

AGENDA

Council on Postsecondary Education

November 3, 1997

Upon adjournment of committee meetings, CPE Conference Room, Frankfort, Kentucky

- A. Roll Call
- B. Approval of MinutesB-1
- C. *Sue Bennett College Revocation of License* C-1
- D. *Allocation of Remaining 1997/98 Paducah Funds* D-1
- E. *1998/2000 Agency Operating Budget Request* E-1
- F. *1997/98 Incentive Trust Funds Criteria* F-1
- G. *Faculty and Staff Tuition Waiver Policy* G-1
- H. Strategic Committee on Postsecondary Education (SCOPE) Update H-1
- I. Investments and Incentives Committee
 - 1. *1998/2000 Tuition Schedule* I-7
 - 2. *1998/2000 Operating Funds Request for Institutions* I-31
 - 3. *1998/2000 Funding Level for Each Incentive Trust Fund* I-39
 - 4. *1998/2000 Capital Projects Recommendation* I-43
 - a. *State Funded Projects*
 - b. *Agency Funded Projects*
 - 5. *1996/98 Agency Bond Pool Distribution* I-79
- J. Quality and Effectiveness Committee
 - 1. *Policy Study on Minimum Admissions Requirements*J-7
 - 2. *Interim Policy for New and Postponed Academic Program Proposals* J-11
- K. 1998 Meeting Dates K-1
- L. *Resolution for Gary Cox*
- M. Other Business
- N. Next Meeting
- O. Adjournment

All agenda materials are available on the CPE home page at <http://www.cpe.state.ky.us> .
Action items are indicated by italics.

Monday, November 3

9:00 a.m. (ET) Quality & Effectiveness Committee, Local Government Conference Room
Investments & Incentives Committee, CPE Conference Room

upon adjournment CPE Meeting, CPE Conference Room
of committee meetings



Quality and Effectiveness Committee

Peggy Bertelsman, Chair
Lee Todd, Vice Chair
Norma Adams
Steve Barger
Leonard Hardin
Marlene Helm
Wilmer Cody
Lois Weinberg

Investments and Incentives Committee

Ron Greenberg, Chair
Jim Miller, Vice Chair
Walter Baker
Renita Edwards
Merl Hackbart
Leonard Hardin
Shirley Menendez
Marcia Ridings
Charles Whitehead

Trends and Operations Committee

Leonard Hardin, Chair
Charles Whitehead, Vice Chair
Peggy Bertelsman
Ron Greenberg
Lee Todd
Jim Miller
Walter Baker
Lois Weinberg

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**SUE BENNETT COLLEGE
REVOCATION OF LICENSE**

**ACTION ITEM
CPE (C)
November 3, 1997**

Recommendation:

That the license of Sue Bennett College be revoked under the authority of *KRS 164.945-164.947 and 13 KAR 1:020* and specifically citing *13 KAR 1:020, Sections 5 and 7*, with such revocation effective at a date set by CPE as part of this recommendation.

Rationale:

- Sue Bennett College is a private non-profit institution operating in Kentucky and licensed by the Council on Postsecondary Education pursuant to *KRS 164.945-164.947 and 13 KAR 1:020. Private College Licensing*.
- Sue Bennett College's membership in the Southern Association of Colleges and Schools was withdrawn effective September 22, 1997. The college is now unaccredited. The decision by SACS to withdraw membership was based on a report by SACS that cited a number of financial, academic, and administrative deficiencies. The deficiencies cited in turn raise questions about the financial stability of Sue Bennett College and about the quality of the institution.
- As a consequence of losing accreditation, Sue Bennett College is not eligible to participate in Title IV, HEA federal student financial aid programs.
- As a consequence of losing accreditation, Sue Bennett College is not eligible to participate in state financial aid programs.
- Sue Bennett College has failed to comply with reporting requirements contained in *13 KAR 1:020, Section 5(1)(b)* that the institution maintain sufficient funds in excess of the largest amount of unearned tuition or provide by surety bond or unrestricted endowment assurance that such an amount is available to refund tuition to students.
- Sue Bennett College, because of the loss of accreditation and the concomitant loss of financial aid funds, and, as demonstrated by their failure to comply with the reporting guidelines of *13 KAR 1:020, Section 5(1)*, is unable to demonstrate the financial stability necessary to operate as an on-going institution. The lack of adequate financial resources supports a recommendation for license revocation.
- The loss of accreditation and the deficiencies cited by SACS also raise significant issues about the quality of the instructional and other academic support programs sufficient to support a recommendation for license revocation.

Background:

The Council on Postsecondary Education is charged with the responsibility to license private non-profit colleges and universities, and for-profit, baccalaureate degree-granting colleges and universities. Such authority is exercised pursuant to *KRS 164.945-164.947* and its attendant administrative regulation, *13 KAR 1:020. Private College Licensing*. Sue Bennett College is a private non-profit college operating in Kentucky and is subject to the licensing authority of the Council on Postsecondary Education.

Sue Bennett College was notified by the Southern Association of Colleges and Schools (SACS) that the College was placed on probationary status June 1996. In December 1996, SACS notified Sue Bennett College that the probation was extended. The date of the extension increased the probationary period to thirteen months. The length of the probation is significant given the provisions of *13 KAR 1:020, Section 4* which state in part that the president of CPE shall initiate a supplementary license review when an institution is on probation from an accrediting agency for a period greater than one year. [*13 KAR 1:020, Section 4, (2)(g)*]

The College has also failed to comply with the provisions of *13 KAR 1:020, Section 5(1)(b)* in providing to CPE as part of their annual report a certified statement that sufficient resources are available to refund tuition to students. The administrative regulation specifies the nature and method of the certification.

Sue Bennett College was notified by SACS in June 1997 that membership in the Association was withdrawn. Sue Bennett College appealed and received a hearing in September 1997. On September 22, 1997, SACS affirmed its earlier decision and formally withdrew Sue Bennett College from membership in the Association, meaning that the institution is no longer accredited. *13 KAR 1:020, Section 4(2)(g)* requires a supplementary license review be conducted when an institution loses accreditation.

On July 20, 1997, the Council on Postsecondary Education authorized a supplementary license review. A letter was sent to Sue Bennett College requesting information and setting a deadline of August 28, 1997, for a response. On September 18, 1997, a second letter was sent requesting additional financial information. A response date of September 30, 1997, was set.

Subsequent to and as a result of the action taken by SACS on September 22, 1997, CPE received notification from the U.S. Department of Education that the College is no longer eligible to participate in Title IV, HEA federal student financial aid programs. CPE also received a notice from the Kentucky Higher Education Assistance Authority (KHEAA) that the College is no longer eligible to participate in state student financial aid programs.

On October 20, 1997, Acting Chief Operating Officer Ken Walker notified Sue Bennett College of the staff's intention to request license revocation at the November 3, 1997, CPE meeting. The reasons for the recommendation are cited in the October 20, 1997, memorandum that is included in this material as an attachment. The letter conforms to the requirements of *13 KAR 1:020, Section 9. Hearings and Appeals*. Under the administrative regulation, CPE has four options if it

determines that sanctions should be imposed: (1) place the institution's license in a probationary status for a designated period not to exceed one year while deficiencies are being corrected; (2) suspend the college's license for a period not to exceed one (1) year; (3) revoke the college's license; or (4) refer the case to other officials for appropriate action. Section 9 provides for administrative action by the president of CPE with an appeal to CPE. The letter issued by Ken Walker as Acting Chief Operating Officer complies with that requirement.

President Cheek of Sue Bennett College has indicated that the College would like to substantially complete the semester so that students may receive credit for course work taken during the fall semester. Individual institutions that are members of SACS are permitted to develop and implement individual rules concerning acceptance of academic credit from non-accredited institutions. Sue Bennett College is working with, and has assurances from twenty institutions, that they will accept fall semester academic credit.



Gary S. Cox
Acting President

MEMORANDUM

TO: James E. Cheek, President
Jack Brewer

FROM: J. Kenneth Walker, Acting Chief Operating Officer

DATE: 20 October, 1997

RE: Sue Bennett College
Supplementary Application License Review
Revocation of License to Operate

This memorandum is to notify you that staff will present to the Council on Postsecondary Education at its November 3, 1997, meeting a recommendation that Sue Bennett College's state license be revoked. The authority of the Council to act and the basis for the action are stated below. An opportunity will be provided at the November 3 meeting for representatives of Sue Bennett College to respond to the findings and recommendation. We anticipate final action by the Council at that meeting. If the Council concurs in the staff recommendation, an effective date for the license revocation should be set at that time.

Legal Authority/Supplementary Application License Renewal Process

The Council on Postsecondary Education is the state licensing authority for private non-profit and for-profit baccalaureate degree granting institutions. Sue Bennett College is an in-state college as defined in *13 KAR 1:020* licensed by the Council on Postsecondary Education. The primary purpose of the licensing statutes and regulation is to provide a measure of consumer protection for citizens of the Commonwealth who avail themselves of educational opportunities at private non-profit colleges and universities.

