education programs. From the years 2006 to 2010, we've had an increase in duplicated head count of students being served by these courses. That's 60 percent in areas of math, 39 percent in writing, and 41 percent in reading. In an effort to help students be more successful in college-level work, all colleges have implemented some form of placement score minimums for math and English that may have some impact on these numbers. As a community college system, students enrolled in remedial and developmental courses equate to 3,005 full-time equivalent students in FY '11, as compared to 1,910 in FY '07. In considering the nature of bridge programs and their attempt to develop basic skills, the current offerings in remedial and developmental

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education at community colleges do not lend themselves, generally, to adding an occupational emphasis. As an open enrollment education system, community colleges have experienced significant increases in adult students needing foundational and remedial education as part of a path to a college education. The community college system also offers programs in conjunction with the state and federal government in the area of adult basic education. Collectively, we served 6,206 students in adult education in the past fiscal year. Each college has made a significant general fund investment in helping students attain a high school equivalent diploma by funding personnel, buildings, rooms, furniture, and travel expenses. System-wide, the Nebraska Community College Association...or community colleges invest \$1.3 million from their general fund budgets to support the adult basic education program. Additionally, there are significant dollars that come to each college from the federal government to support these programs. With the federal dollars also comes restraints with how the dollars can be used and accountability measures that limit the use of these dollars for our efforts such as bridge programs. That includes emphasis on the occupational programming. The concept of bridge programs to help adults obtain occupational skills is intriguing, and one that the community college system would like to be a part of in developing in the future. Existing funding sources used by the colleges' foundation education and adult basic education programs are not the answer. Our growing student population that need remedial and developmental education course resources have already been stretched to the point of concern by all colleges. [LR206]

SENATOR ADAMS: Thank you, Tom. Are there questions for this testifier? Senator Sullivan. [LR206]

SENATOR SULLIVAN: Thank you, Senator Adams. Thank you for your comments, but it's concerning. Why is there such an increase in the need for remedial education? [LR206]

TODD HOLCOMB: Well, I think that's something that the community colleges are

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dealing with on a case-by-case basis. It's also the individuals that are coming to the colleges from high school. [LR206]

SENATOR SULLIVAN: Where is the weak link? Why have we seen this increase? [LR206]

TODD HOLCOMB: I don't think I'm the appropriate person to be answering that question. [LR206]

SENATOR ADAMS: Are there other questions for this testifier? Yes, Senator Hansen. [LR206]

SENATOR HANSEN: Thank you. Could you go over those figures one more time about the \$3 million in that particular program that services up to 6,000 adults? [LR206]

TODD HOLCOMB: System wide, this was the information that was reported me, system wide, Nebraska community colleges... [LR206]

SENATOR HANSEN: Okay. [LR206]

TODD HOLCOMB: ...invest over \$1.3 million. [LR206]

SENATOR HANSEN: Okay. Thank you. [LR206]

TODD HOLCOMB: In general fund budgets to support ABE--adult basic education. [LR206]

SENATOR HANSEN: Thank you. [LR206]

SENATOR ADAMS: Senator Avery. [LR206]

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SENATOR AVERY: Thank you, Senator Adams. I want to ask you that question again because you ducked it. (Laugh) And this is a fundamental question and we don't...we need the answer if we're going to be able to solve the problem. Why do you think so much remedial education is needed at the community college level? You're a college president, right? [LR206]

TODD HOLCOMB: That's correct. [LR206]

SENATOR AVERY: You ought to know the answer and you do know the answer, but you won't tell us. [LR206]

TODD HOLCOMB: Well, I think the answer is a complex societal dilemma that is systemic across Nebraska and it's not one that is rural or urban, but entails a lot of different aspects of parental support, funding, educational levels of instruction, so I think it's too complex of an issue or...for one individual like myself, community college, we take the students that we receive and we do the best we can with those students. [LR206]

SENATOR AVERY: Well, one of the things we have to do in this committee, the Education Committee, is we have to be able to identify the problems if we're going to be able to solve them and we know that there is a problem, a need for remedial education and we put a lot of money into the community colleges where a lot of that remedial work is done. We need help in pinpointing the source of the problem because it's not good enough to try to patch the problem or fix the problem at your level. It needs to be fixed earlier than that and I don't think you would disagree with that. [LR206]

TODD HOLCOMB: No. [LR206]

SENATOR ADAMS: Senator Harms. [LR206]