The Council on Postsecondary Education, pursuant to its licensing authority under KRS 164.945 to 164.947 and *13 KAR 1:020, Private College Licensing*, conducted a supplementary application license review of Sue Bennett College. The supplementary application license review is required by *13 KAR 1:020, Section 4(2)(g) and (h)* and by the failure of Sue Bennett College to satisfy the requirements of *13 KAR 1:020, Section 5(1)(b)*. Subsequent to the initiation of a supplementary application license review, the Council received notice that Sue Bennett College's membership in the Southern Association of Colleges and Schools (SACS) had been revoked. The loss of accreditation, with a concomitant loss in eligibility to participate in federal Title IV financial aid programs, brings into play *13 KAR 1:020, Section 7*.

Findings

Sue Bennett College has failed to provide the required certification under *13 KAR 1:020, Sections 5 and 7*, that it has sufficient resources to "guarantee the refund of any unearned tuition held by the college. . ."

Further, Sue Bennett College has failed to satisfy the requirements of *13 KAR 1:020, Sections 5 and 7* that it remains in good standing with the United States Department of Education for programs administered by that department. The Council received an Emergency Action/Termination Action letter from David L. Morgan, Director of the Administrative Actions and Appeals Division of the Institutional Participation and Oversight Service, U. S. Department of Education notifying appropriate bodies that the U. S. Department of Education has withdrawn the school's authority to obligate funds under all of the Title IV, HEA Programs. The letter also indicated a termination action has been initiated by the U.S. Department of Education.

The Kentucky Higher Education Assistance Authority also has informed the Council that Sue Bennett College is no longer eligible to participate in state financial aid programs.

The Southern Association of Colleges and Schools' report on Sue Bennett College raised significant issues related both to the financial stability of the college and to the quality of the college in relation to the criteria and requirements of SACS. *13 KAR 1:020, Section 7* also contains requirements relating to some of the SACS criteria which lends further support for revocation of the College's license.

After considering all of the supplemental material supplied by Sue Bennett College, it is our opinion that the college lacks sufficient financial stability to sustain operations in a manner that protects the resources of enrolled and prospective students. Further, it is our opinion that the loss of Title IV, HEA funds coupled with the loss of state financial aid

October 20, 1997

funds supports the conclusion stated above. Finally, it is our opinion that the deficiencies stated by SACS as a reason for withdrawing membership in SACS raise significant questions about the quality of the institution. Therefore, in summary, these factors are sufficient to justify a recommendation for a revocation of Sue Bennett College's license.

Conclusion

The Council staff will recommend to the Council on Postsecondary Education that the license of Sue Bennett College be revoked.

Please respond in writing by Friday, October 24, if you or other representatives wish to address the Council at its November 3, 1997, meeting.

cc: Council on Postsecondary Education
Steven Moore
Sue Hodges Moore
Dottie Stone
Dennis L. Taulbee
Paul Borden

13 KAR 1:020. Private college licensing.

RELATES TO: KRS 164.945, 164.946, 164.947 164.992

STATUTORY AUTHORITY: KRS 164.947

NECESSITY, FUNCTION, AND CONFORMITY: This administrative regulation is promulgated pursuant to KRS 164.945 to 164.947 and 164.992 which require that the Council on Postsecondary Education license nonpublic institutions to protect bona fide institutions and to protect citizens of the Commonwealth from fraudulent practices, unfair competition or substandard educational programs.

Section 1. Definitions. (1) "Accredited" means the approval of an accrediting agency.

(2) "Accrediting agency" means a national or regional agency which evaluates colleges and is recognized by the United States Department of Education, the Council on Postsecondary Accreditation, or the Council on Postsecondary Education.

(3) "Agent" means any person employed by a college to act as solicitor, broker, or independent contractor to procure students for the college by solicitation in any form made at any place other than the main campus of the college.

(4) The definition of "college" is governed by KRS 164.945.

(5) "In-state college" means a college that is chartered by, organized within, and has its principal location in Kentucky.

(6) "Out-of-state college" means a college that is chartered, organized, or has its principal location outside Kentucky.

(7) "Unearned tuition" means the excess of cumulative collections of tuition and other instructional charges over the cumulative amount of earned tuition and other instructional charges in accordance with the college's refund policy.

Section 2. General Requirements. (1) A college which offers courses or conducts academic programs in Kentucky shall be licensed.

(2) An out-of-state college shall be licensed separately for each instructional site in Kentucky.

(3) A college awarding a diploma, associate degree, baccalaureate degree, master's degree, doctoral degree, or other degree, whether the degree is earned or honorary, shall be licensed. If a college's program is also required to be licensed or approved by another state agency as well as the Council on Postsecondary Education, the president shall attempt to coordinate the licensing function with that agency.

(4) A college shall offer only those degrees and degree programs, including honorary degrees, specifically authorized in the license. If a college is licensed to offer specific courses, only those courses authorized in the license shall be offered.

Section 3. Licensure Application Procedures. The following procedures shall be observed in considering applications for a license:

(1) Application for a license shall be in the form and manner prescribed by the president. Colleges not licensed as of the effective date of this administrative regulation shall submit an application for a license within sixty (60) days. Providing false or misleading information on any application may be deemed as sufficient grounds for denying licensure.

(2) Documents to accompany application. Each application shall be accompanied by copies of the following:

(a) College charter;

(b) College catalog;

(c) College constitution and bylaws;

(d) Student enrollment application;

(e) Student contract or agreement; and

(f) Documentation of accreditation, licensure or approval by appropriate agencies.

(3) Site visits. Within thirty (30) days of the receipt of a full and complete application for a license, or license renewal, the president may conduct, or may have conducted, a site visit at the location or locations where the applicant college offers, or proposes to offer, courses of instruction. Personnel conducting the site visit shall possess the expertise appropriate to the type of college to be visited. The purpose of a site visit shall be to make an assessment of the instructional program, library, faculty, student services, administration, financial status, facilities, and equipment and of such other factors which are of significance in determining the college's qualifications for licensure.

(4) Cost of site visits. A college applying for a license, or license renewal, or a college to which a site visit is necessary in order to administer KRS 164.945 to 164.947, may be required to bear the cost of the site visit. Costs connected with a site visit and subsequent visits as may be necessary, such as travel, meals, lodging, and honoraria are paid by the college. The estimated cost of the site visit, and final settlement regarding actual expenses incurred shall be made within thirty (30) days following the site visit. Failure to pay these costs may result in license suspension or revocation.

(5) New colleges. In the case of a proposed new college, the president may issue a license if he determines that the college may reasonably be expected to meet the standards set forth in these administrative regulations:

(a) Within three (3) years if the college proposes to award a degree no higher than an associate degree. Annual reports shall be submitted to the president demonstrating the progress being made in meeting the licensure standards.

(b) Within five (5) years if the college proposes to offer a baccalaureate or higher degree. Annual reports shall be submitted to the president demonstrating the progress being made in meeting the licensure standards.

(6) Action on license applications. Within thirty (30) working days of the completion of the site visit or within sixty (60) working days of the submission of an application, the president shall do one (1) of the following:

(a) Issue a license for a period of no less than two (2) years, nor more than five (5) years;

(b) Deny application for license; or

(c) Notify the applicant college of deficiencies which must be corrected before a license can be issued.

(7) Failure to apply for a license. If a college which is subject to the provisions of this administrative regulation fails to apply for a license, the president shall take the following action:

(a) Notify the college by registered mail of the requirement to obtain a license;

(b) If a license application is not received within sixty (60) days of notification, require the chief administrative officer to appear for a hearing as provided in Section 9 of this administrative regulation;

(c) If the chief administrative officer does not appear for the hearing, refer the case to the appropriate county attorney for enforcement.

Section 4. License Renewal and Supplementary Application Procedures. (1) A college shall apply for license renewal on the date specified in the license.

(2) An application for license renewal, or a supplementary application, in such form and manner as may be prescribed by the president, shall be required within thirty (30) days following any of these developments:

- (a) Scheduled expiration of the licensure period;
- (b) A change in the name of a college;
- (c) A change in the principal location of a college;
- (d) A change in ownership or governance of a college;
- (e) Proposed additions or deletions of degree programs or majors, and other concentrations and specialties;
- (f) Establishment of an instructional site away from the main campus of an in-state college for the purpose of offering courses for college credit which comprise at least twenty-five (25) percent of the course requirements for a degree program;
- (g) Action by an accrediting agency which results in a college being placed in a probationary status for more than one (1) year, or which results in the loss of the college's accreditation; or
- (h) Determination by the president that other sufficient cause exists which requires a supplementary application or an application for license renewal.

(3) Action on license renewal and supplementary applications. Within thirty (30) working days of the submission of a license renewal or supplementary application, the president shall do one (1) of the following:

- (a) Renew the license for a period of no less than five (5) years nor more than ten (10) years;
- (b) Amend the current license without changing the renewal date;
- (c) Deny the renewal or supplementary application; or
- (d) Notify the applicant college of deficiencies which must be corrected before a license can be issued.

Section 5. Annual Reports. Colleges shall submit an annual report to the president.

(1) The annual report for in-state colleges shall contain the following:

(a) Statements from the Kentucky Higher Education Assistance Authority related to programs administered by that agency and from the United States Department of Education related to programs administered by that department that the college is in good standing;

(b) A statement prepared by an independent certified public accountant confirming that:

- 1. The amount of the surety bond coverage is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or
- 2. The amount of the college's unrestricted endowment is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or
- 3. The letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or
- 4. Any combination of surety bond coverage, unrestricted endowment, and letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year.

(c) A current list of the college's agents;

(d) The student headcount enrollment for the fall term in each licensed program submitted through the Council on Postsecondary Education data collection system; and

(e) The number of students completing each licensed program submitted through the Council on Postsecondary Education data collection system.

(2) The annual report for the Kentucky site of out-of-state colleges shall contain the following:

(a) Statements from the Kentucky Higher Education Assistance Authority related to programs administered by that agency and from the United States Department of Education related to programs administered by that department that the college is in good standing.

(b) A statement prepared by an independent certified public accountant confirming that:

- 1. The amount of the surety bond coverage is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or
- 2. The amount of the college's unrestricted endowment is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or
- 3. The letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or
- 4. Any combination of surety bond coverage, unrestricted endowment, and letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year.

(c) A current list of the college's agents;

(d) The student headcount enrollment for the fall term in each licensed program submitted on forms provided by the president; and

(e) The number of students completing each licensed program submitted on forms provided by the president.

Section 6. License Expiration. A license shall automatically expire within sixty (60) days following any of these developments:

- (1) A license renewal application is not submitted;
- (2) An in-state college ceases operation; or
- (3) An out-of-state college ceases operation at a Kentucky site.

Section 7. Standards for Licensure. The president may determine that an in-state college meets the standards and requirements of this section if the college has been accredited by an accrediting agency. The president shall determine that the following requirements or standards are met in considering applications for a license and for license renewal:

(1) Financial stability. The college shall adhere to generally accepted accounting practices and present evidence of financial stability, including the following:

(a) A financial statement including assets and liabilities and the audit report of an independent certified public accountant for each corporation of the college;

(b) The name of a bank or other financial institution as reference; and

(c) Statements from the Kentucky Higher Education Assistance Authority related to programs administered by that agency and from the United States Department of Education related to programs administered by that department that the college is in good standing.

(2) A college shall be responsible for the actions of its agents and shall guarantee the refund of any unearned tuition held by the college in one (1) of the following ways:

(a) Maintain a surety bond which shall be executed by a surety company qualified and authorized to do business in Kentucky and shall be made payable to the Council on Postsecondary Education; or

(b) Maintain an unrestricted endowment; or

(c) Provide a letter of credit.

(d) An in-state college shall provide a statement by an independent certified public accountant confirming that:

1. The amount of the surety bond coverage is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or

2. The unrestricted endowment is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or

3. The letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or

4. Any combination of surety bond coverage, unrestricted endowment, and letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year.

(e) An out-of-state college shall provide a statement by an independent certified public accountant confirming that for the Kentucky site or sites:

1. The amount of the surety bond coverage is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or

2. The unrestricted endowment is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or

3. The letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year; or

4. Any combination of surety bond coverage, unrestricted endowment, and letter of credit is equal to or in excess of the largest amount of unearned tuition held by the college at any time during the most recently completed fiscal year.

(f) A college applying for a license for the first time shall estimate the amount of unearned tuition based on projected enrollment and tuition and other instructional charges.

(g) If the surety bond is terminated, the college shall notify the president and the license shall automatically expire with the bond unless a replacement bond is provided without a lapse in bonding.

(h) If the unrestricted endowment falls below the required amount, the college shall notify the president and the college shall obtain a surety bond for the amount of coverage or a letter of credit, which in combination with the unrestricted endowment, is equal to or in excess of the largest amount of unearned tuition held by the college in the most recently completed fiscal year.

(3) Personnel requirements.

(a) The college may be required to furnish information regarding the administrative officers, the directors, the owners, and the faculty.

(b) The chief administrator shall hold at least an earned baccalaureate degree from an accredited or licensed college and shall have sufficient experience to qualify for the position.

(c) Faculty members shall possess academic, scholarly, and teaching qualifications usually required for faculty in accredited colleges which offer degrees at comparable levels.

(d) There shall be a sufficient number of full-time faculty to insure continuity and stability of the educational program.

(e) Teaching loads of faculty members shall be consistent with recognized educational practices, and shall be appropriate to the field, the variety of courses assigned, class size, and other related factors.

(4) Facilities and equipment.

(a) The college shall be maintained and operated in compliance with the safety and health requirements set forth in local, city, and county ordinances, and federal and state law, including rules and administrative regulations adopted pursuant thereto.

(b) Adequate and appropriate space shall be maintained for instruction in classrooms and laboratories. Enrollment shall not exceed the design characteristics of the facilities. The instructional program shall not be conducted in substandard facilities and the quality and quantity of equipment shall be adequate and appropriate for the program.

(5) Library. The library shall be appropriate to support the programs offered by the college:

(a) The collection of books, periodicals, newspapers, teaching aids, and other instructional materials and equipment shall be

adequate for the needs of the educational program, shall be appropriately housed, and shall be readily accessible to the faculty and students.

(b) A program for continuous acquisition of current library materials and for the recording of all library holdings shall be clearly outlined and maintained.

(c) Library expenditures, expressed as a percentage of the total educational and general budget, shall be consistent with the percentage of library expenditures commonly observed in accredited colleges of similar types.

(d) A professionally trained and competent library staff, adequate to serve the needs of the students and to support the educational program, shall be provided.

(e) Sufficient seating and work space for a reasonable proportion of the faculty and students to be accommodated at one (1) time shall be provided.

(f) The physical environment of the library shall be conducive to reflective intellectual pursuits common to institutions of higher learning.

(g) A college which does not provide its own library facilities and must rely on other institutions to provide library resources shall demonstrate that permission to utilize library resources has been obtained prior to implementation of its programs. The extent of dependence on other libraries shall be clearly stated and the nature and details of the agreements or contracts with the participating libraries shall be explained and exhibited. The details of the contractual agreements with other libraries must meet the criteria outlined in the above standards.

(6) Curriculum. Earned degrees shall be bona fide academic degrees and the courses offered in degree programs shall be of collegiate quality as determined by the president using the following criteria:

(a) Courses offered in degree programs shall be consistent with those generally transferable for credit among accredited colleges in programs of corresponding degree levels, and for credit toward the baccalaureate degree if such programs are at the associate degree level; or

(b) Courses are not usually transferable because of the uniqueness of a program, or for other valid educational reasons are determined to be of collective quality.

(c) A college shall not offer a master's degree, a doctoral degree, or any other graduate-level degree, as determined by the president, unless the college is accredited.

(d) The college shall have a systematic program of curriculum revision in order to maintain the general standards of accredited colleges with similar programs.

(e) The college shall have a program of evaluation which includes a periodic assessment of the changes in student achievement.

(7) General education.

(a) A reasonable percentage of the total credits comprising associate degrees and baccalaureate degrees shall be earned in general education, including science-mathematics, social and behavioral sciences, and humanities. A college which offers an interdisciplinary general education program, a block-type program, or other unique general education program shall be considered to be in compliance with the general education requirement if the president determines that the program content and distribution are appropriately related to the degree and institutional purposes.

(b) A new college, and any existing college which initiates a new associate degree or baccalaureate degree program or major, or other concentration or specialty, after the effective date of these administrative regulations, shall comply fully from the outset with the general education requirements.

(8) Program supervision and instructional support. Regardless of location, type of program, method of instruction, or other characteristics, an instructional program for which degree credit is awarded shall include the following:

(a) Adequate supervision by the college; and

(b) Other instructional support as may be required to maintain a program of acceptable quality.

(9) Truth in advertising. A college shall observe the following standards in its advertising:

(a) Advertisements, announcements, and promotional material of any kind which are distributed in Kentucky shall not contain any statements that are untrue, deceptive, or misleading with respect to the college, its personnel, its services, or the content, accreditation status and transferability of its courses or degree programs.

(b) Advertisements, announcements, or other materials produced by or on behalf of the college shall not indicate that the college is "supervised," "recommended," "endorsed," or "accredited" by the Commonwealth of Kentucky, by the Council on Postsecondary Education, or by any other state agency. An advertising statement, if any, shall be in exactly the following form: "(Name of College) is licensed by the Kentucky Council on Postsecondary Education."

(10) Recruitment and enrollment procedures. A college shall furnish the following to each student prior to enrollment:

(a) The college's policies on grades, attendance, and conduct;

(b) A description of the instructional program;

(c) A detailed schedule of all charges, rentals, and deposits;

(d) The schedule of refunds of all charges, rentals, and deposits; and

(e) The student enrollment application, contract, or agreement.

(11) Student affairs.

(a) Students admitted to the college shall have completed a state-approved secondary school program or its equivalent.

(b) A student admitted to an instructional program shall have demonstrated a readiness for such instruction in the field or specialty, and the student's preparation, aptitude, and interest shall be determined to provide reasonable assurance that the student has the potential to benefit from the instruction offered.