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SENATOR HARMS: I just want to comment on Senator Avery's thoughts about what's happening. To be very frank with you, when I'm able to observe, there are a lot of different variables preexistent. To be honest with you, I don't think our public schools are just actually providing appropriate education. When you can...when you have (inaudible) or remedial program in existence for as long as you have at your community college, you (inaudible) go back and track by the schools. You can almost predict students who come from this particular school may very well be short in English or math or whatever it might be, and I think that to me, the critical issue (inaudible) is...it's not a popular thing to talk about or discuss, but quite frankly that's the issue. And if we ignore it, it will continue to be. And these community college presidents and administrators spend a phenomenal amount of money trying to reeducate community college students that should have gotten that developmental education resolved in their public schools. So it's costing us double or longer, and some of these students who enroll in community colleges, in many cases, will go three years because they have so much developmental education. And the thing that's really important is that just because a student is deficient does not mean they're not capable of dealing with the issue. These kids are bright kids. They just didn't get the skills and maybe, to a certain degree, students think to certainly, yeah, when they're in high school, you know, they might blow it off. When they get to college all of a sudden they find out. I really believe very strongly if you're really getting down to it, that's what you're going to find, so. [LR206]

SENATOR ADAMS: Are there other questions? Yes, Senator Conrad. [LR206]

SENATOR CONRAD: Hi, thank you. I think I'd agree with you that some of those larger questions are beyond the scope of this hearing, but interesting questions that we all need to be focused on and finding solutions for. There's no question about that. Just a quick follow-up, because I think that we are lucky to have good public schools in Nebraska for the most part, and of course there's always room for improvement, but you serve a lot of nontraditional students -- people who've been...aren't just recent

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graduates from Nebraska high schools, for example. So, there's a skills gap that exists for folks who, you know, just haven't been in the classroom for a long time, and is that where some of those deficiencies exist as well? [LR206]

TODD HOLCOMB: I'd say a small number of those students, yeah. [LR206]

SENATOR CONRAD: Great. Thank you. [LR206]

SENATOR ADAMS: Are there any other questions? Thank you, sir. [LR206]

TODD HOLCOMB: Yes. [LR206]

SENATOR ADAMS: Next testifier. [LR206]

SUE RAFTERY: Good morning. My name is Sue Raftery, spelled R-a-f-t-e-r-y. I am the dean of literacy and workplace skills at Metropolitan Community College, or MCC. It is my pleasure to be here to testify regarding LR206. I'd like to highlight several successful bridge programs and services that MCC offers that specifically address local needs and serve the individuals in our four-county service area. While students are experiencing success through these bridge programs, MCC struggles to find necessary funding for all of the essential components that we found to be essential for these programs. A major focus over the past several years has been to transition adult education students into postsecondary education. To do this, MCC has been put in a position to use its general funds to support our SmartStart programming that uses a comprehensive model of training to help individuals find success in college and in the work force. The SmartStart programs serve underprepared individuals identified through our adult ed classes and through partnerships with local welfare to work agencies. SmartStart is an education model that is designed to build viable career paths and livable wages for students who receive training for entry-level jobs in high demand career pathways in health, applied trades, and information technology. The training programs offer students multiple,

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stackable credentials, provide support services, and build measurable employability skills that the students need to succeed. The average time frame is 22 weeks of training and so course material is covered quickly and the students must be motivated and engaged to stay on track. To address this, SmartStart uses a career coach to provide support and access to wraparound services so students facing the personal challenges can positively resolve them and achieve success. SmartStart also engages tutors to provide academic support for students whose skill levels in reading, writing, and math are below the required level. This service allows individuals to be accepted into occupational training if they agree to simultaneously attend a basic skill-building bridge class. This moves them into the work force at a faster pace while still ensuring that they have the skills needed to succeed. Funding these services that ensure so many students' success can be costly. The average funding needed for a career coach to support one SmartStart program is \$5,000 and tutoring support averages \$1,300. In addition, MCC funds a part-time transition coordinator at \$36,000 annually to oversee these efforts. Simply put, if more funding were available, more individuals could be served through these kinds of programs. And when we examine the results of these programs, the cost can be justified. Before SmartStart was implemented, students testing in to developmental and adult education levels were successful in remedial courses only 33 percent of the time. But using this comprehensive fast track model, MCC has seen some very positive results. Ninety-one percent of students from four of our recent SmartStart health career cohorts successfully completed college-level training. And in a follow-up survey that was given to these students a year after program completion, it was found that 83 percent were still employed or were attending additional postsecondary education and all of them reported having reduced their dependency on state aid. In addition to SmartStart programs, MCC does offer some other bridge classes for our adult education students. In December, the college will begin offering Read*Write tutoring. Read*Write is a nationally recognized program designed to strengthen students' reading abilities. It will be used to improve reading skills for ESL, GED, and developmental level students preparing to enter the workplace or higher level education. While some funding does come from a private source, MCC