(c) The college shall provide academic counseling by faculty or staff to each student at the time of admission and throughout the program.

(d) The college shall make assistance and counseling available to each student who completes a technical or vocational program for the purpose of assisting the student with an appropriate job placement or with transfer.

(e) The college shall maintain sufficient records for each student to provide an understanding of his background, to record his progress through the instructional program, and for reference purposes.

(f) Administrative officers of the college shall be knowledgeable of the federal and state laws and administrative regulations concerning the disclosure of student information and shall comply with such laws and administrative regulations.

(g) A college which plans to cease operation in Kentucky shall make adequate provision for the maintenance of student records. The location of student records shall be approved in advance by the president.

(h) The college shall establish suitable policies and procedures whereby a student is assured due process.

(12) College policies.

(a) The college shall maintain records in an orderly manner and make them available for inspection by the president or his designated representative.

(b) A catalog shall be published at least every two (2) years and shall include general information, administrative policies, and academic policies of the college as indicated below:

1. General information.

a. Official name and address of the college, name of the chief administrative officers, members of the governing body, and names of principal owners.

b. The college's calendar for the period covered by the catalog including beginning and ending dates of each term or semester, registration and examination dates, legal holidays, and other important dates.

c. Names of faculty, including relevant education and experience.

d. Full disclosure of the philosophy and purpose of the institution and its capacity to fulfill these objectives.

2. Administrative policies.

a. Admissions policies and procedures, applicable to the various programs, including policies regarding granting of credit for previous education.

b. Policies and procedures regarding student conduct and behavior and the process for dealing with cases which culminate in probation or dismissal.

c. Schedules for all tuition and instructional charges, and refund schedules for such tuition and instructional charges.

d. Statement of financial aid available to students.

e. Procedures for obtaining transcripts in a timely fashion and at reasonable cost.

3. Academic policies.

a. Policy on class attendance.

b. Description of grading system.

c. Description of the degree, diploma, certificate, and other programs, including the course requirements and the time normally required to complete each.

d. Full description of the nature and objectives of all degrees offered.

(c) Refund policy on tuition and other instructional charges. The refund policy shall meet the following minimum requirements:

1. If tuition and other instructional charges are collected in advance of enrollment and the student fails to enroll, then not more than \$100, or not more than ten (10) percent of the tuition and other instructional charges for a term or semester, whichever is less, shall be retained by the college.

2. Tuition and other instructional charges ordinarily shall be charged by the enrollment period, and the student shall not be obligated for tuition or other instructional charges relating to an enrollment period that had not begun when the student withdrew. However, the president may approve program tuition for specific programs at a college if a student may only enroll at the beginning of the program sequence and must remain in phase. If program tuition is approved, the college shall refund tuition and other instructional charges in accordance with its published refund policy.

3. If a student withdraws from the college, or if a student fails to attend classes for a period of thirty (30) days during which classes are in session, the college shall officially withdraw the student from the college and shall refund an amount reasonably related to the period for which the student is not enrolled and shall refund 100 percent of all other tuition and other fees collected by the institution for subsequent enrollment or registration periods unless the student is enrolled in a program for which program tuition is charged as specified in subparagraph 2 of this paragraph.

a. After completion of fifty (50) percent of the enrollment period, the college is not required to make refunds of tuition or other fees for that period.

b. In all other cases, including illness or accident, the college shall make a settlement which is fair and reasonable.

c. Refunds shall be made within thirty (30) days after notification of withdrawal has been received by the college.

4. Notwithstanding the provisions as set forth herein, if a college is accredited by an accrediting agency which has a specific refund policy which is more favorable to the student, then such policy shall be followed.

5. An out-of-state college shall refund in accordance with the policies indicated herein unless its policy is more favorable to the student, in which case the latter shall be followed.

Section 8. Consumer Complaint Procedure. A person with a complaint or grievance involving misrepresentation against a college licensed under these administrative regulations shall make a reasonable effort to resolve the complaint or grievance directly with the college. If a mutually satisfactory solution cannot be reached, the following procedure shall be followed:

(1) A written statement of the complaint shall be submitted to the president which contains evidence relevant to the complaint and documentation that a reasonable effort was made to resolve the complaint directly with the college.

(2) The president shall review the facts as presented and may intervene to bring the matter to a satisfactory conclusion through facilitation, but such facilitation shall not include legal action on behalf of any party.

(3) If the president determines that the college may no longer be in compliance with the provisions of this administrative regulation, the college may be required to document its continuing compliance with this administrative regulation in the form and manner

determined by the president.

Section 9. Hearings and Appeals. (1) The president may, for cause, require the chief administrative officer, or other officers, of a college to appear for a hearing in order to determine the facts in the case. At such hearings, the officer, or other officers, of the college may be accompanied by counsel of their own choosing and at their expense. If the findings warrant, the president may impose the sanctions authorized in this section.

(2) Sanctions. Probation, suspension of license, or revocation of license.

(a) If it is determined, on the basis of the procedures described herein, that the public interest requires that sanctions be imposed, one (1) or more of the following steps may be taken:

1. Place the college's license in a probationary status for a designated period not to exceed one (1) year while deficiencies are being corrected;

2. Suspend the college's license for a period not to exceed one (1) year;

3. Revoke the college's license; or

4. Refer the case to other officials for appropriate action.

(b) A college which is sanctioned, whether such sanction is probation, suspension of license, or revocation of license, shall comply with the terms of such sanction.

(c) Any expense incurred in site visits, and for other purposes related to the removal of such sanctions, shall be borne by the college, notwithstanding the provisions of Section 3(4) of this administrative regulation.

(3) A college may appeal the actions of the president regarding the denial of issuance of a license or license renewal or the imposition of sanctions according to the following procedure:

(a) A college shall notify the president of the intent to appeal an action within fourteen (14) days of the receipt of the letter notifying the college of the action taken;

(b) The president shall appoint a person to serve as the appeals officer;

(c) The appeal shall be presented in writing no later than sixty (60) days following the receipt of notification of intent to appeal. The appeal shall be considered on the written record alone;

(d) The appeals officer shall review findings of fact, draw conclusions, and formulate a recommendation consistent with the facts and this administrative regulation;

(e) Within fourteen (14) days, the report of the appeals officer shall be forwarded to the college and to the Chairman of the Council on Postsecondary Education;

(f) The Council on Postsecondary Education shall act on the appeal at its next regular or special meeting; and

(g) The council shall take one (1) of the following actions:

1. Issue a license;

2. Renew the license;

3. Impose one (1) of the sanctions authorized in this section;

4. Refer the case to other officials for appropriate action. (17 Ky.R. 2552; Am. 2970; eff. 5-3-91.)

TO : Distributees

FROM : David L. Morgan
Director
Administrative Actions and Appeals Division
Institutional Participation and Oversight Service
SFAP/OPE

SUBJECT: **Emergency Action/Termination Action** against -

Sue Bennett College
151 College Street
London, KY 40741
OPE-ID: 00198600
EIN: 1610482957A1
PIN: 4027

This is to inform you that I sent a letter imposing an emergency action against the subject school on October 6, 1997, effective on that date. The emergency action withholds funds from the school and its students and withdraws the school's authority to obligate funds under all of the Title IV, HEA Programs. See 34 CFR §600.41 and 34 CFR §668.83. I also initiated a termination action against the school in the same notice. See 34 CFR §668.86. The school has 20 days to appeal the termination action.

The emergency action means that, until further notice, the school is barred from (1) initiating commitments of Title IV, HEA Program aid to students by accepting Student Aid Reports under the Federal Pell Grant Program, (2) certifying applications for loans under the FFEL and Direct Loan programs, and (3) issuing commitments for aid under the campus-based programs. The school is also barred from using its own funds or federal funds on hand to make Title IV, HEA Program grants, loans, or work assistance payments to students, or crediting student accounts with respect to such assistance.

The school also may not release to students the proceeds of FFEL or Direct Loan program loans and must return the loan proceeds to the lenders or to the Department, as appropriate. Finally, the school may not disburse or obligate any additional Title IV, HEA Program funds to satisfy commitments in accordance with 34 CFR 668.26, "Loss of institutional eligibility."

The emergency action and termination action are based on a September 23, 1997 notice reporting the school's loss of SACS accreditation, effective September 22, 1997.

I am providing this notice to you for your information and so that you may take any steps necessary to carry out the emergency action. Please notify

anyone not on the distribution list whom

Page 2 - Emergency Action/Termination Action Memorandum, Sue Bennett College

you believe should be notified. I shall inform you of relevant subsequent actions in this case, as they occur. If you have any questions or need a copy of the letter imposing the emergency action and termination action, please call Mark Gilbert at 202/708-5186.