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will need to use its general funds if we want to expand the program so that students at several of the college's campuses and educational sites can access it. Lastly, with the support of the philanthropic community, MCC will open a new MCC Express location in the south Omaha community in March of 2012, and we plan to expand to at least two other sites within our service area by 2014. MCC Express locations will offer work force focused academic programs based on local role and mission. They will provide a continuum of targeted services from adult literacy through specialized work force training programs to address the local neighborhood needs of citizens and businesses. In this case, the facility itself will serve as a kind of bridge to MCC's higher level occupational programming, located on the college's main campuses, as our transition specialist and our community partners will work with students to move them into the work force or on to additional training. In all of these efforts, we're proud to work with our area employers and community partners to assist individuals to attain quality programming in high demand industries. We know that bridge programming works, and that is why we strongly believe the state must find a way to fund all of the comprehensive components that are necessary so more underprepared Nebraskans can succeed. We would be proud to be part of any solution the Legislature and these committees could put forward in making bridge programming funding available to more of the individuals that we serve. Thank you. [LR206]

SENATOR ADAMS: Thank you. Are there any questions for this testifier? Senator Wightman. [LR206]

SENATOR WIGHTMAN: Thank you, Chairman Adams. Ms. Raftery, thank you for being here. We talked...one question was asked of one of the testifiers with regard to immigration. Do you see a substantial number of immigrants in your program and the applicants on the remedial programs? [LR206]

SUE RAFTERY: Yes, we do. We have a substantial number of immigrants in our adult education programs and we've done some things with the bridge programming,

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particularly in the trades, the applied technology area. We've had good success with having students that come in as immigrants. Of course, a lot of times their literacy levels will be at a lower rate, their English literacy skills will be at a lower level and so it's taking some time to get those folks up to or near college level. [LR206]

SENATOR WIGHTMAN: I know at Lexington in the past, we have had Sudanese in the past. Most of those have left, but we've got a substantial number of Hispanics as do all of the communities across the state, but we also have a large number of African-Americans in addition to the Sudanese that were here earlier. Have you seen a growth in those? [LR206]

SUE RAFTERY: We have seen enrollment growth and a lot of what we are doing with folks that are refugees and immigrants is, in terms of any kind of linking vocational or occupational programming to basic skills, very similar to what you heard earlier in terms of lower levels, looking at the language and vocabulary of certain occupations. Certainly we would be working with the same ones: housekeeping, janitorial, food service, and that again would be at a lower level than what would oftentimes be considered credit programming. [LR206]

SENATOR WIGHTMAN: Thank you. [LR206]

SENATOR ADAMS: Other questions? Senator Sullivan. [LR206]

SENATOR SULLIVAN: Thank you, Senator Adams, and thank you for your comments. What sort of parameters do you have for entrance into the SmartStart program? [LR206]

SUE RAFTERY: Each one is a little bit different. What we've found is that we look at the curriculum that Metro is offering and what the requirements are in terms of skill levels. Sometimes it's reading, writing, and math. Sometimes it's just reading and writing. And

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then we work with our employers. Employers are a key piece of that model, and Ginny (phonetic) Powell from Goodwill mentioned that a lot of times whatever are the requirements to get that job, that's kind of how the programs are built, and that's true in all of our SmartStart models. For example, a welding or construction training program would call for about a 9th or 10th grade level. Some of the other training would call for a college level. Health careers, for example, would be at college level. [LR206]

SENATOR SULLIVAN: You indicated that to continue with some of these programs you've had to dip into general funds. It begs the question is it going to be necessary for a community college, or any institution for that matter, to do more prioritizing of what areas are most important for them to focus on with the resources they have? [LR206]