Distributees:

(sent via cc:mail)

Colleen McGinnis, Office of the DAS, SFAP
 Larry Oxendine, Director, LATF, SFAP
 Joe McCormick, Chairperson, DLTf, SFAP
 Brian Kerrigan, Deputy Director, PTAS
 Marianne Phelps, Director, IPOS
 Karen Kershenstein, Director, AEDD, IPOS
 Naomi Randolph, Chief, AEEB, AEDD
 Howard Fenton, Director, PIPD, IPOS
 Beverly Stem, DMD, IMD
 Patricia Trubia, Director, DMAD, IPOS
 Mary Gust, Deputy Director, AAAD, IPOS
 Lisa DiCarlo, DL, LFMD, AFMS
 Mark Wase, LFMD, AFMS
 Bernardette Herbert, ISB, IFMD, AFMS
 Anthony Laing, PGFOB, IFMD, AFMS
 Sherlene Jones-McIntosh, Director, CBPSD, PSS
 Allen Prodders, FDSLSD, PSS
 Cindy Sasser-Elrod, AST, APPSD
 Ted Tavener, PPT, APPSD
 Alan Scheerer, PPT, APPSD
 Marge White, DLTf
 Pamela Littlejohn, DLTf
 Joni Wood, DLTf
 Dan Dietz, DLTf
 Alan Schiff, POCS, HEP, OPE
 Adara Walton, DCS
 Rachelle Lyle, DCS
 Stephanie Babyak, OPE Public Affairs
 Charles Coleman, Director, FPCMO, OCFO
 Betty Hepak, FPG, FPCMO, OCFO
 Shirley Jackson, PMSRU, FPCMO, OCFO
 Barbara Einbinder, PMSRU, FPCMO, OCFO
 Jay Greenberg, CS/AU, FPCMO, OCFO
 Nancy Hoglund, Chief, ARMG, FPCMO, OCFO
 Dianne Van Riper, OIGI
 Pat Howard, OIGA
 Fred Marinucci, OGC
 Russell Wolff, OGC
 Angela Torruella, Director, SE Case Management Division
 Steve Shauer, Jr., Area Case Director, Atlanta
 Martin Richburg, Acting Co-Team Leader, Atlanta
 Patricia McAllister, Reimbursement Analyst, Atlanta
 Patricia Dickerson, Acting Co-Team Leader, DC
 Lauren Pope, Case Team Liaison, AAAD
 Ralph LoBosco, Area Case Director, Kansas City

(sent via USPS regular mail)

Kentucky Higher Education Assistance Authority
 United Student Aid Funds, Inc.



Finance and Administration Cabinet

Kentucky Higher Education Assistance Authority

1050 U.S. 127 South
Frankfort, Kentucky 40601-4323
Phone: (502) 696-7292
Fax: (502) 696-7496

Paul E. Patton
Governor

John P. McCarty
Secretary

Paul P. Borden
Executive Director

Richard F. Casey
General Counsel

October 17, 1997

Dennis Taulbee
Kentucky Council on Post-Secondary Education
1024 Capital Center Drive, Suite 320
Frankfort, Kentucky 40601-8204

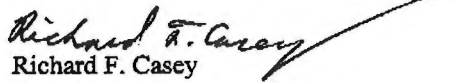
Re: Sue Bennett College

Dear Dennis:

Per our conversation this afternoon, this is to advise you that KHEAA has been made aware of the final decision by the Southern Association of Colleges and Schools to revoke the accreditation of Sue Bennett College effective September 22, 1997. It is the position of KHEAA that, because of the loss of accreditation, the institution ceased to meet the eligibility requirements for all of the student aid programs administered by KHEAA as of September 22, 1997. KRS 164.740 defines "College" as an institution that is accredited by the Southern Association of Colleges and Schools. Loss of this accreditation means that the institution ceased to meet this definition and therefore lost eligibility.

Loss of accreditation under KHEAA regulations and agreements does not, by itself, serve to automatically constitute termination of participation. Termination of participation would involve notification to the institution under procedures prescribed in KHEAA regulations and agreements. Such notification has not yet been initiated. However, I fully anticipate that the procedures will be initiated in the near future.

Sincerely,


Richard F. Casey
General Counsel

RFC/db

c: Paul P. Borden
Londa L. Wolanin

STEVEN J. MOORE

Attorney at Law

109 SOUTH MAIN STREET
P.O. BOX 1566
CORBIN, KENTUCKY 40702

TELEPHONE: (606) 528-8555

FAX: (606) 528-9777

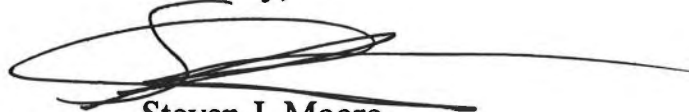
October 23, 1997

J. Kenneth Walker,
Acting Chief Operating Officer
Kentucky Council
on Postsecondary Education
1024 Capital Center Drive
Suite 320
Frankfort, KY 40601-8204

Dear Kentucky Council on Postsecondary Education,

This letter is in response to your letter dated October 20, 1997. As you requested, let this letter serve as notice that a representative of Sue Bennett College will address the Council at its November 3, 1997 meeting, which will address the recommendation that Sue Bennett College's state license be revoked. If you have any questions concerning this letter, please contact our office at the above number.

Sincerely,



Steven J. Moore

**ALLOCATION OF REMAINING
1997/98 PADUCAH FUNDS**

**ACTION ITEM
CPE (D)
November 3, 1997**

Recommendation:

- That CPE allocate \$300,000 to the University of Kentucky (UK) for the operations and maintenance costs of the new facility built at Paducah Community College and allocate \$200,000 to Murray State University (MuSU) for the operations and maintenance costs of the Crisp Center.
- That CPE equally divide the remaining \$100,000 for academic program operations for the Paducah Regional Higher Education Center by allocating \$50,000 to Murray State University and \$50,000 to the University of Kentucky.

Rationale:

- Of the \$500,000 reserved in 1997/98 for maintenance and operations costs for the regional higher education center in Paducah, Murray State University has submitted a request for maintenance and operations costs for the Crisp Center building. The amount needed for the first six months of operations is \$170,800. MuSU also submitted a request for furniture and telecommunication equipment needed to make the Crisp Center operational and help provide the necessary distance learning capability. UK has submitted a request for \$300,000 for the annual operations and maintenance costs of the new facility constructed at Paducah Community College.
- Both institutions have submitted requests each totaling the full amount of the remaining funds (\$100,000) for academic program operations. Due to the fact that neither institution's projected funding needs can be fully met, each university should receive the same relative share of the total amount of funds requested.

Background:

The Appropriations Bill (HB 4) enacted during the May 1997 Special Session of the General Assembly allocated \$800,000 in 1997/98 to be distributed to Murray State University and the University of Kentucky for academic program operations based on the provisions of the framework for a regional higher education center in Paducah as approved by the Council on Higher Education on November 13, 1995. HB 4 also appropriated \$500,000 in 1997/98 to be distributed to Murray State University and the University of Kentucky to be used exclusively for maintenance and operations costs for a new instructional facility to be constructed with private funds on the campus of Paducah Community College and for maintenance and operations costs, lease payment, or lease purchase payment for the Crisp Center to be used by MuSU.

At its July 21, 1997 meeting, CPE approved a recommendation to allot \$100,000 to Murray State University (MuSU) and \$600,000 to the University of Kentucky (UK) from the 1997/1998 Paducah Engineering funds. The \$100,000 for MuSU and \$100,000 (of the \$600,000) for UK continued funding provided in 1996/97 for program delivery through the Regional Center in Paducah. The additional \$500,000 for UK funds the initial delivery of extended campus engineering programs in Paducah. At that time, CPE decided to hold the remaining \$100,000 in reserve to be appropriated at a later date for the academic program operations through the Regional Center in Paducah. CPE asked MuSU and UK to submit requests for allocation of the additional academic program funds. To date, a request for \$100,000 to support non-engineering initiatives in Paducah has been received from MuSU. MuSU has increased the number of classes in Paducah by over 25 percent in the last year without any increased funding except for tuition revenue. UK has requested \$100,000 to support the accredited undergraduate programs in chemical and mechanical engineering in Paducah. UK believes an estimated \$1,100,000 will be needed on an annual basis to support the accredited programs. The estimate was derived from faculty and staff support requirements of the Engineering Accreditation Commission of the Accreditation Board of Engineering and Technology (EAC/ABET).



Office of the President

 University of Kentucky
 Lexington, Kentucky 40506-0032
 606-257-1701

October 16, 1997

 J. Kenneth Walker
 Chief Operating Officer
 Council on Postsecondary Education
 1024 Capital Center Drive
 Suite 320
 Frankfort, KY 40601-8204

Dear Ken:

This memorandum is to request that the \$300,000 for the maintenance and operations of the new engineering program facility constructed with private funds on the Paducah Community College campus be allocated to the University of Kentucky. The building is ready for occupancy, and the maintenance and operations funding is needed as soon as possible. The \$300,000 represents the annual cost for maintenance and operations and includes \$70,000 for utilities and \$230,000 for maintenance costs (which includes 5.5 custodial/maintenance personnel). The total amount of \$300,000 is being requested for 1997-98 in that start-up costs will amount to approximately \$100,000. These costs are for maintenance and operations equipment needs necessary for the ongoing operation of the new facility. Please let us know if any further information is needed from us.

Sincerely,

 Charles T. Wethington, Jr.
 President

CTW:bmr

 c: Ben W. Carr, Jr.
 Edward A. Carter
 George DeBin
 Len O'Hara

Hard copy to follow.

Post-it® Fax Note	1671	Date	10-16-97	# of pages	1
To	Ken Walker	From	Jean M. Carney		
Co./Dept.	CPE	Co.	U.K.		
Phone #		Phone #	257-5701		
Fax #	573-1536	Fax #	323-1025		



Murray State University

OFFICE OF THE PRESIDENT
PO BOX 9
MURRAY KY 42071-0009
(502) 762-3763 FAX (502) 762-3413

October 6, 1997

Dr. Gary Cox
Acting President
Council on Postsecondary Education
Suite 320
1024 Capital Center Drive
Frankfort, KY 40601-8204

Dear Dr. Cox:

It is my understanding that all parties involved have agreed to January 1, 1998 as the official date to transfer the Crisp Building in Paducah from the University of Kentucky to Murray State University.

At the July 21, 1997 meeting of the CPE, the Council voted to reserve for future allocation the \$500,000 appropriation to be used for maintenance and operation of the new engineering program facility at Paducah Community College and for lease purchase payment and maintenance and operations costs for the Crisp Building. With a date now established for Murray State University to gain control of the Crisp Building, we request that maintenance and operations funds in the amount of \$170,826 be allocated to Murray State University for the operation of the facility effective January 1, 1998 through June 30, 1998. This is in addition to the actual costs for electricity and other utilities. We have based our request on previously approved Council formula rates for the maintenance and operation of plant for FY 1997-98 (See attachment A).

I am also attaching a detailed listing of furniture and telecommunication equipment vital to Murray State to make the Crisp Building operational and provide the necessary distance learning capability. This listing totals \$247,500. It is our understanding that PCC received an appropriation of approximately \$900,000 during the recent special session of the legislature to cover telecommunication and start-up costs for the new engineering building. However, Murray State has not received a corresponding allocation for the Crisp Building. We realize that the \$500,000 appropriated by the General Assembly may not be sufficient to cover M & O on both facilities and provide funds for the lease purchase payments on the Crisp Building. Accordingly, should the CPE delay lease purchase payments until the beginning of the next fiscal year, we would request that some additional funds remaining after allocation of M & O to MSU and PCC be appropriated to Murray State as start-up funds to furnish and equip the Crisp Building.

Celebrating 75 years of Hope, Endeavor and Achievement

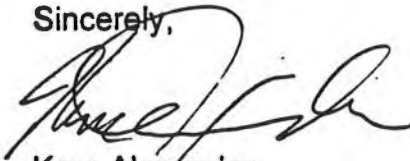
Equal education and employment opportunities M/F/D, AA employer

You will recall that we also previously requested allocation of the uncommitted \$100,000 to be used for staffing and other related academic needs for the Paducah Center. We would again request that those uncommitted funds be allocated to Murray State for staffing and programming needs in developing and expanding our programs in Paducah.

Finally, we need to bring closure to the legal issues surrounding the transfer of the Crisp Building. It would be helpful if the CPE could work with the Finance Cabinet to convene a meeting among the parties involved to begin resolving the legal details regarding the transfer of the facility.

Murray State University is strongly committed to expansion of our efforts in Paducah. At the recent meeting of the Regional Advisory Committee, we pledged to work toward doubling both course offerings and course enrollments by the year 2000. Allocation of these funds as recommended will be of tremendous assistance in moving us forward toward that goal.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kern Alexander', written over a horizontal line.

Kern Alexander
President

Attachments

Attachment A

**Crisp Higher Education Center
Paducah**

Estimate of O & M of Plant – Custodial and General Maintenance

Class	Square Feet*	97-98 Rate	Total
Category I	20,598	\$4.17	\$85,894
Category II	74,348	\$3.44	\$255,757
		Annual Total	\$341,651
		6-Month Total	\$170,826

*Square Feet derived from Waldrop and Associate Appraisal dated 10/3/96

Attachment B

**Equipment Needs for Start-up
Crisp Higher Education Center
Paducah**

	<u>Item</u>	<u>Cost</u>
1.	Furniture for seven traditional classrooms @ \$5000 each	\$35,000
2.	Equipment for one interactive television classroom @ \$75,000	\$75,000
3.	Upgrade to equipment for one interactive television classroom @ \$30,000	\$30,000
4.	Furniture for three interactive television classrooms @ \$5000 each	\$15,000
5.	15-station computer laboratory / learning resource center @ \$3500 per station	\$52,500
6.	Furniture for administrative and faculty offices, conference area, and break area	\$40,000
	Total	\$247,500

Murray State University

OFFICE OF THE PRESIDENT
PO BOX 9
MURRAY KY 42071-0009
PHONE: (502) 762-3763 FAX: (502) 762-3413

June 18, 1997

Dr. Gary Cox
Executive Director
Council on Higher Education
Suite 320, 1024 Capital Center Drive
Frankfort, KY 40601-8204

Dear Dr. Cox:

I thought the meeting of the Regional Advisory Committee on Monday went well and I appreciate your efforts to organize the meeting and set the agenda. I do want to follow up on two items discussed at the meeting.

First, we need some resolution of the transfer of the Crisp Building. As we stated to you earlier this year, we believe that transfer should take place in time for Murray State to begin using the facility this fall. It should be apparent to you after seeing the facility that it is currently hardly utilized at all by PCC. Our previous offer to allow PCC to use space as needed during the fall for classes, etc., at no rental cost remains open. After viewing President Wethington's letter to you dated March 13, I think he may be open to such an arrangement. I would request that you initiate further discussions with UK and the Finance and Administration Cabinet so that we can move forward on this matter.

Secondly, as reported by Ken Walker, the FY 97-98 appropriation for the programs includes \$100,000 that has not been previously allocated. Both MSU and UK will receive \$100,000 for FY 97-98 for program development. In addition, MSU and UK will receive \$500,000 for program delivery. A portion of that money will be paid to MSU for providing faculty support for the engineering program, subject to a negotiated amount for MSU teaching 50 percent of the courses. Our original \$100,000 allocation in each year of this biennium has been utilized to increase our faculty capacity to deliver these engineering courses. What has been left out of this mix is funding for increases in staff and faculty support for the other initiatives in which we have engaged in Paducah. As we reported on Monday, we have increased the number of classes in Paducah by over 25 percent in the last year without any increased funding except for tuition revenue. I would like to request that the Council on Higher Education allocate the additional \$100,000 to Murray State University to be used to support the non-engineering

Equal education and employment opportunities

Dr. Cox
June 12, 1997
page 2

initiatives in Paducah. As I stated on Monday, we are prepared to double our courses in Paducah provided adequate resources are available and enrollment justifies. The additional \$100,000 appropriation would certainly assist as we move forward on this commitment.

We appreciate your support and assistance with these two issues.

Sincerely yours,



Kern Alexander
President

KA:smr

cc Sid Easley
Leonard Hardin

Paducah Engineering

University of Kentucky
Lexington, Kentucky 40506-0032
606-257-1701

July 17, 1997

Post-It® Fax Note	7671	Date	7/18/97	# of pages	2
To	Gary Cox	From	Joan McCauley		
Co./Dept.		Co.			
Phone #		Phone #	257-5701		
Fax #	573-1537	Fax #	323-1025		

Dr. Gary Cox
Acting President
Council on Postsecondary Education
1024 Capital Center Drive
Suite 320
Frankfort, KY 40601-8204

Dear Gary:

Thank you for your July 1st letter, in which you advised us that you would be recommending the transfer of \$600,000 this year to the University of Kentucky in support of the extended campus engineering initiative in Paducah. This is, indeed, welcome news. You also indicated that Murray State University has requested that the Council transfer the remaining \$100,000 appropriated for 1997-98 academic program operations to that institution in support of its "non-engineering" activities in Paducah, and that I provide you with any such proposal for the \$100,000 from the University of Kentucky.

Based on my conversations with Chancellor Zinser and Dean Lester, I would like to urge your consideration of the transfer of the remaining \$100,000 to the University of Kentucky in support of its engineering initiative in Paducah. My request is based on the actual needs of the University to carry out the mandated programs in the Purchase Region.

We have estimated that a recurring appropriation of approximately \$1,100,000 is required to support accredited undergraduate programs in chemical and mechanical engineering in Paducah. That estimate was derived by Dean Lester from a consideration of faculty and staff support required by the Engineering Accreditation Commission of the Accreditation Board of Engineering and Technology (EAC/ABET). The current appropriation of \$800,000 will simply not be sufficient in the long term to support two accredited engineering programs in Paducah. In view of this, we would question the allocation of part of the original appropriation to "non-engineering" educational activities.

Also, Dean Lester has worked with Council staff to reduce this year's budget request in support of the Paducah initiative to the lowest possible amount. In doing so, he recognized that the staffing for the programs would take some time to complete, and that the salary savings available during the 1997-98 fiscal year could be used to begin equipping the engineering laboratories in preparation for laboratory classes during the Fall 1998 semester. It is my understanding that he advised the Council staff during those discussions that the unallocated funds would be put to this purpose during this fiscal year, and that future requests for capital expenditures in support of the program would be reduced by whatever amount was expended on engineering-related laboratory equipment this year.