SUE RAFTERY: Yes. That obviously would be one way to look at that, and I think that's what we're doing right now in terms of we make sure that we run a program that could be a quality program and we don't do that unless we can put together a quality product. I think the other thing is, we look at are there jobs there. And we want to make sure that the students that are trained then have a good shot at getting the job. Yes, we've tried to be creative in terms of getting the mix of funding. I do know that with the model that we've identified and we're calling "SmartStart" the idea of having a tutor who could provide some of those basic skills to someone who's close, maybe they're scoring at 8th, 9th, 10th grade level, we're able to put them into the classes early enough that then they're not taking several developmental classes, waiting six months to take the training, and often not coming back. They're lost either in developmental or they've lost the motivation to continue. The other thing that we found is that that coach, that job coach, or we've mentioned case manager--that's a role that, I guess, I wish wouldn't always have to be funded, but we've seen to be...we've seen it to be an integral part, that it is a piece of that model and that puzzle that allows people to problem solve and work through some of their challenges and work through their employability skills, get those at a higher level so that they can be successful. [LR206]

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SENATOR SULLIVAN: Have you seen that employers have seen the benefits of this...of these programs to the extent that they are willing to help fund some of it? [LR206]

SUE RAFTERY: That has happened. That has happened in some cases and I think each one of these...that's the challenge, but it's also a good thing that we go out and we look at different options for how we can fund these to make them available. We've actually had classes offered on-site and several employers step up and pay for a portion of the training. [LR206]

SENATOR SULLIVAN: Thank you. [LR206]

SENATOR ADAMS: Any other questions? Thank you, then. We're very close to the end and I realize there are going to be folks that get left out and so I'm going to do is to accept one more testifier. We're going to restrict the testimony to three minutes so that way there may be a moment or two for questions and we'll be very close to noon. If you would, please, or whoever is going to testify next. [LR206]

KATE BOLZ: (Exhibit 4) My name is Kate Bolz. That's Kate with a K, and B-o-l-z. I work with Nebraska Appleseed. I will keep my comments very brief, but I did want to take this opportunity to offer a couple of resources to the committees. We have released a report called Bridging the Gaps that assesses the need for bridge programs in Nebraska as well as at the end of this report, there is an articulation of potential funding streams that might be of particular interest to this committee. My personal perception of the viable funding streams for additional work include the food stamps, the supplemental nutrition assistance program, employment in training program, as well as potentially TANF rainy day funds. I also just wanted to share very briefly that we recently did a study regarding the interest and resources available in community college, adult education programs, and human services agencies for bridge program work. I'll share the results of that study when it's finalized, but initial needs include funding for sustainability including administration, funding for job coaching as well as real interest in developing some pilot

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programs so that we can create some bridge programs that work and then seed out that model. So, I'll leave it at that and share this report with all of you. [LR206]

SENATOR ADAMS: I appreciate that. Are there any questions for this testifier? If not, we could have maybe one more if it's that short. [LR206]

BRIAN HALSTEAD: (Exhibit 5) Senator Adams, Senator Heidemann, and members of the Education and Appropriations Committee, for the record, my name is Brian, B-r-i-a-n, Halstead, H-a-I-s-t-e-a-d. I'm with the Nebraska Department of Education. What's going to be handed out to you is a packet of information that describes for you the funding that the Nebraska Department of Education gets from the federal government and the \$200,000 or so this Legislature appropriates for adult basic education that our department administers throughout the whole state. And with that we'll stop. If you have more questions, Vicki Bauer, our director of adult basic education, can answer more questions for you, but I know you're crunched for time so I'll just stop there. [LR206]

SENATOR ADAMS: Thank you, Brian. Are there any questions for Brian at this point? We know that the department is a resource to us if we need to access that. Thank you, then, Brian. One more, very short? [LR206]

KATHERINE GREEN: (Exhibit 6) Good morning, Senators. My name is Katherine Green, K-a-t-h-e-r-i-n-e G-r-e-e-n. I am the program director for the College Access Challenge Grant at the Coordinating Commission for Postsecondary Education and the College Access Challenge Grant is one of the sources of funding that was mentioned in your study. So I was just here to provide you some basic information of what that grant is and how it's currently being used. I have materials that we can hand out to you that has all of that information for you and you can review that and just know that we will be happy to answer any questions you have about that funding as you look into this. [LR206]

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SENATOR ADAMS: All right. Thank you. Are there any questions for this testifier? Thank you very much, and frankly, we are at end. I appreciate all of your patience today and I'm sorry that some of you may have gotten left out of testimony. Committees, that will conclude the hearing. Thank you. (See also Exhibit 7) [LR206]