Dr. Gary S. Cox
July 17, 1997
Page 2

Finally, we all agree that these programs must be of high quality and fully accredited to justify state support. Since anticipated recurring support required to run the extended campus engineering operations is greater than that currently appropriated, and the University has already cooperated in reducing the near-term expenditures required to bring the programs to fruition, I believe that any unallocated funding provided by the General Assembly should be transferred to the University of Kentucky in support of extending its engineering programs to the Purchase Area.

Sincerely,



Charles T. Wethington, Jr.
President

CTW:bmr

c: Ben W. Carr, Jr.
Elizabeth A. Zinser
Edward A. Carter
Thomas Lester
Joan E. McCauley

**1998/2000 AGENCY
OPERATING BUDGET REQUEST**

**ACTION ITEM
CPE (E)
November 3, 1997**

Recommendation:

That CPE adopt the agency budget request for the 1998/2000 biennium in the amount of \$61,194,500 for 1998/99 and \$94,629,000 in 1999/2000 as presented on the attached chart titled 1998/2000 Biennial Budget Request. The requested amounts include \$4,880,000 in 1998/99 and \$4,893,000 in 1999/2000 for the Kentucky Commission on Community Volunteerism and Service.

Rationale:

- The 1998/2000 biennial agency operating budget includes the following components: (1) agency operations, including all funds necessary to operate the agency; (2) pass-through programs including those operated directly by CPE (e.g., the Contract Spaces program) and those for which funding is ultimately intended for public agencies or institutions; (3) federal programs administered by CPE (Eisenhower Science and Mathematics); and, (4) the Kentucky Commission on Community Volunteerism and Service (KCCVS) budget request.
- State budget guidelines require submission of all state agency budget requests for the biennium to be complete by November 15.
- The Kentucky Commission on Community Volunteerism and Service is attached to CPE for administrative purposes only. Their biennial budget request is included as a separate program within the total CPE budget.

Background:

General Budget Issues

The state biennial budget process is divided into two key components: (1) Current Services; and, (2) Expansion. Current Services funding for all programs and activities, agency operations, pass-through programs, federal programs, and for the KCCVS is included at the maximum allowable levels.

Under the biennial budget guidelines, all vacant positions after August 1, 1997, are to be excluded from the budget base. Because of the extraordinary circumstances in the reform of postsecondary education, CPE determined that vacant positions would remain open until a new president of CPE is selected. CPE will request an exception to the Current Services methodology and request that vacant positions remain in the CPE position base. Vacant positions in the CPE and KCCVS base are included and noted as exceptions to the budget guidelines.

Agency Operations

The only significant expansion requested in the Agency Operations program is for the Commonwealth Virtual University (CVU). The CVU has three component parts: (1) the capital request for infrastructure activities; (2) institutional funds included as part of the investment and incentive trust funds; and, (3) personnel and operating funds for CVU administration. It is this last category that is included in the Agency Operations budget in the amount of \$500,000 for each year of the biennium. Because the exact nature of the CVU structure is not known at this time, the amount is shown as a lump sum appropriation in pass-through programs. The intention, however, is for all funds to become part of the CPE agency operations base appropriation.

Minor expansion is requested each year of the biennium to replace contracted services dollars in 1998/99 (\$42,000) and operating dollars in 1999/2000 (\$46,500) as a result of the Current Services calculations. The Current Services methodology requires agencies to apply 5 percent salary increment to each position plus absorb fringe benefit rate adjustments against a 3 percent inflationary allowance. As a result of the Current Services calculations, expenditures must be reduced in other areas. The expansion request seeks to restore the reductions.

Pass-through Programs

The most significant expansion request in pass-through programs lies in the investment and incentive trust funds. The current year appropriation of \$15 million was divided among three of the six investment and incentive trust funds. These six separate funds and their purposes are described below:

Research Challenge Trust Fund—To encourage research activities at the University of Kentucky and at the University of Louisville.

Regional University Excellence Trust Fund—To provide financial assistance to encourage regional universities to develop at least one nationally-recognized program of distinction or at least one nationally-recognized applied research program consistent with the goals established for the postsecondary education system. There are six separate accounts to be created, one for each of the regional universities and funds appropriated to the trust fund are to be: “apportioned to each of the regional universities proportional to their respective share of total general fund appropriations in each fiscal year, excluding debt service appropriations and specialized, noninstructional appropriations.” [KRS 164.7919(1)(b)]

Technology Initiative Trust Fund—To provide financial assistance to the postsecondary education system in acquiring the infrastructure necessary to acquire and develop electronic technology capacity; to encourage shared program delivery among libraries, institutions, systems, agencies, and programs; to provide funding for the Commonwealth Virtual University; and, other programs and purposes of postsecondary education consistent with the adopted strategic agenda.

Physical Facilities Trust Fund—To provide sufficient financial assistance for unexpected contingencies for the construction, improvement, renovation, or expansion of the physical facilities of the postsecondary education system.

Postsecondary Workforce Development Trust Fund—To provide financial assistance to further cooperative efforts among community colleges and technical institutions and for the acquisition of equipment and technology necessary to provide quality education programs. Financial assistance shall be awarded for instructional programs ensuring that the community colleges and the technical institutions are able to continually acquire state-of-the-art equipment and technology needed to accomplish their mission.

Student Financial Aid and Advancement Trust Fund—To provide financial assistance that encourages student access to postsecondary education including regionally-accredited or nationally-accredited technical institutions and colleges, community colleges, public universities, and regionally-accredited private colleges and universities. “Appropriations made to this trust fund may be used for the College Access Program, the Kentucky Tuition Grant Program, or other student financial aid programs as authorized by the General Assembly.” [KRS 164.7927(1)(b)] A minimum of 25 percent of the student financial aid and advancement trust fund appropriations shall be allotted for the purpose of assisting individuals whose available income, determined in accordance with part F of Title IV of the Higher Education Act of 1965 as amended, is at or below 100 percent of the federal income poverty guidelines.

The request for total Investment and Incentive Trust Fund appropriations is \$44 million in 1998/99 and \$77 million in 1999/2000. A separate recommendation on the distribution of the expansion dollars to the six investment and incentive trust funds will be made by the Investments and Incentives Committee.

EPSCoR, the Experimental Program to Stimulate Competitive Research, has been tremendously successful in leveraging state and local funds in order to attract federal research dollars. Since its

inception in 1985, the Kentucky EPSCoR program has brought over \$32 million in federal research dollars into Kentucky. State appropriations of \$13 million were used to attract funding from a broad array of federal agencies including the National Science Foundation, the Department of Defense, the Department of Energy, the National Institute of Health and the National Aeronautics and Space Administration. Kentucky was one of the first states to coordinate all EPSCoR type programs under a single agency (The Kentucky Science and Technology Council). As a result of that coordination, Kentucky is one of the few states to receive EPSCoR funding from all participating federal agencies. Current levels of funding, \$2.2 million in 1997/98, are not sufficient to match potential federal funds. The Kentucky Science and Technology Council estimates that potential federal program sources will require \$3.0 million in 1998/99. The requested level of state funding is for that amount. EPSCoR initiatives are consistent with the goals established for postsecondary education and with a focus on improvement in research and development activities.

Funds are requested for the *Paducah Regional Higher Education Center* in the amount of \$125,000 in 1998/99 and \$180,000 in 1999/2000 for lease-purchase payments on the Crisp Center.

The *SREB Faculty Diversity Program* is a multi-state effort to train minorities for faculty positions at Kentucky institutions. The Council on Postsecondary Education, the University of Kentucky, and the University of Louisville have all participated in the Southern Regional Education Board program for several years by reallocating funds from other sources. The program provides financial assistance to doctoral students attending either the University of Kentucky or the University of Louisville. The purpose of the program is to increase the available pool of minority candidates for faculty positions. Expansion funds are included in the amount of \$34,000 to support two doctoral students and in the amount of an additional \$34,000 in 1999/2000 to support two more students. This expansion request is advanced as an initiative under the *Kentucky Plan for Equal Opportunities: 1997-2002*.

The *Governor's Minority Student Preparation Program* also is an initiative under the *Kentucky Plan for Equal Opportunities: 1997-2002*. Grants are provided to higher education institutions for activities related to contact with minority students in the seventh to ninth grade. The purpose of the program is early intervention with an ultimate goal of improving recruitment and retention of minority students. Expansion funds are included in the request in the amount of \$60,000 in 1998/99 and for a continuation of that amount in 1999/2000. Funding for the program has remained constant for a number of years despite the addition of the community colleges into the Kentucky Plan.

**Council on Postsecondary Education
1998/2000 Biennial Budget Request
Agency Budget with Pass-Through Programs**

Category	1997/98 Budget			1998/99 Budget Request			1999/2000 Budget Request		
	Original Appropriation	Supplemental Appropriation	Total Appropriation	Current Services	Expansion	Total Appropriation	Current Services	Expansion	Total Appropriation *
Agency Operations									
Personal Services	2,405,000	648,000	3,053,000	3,150,000	42,000	3,192,000	3,296,000	0	3,338,000
Operating Expenses	601,500	0	601,500	601,500	0	601,500	555,000	46,500	601,500
Grants	0	0	0	0	0	0	0	0	0
Capital Outlay	54,500	0	54,500	54,500	0	54,500	54,500	0	54,500
Total Agency Operations	3,061,000	648,000	3,709,000	3,806,000	42,000	3,848,000	3,905,500	46,500	3,994,000
Pass-Through Programs									
Contract Spaces Program	2,247,000	0	2,247,000	2,220,500	0	2,220,500	2,328,500	0	2,328,500
EPSCoR	2,200,000	0	2,200,000	2,324,000	676,000	3,000,000	2,324,000	0	3,000,000
Rural Allied Health and Nursing Program	373,500	0	373,500	394,500	0	394,500	416,001	0	416,000
Professional Education Preparation Program	293,500	0	293,500	310,000	0	310,000	327,000	0	327,000
Minority Student College Preparation Program	198,500	0	198,500	209,500	60,000	269,500	221,000	0	281,000
Telecommunications Consortium (ETV)	167,500	0	167,500	177,000	0	177,000	187,000	0	187,000
Metroversity Consortia	53,000	0	53,000	56,000	0	56,000	59,000	0	59,000
KEYS to KERA	65,000	0	65,000	68,500	0	68,500	72,500	0	72,500
SREB Compact for Faculty Diverstiy	0	0	0	0	34,000	34,000	0	34,000	68,000
Paducah Regional Higher Education Center	1,300,000	0	1,300,000	125,000	0	125,000	180,000	0	180,000
State Autism Training Center	200,000	0	200,000	211,500	0	211,500	223,000	0	223,000
Investment and Incentive Trust Funds	0	15,000,000	15,000,000	15,000,000	29,000,000	44,000,000	15,000,000	33,000,000	77,000,000
Commonwealth Virtual University (CPE Staff Support)	0	0	0	0	500,000	500,000	0	0	500,000
Total Pass-Through Programs	7,098,000	15,000,000	22,098,000	21,096,500	30,270,000	51,366,500	21,338,000	33,034,000	84,642,000
Federal Programs (CPE)									
Eisenhower Science and Mathematics Program	1,044,500	0	1,044,500	1,100,000	0	1,100,000	1,100,000	0	1,100,000
Total Agency Operations and Federal Programs	11,203,500	15,648,000	26,851,500	26,002,500	30,312,000	56,314,500	26,343,500	33,080,500	89,736,000
Kentucky Commission on Community Volunteerism and Service									
Personal Services	\$258,500	\$0	258,500	\$275,500	\$0	275,500	\$285,500	\$0	285,500
Operating Expenses	121,500	0	121,500	121,500	0	121,500	124,500	0	124,500
Grants	2,775,000	0	2,775,000	4,033,000	450,000	4,483,000	4,033,000	0	4,483,000
Capital Outlay	0	0	0	0	0	0	0	0	0
Total KCCVS	\$3,155,000	\$0	\$3,155,000	\$4,430,000	\$450,000	\$4,880,000	\$4,443,000	\$0	\$4,893,000
GRAND TOTAL	\$14,358,500	\$15,648,000	\$30,006,500	\$30,432,500	\$30,762,000	\$61,194,500	\$30,786,500	\$33,080,500	\$94,629,000
* Includes expansion from 1998-99.									

1997/98 INCENTIVE TRUST FUNDS CRITERIA

Recommendation:

- That CPE approve the attached incentive trust funds criteria to be used in allocating 1997/98 incentive trust fund monies in the Regional University Excellence Trust Fund (Attachment A), the Research Challenge Trust Fund (Attachment B), and the Workforce Development Trust Fund (Attachment C). The CPE ad hoc Work Group developed these criteria.
- That CPE direct its Work Group to develop the Request for Proposals document for each trust fund based on these criteria.

Rationale:

- The recommendation advances the goals established in HB 1 for each of the three incentive trust funds to which funds were appropriated in 1997/98.
- These incentive trust fund criteria were developed by the CPE Work Group and incorporate many suggestions advanced by the Conference of Presidents.
- The recommendation provides for an allocation of funds for technology and instructional equipment in the Kentucky Tech branch of KCTCS from the Workforce Development Trust Fund. This approach only applies to 1997/98 funds.
- The selection process outlined in the criteria is based on the concept of a partnership between CPE and the institution and its governing board.
- The process for awarding funds allows each institution to progress at a pace beneficial to that institution.
- The recommendation addresses the issues of matching funds and reallocation of funds as referenced in HB 1.

Background:

The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) introduced a new concept to postsecondary education funding. That new concept is the Strategic Investment and Incentive Funding Program “for the purpose of encouraging the activities of institutions, systems, agencies, and programs of postsecondary education.” HB 1 established six Strategic Investment and Incentive Trust Funds to advance the goals of postsecondary education. These funds are the:

- Research Challenge Trust Fund;
- Regional University Excellence Trust Fund;
- Postsecondary Workforce Development Trust Fund;
- Technology Initiative Trust Fund;
- Physical Facilities Trust Fund; and
- Student Financial Aid and Advancement Trust Fund.

HB 1 charges CPE with the responsibility for developing the criteria and the process for submission for allocation of the incentive trust fund monies. With respect to the Regional University Excellence and the Research Challenge trust funds, CPE is responsible for determining matching funds or internal reallocation requirements from the applicants to qualify for funding.

House Bill 4 (HB 4), the appropriations bill enacted during the May Special Session, appropriated \$15 million for 1997/98 to three of the six trust funds: the Regional University Excellence Trust Fund (\$6 million), the Research Challenge Trust Fund (\$6 million), and the Postsecondary Workforce Development Trust Fund (\$3 million). HB 1 identified goals for each of these trust funds. The goal of the Regional University Excellence Trust Fund is to provide financial assistance to encourage regional universities to develop at least one nationally recognized program of distinction or at least one nationally recognized applied research program. The goal of the Research Challenge Trust Fund is to encourage research activities at the doctoral universities so that these institutions may achieve: (1) the status of a major comprehensive research institution ranked nationally in the top 20 public universities at the University of Kentucky and (2) a premier, nationally-recognized metropolitan research university at the University of Louisville.

The goal of the Postsecondary Workforce Development Trust Fund is to provide financial assistance to further cooperative efforts among community colleges and technical institutions and for the acquisition of equipment and technology necessary to provide quality education programs. In testimony and discussions of HB 4 during the May Special Session, it was indicated that the exclusive intent of the 1997/98 appropriation into this trust fund was to assist the Kentucky Tech branch of KCTCS in the acquisition of equipment and technology to enhance the delivery of instruction to students. This exclusive intent applies only to the 1997/98 appropriation to the trust fund.

CPE began discussions of the incentive trust fund criteria at its October 7, 1997 meeting. Chair Hardin appointed an ad hoc Work Group to develop the incentive funds criteria. The Work Group met on October 16, and presented its first drafts of the incentive funds criteria to be discussed at the October 20 CPE meeting. These drafts also were sent to the university presidents who were invited to comment on the proposed criteria at the October 20 CPE meeting. The presidents also were asked to submit their comments on the drafts to CPE by October 25. On October 27, the Work Group conducted a conference call to further revise the criteria after receiving suggestions from the presidents. The Work Group made final changes to these criteria on October 29.

1997/98 Regional University Excellence Trust Fund

Criteria

Introduction

The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) gives the Council on Postsecondary Education (CPE) the responsibility to develop the criteria and process by which institutions may apply for funds appropriated to individual Strategic Incentive and Investment Trust Funds. CPE recognizes that any criteria and processes it develops must be designed to implement the spirit and intent of HB 1 and eventually the strategic agenda called for in HB 1.

The purpose of the Regional University Excellence Trust Fund is to "provide financial assistance to encourage regional universities to develop at least one nationally-recognized program of distinction or at least one nationally-recognized applied research program. . . .". CPE believes that one intended outcome of the Regional University Excellence Trust Fund is to result in a complementary array of instructional and applied research programs of distinction across the state to meet identified needs of the Commonwealth. The expectation of CPE is that graduates of each program of distinction will have achieved a mastery in a particular field of study that builds on the core liberal arts programs; will be in high demand nationally by employers and graduate programs; will have cutting edge knowledge and demonstrated competencies in their field; and will be ultimately prepared to enter the workplace or advanced graduate study. While CPE prefers one program of distinction initially for each university, an institution may wish to demonstrate its ability to support additional programs.

CPE believes that the selection of an institution's program of distinction must include a campus-based process involving its board of regents, faculty, and other university constituents, as appropriate. Such a broad-based effort is particularly important given the expectation that recurring funds will be reallocated from other areas of the university to the selected program or programs of distinction. As a means of supporting both this on-campus process as well as facilitating this initiative at the systemwide level, CPE will select one consultant to advise CPE on the selection process used by each university and to advise CPE on the proposed programs resulting from the selection process.

The specific program proposals should include a discussion of the longer-term outlook (five-year enhancement plan) including the resources, which may be required to achieve national status. Such a long-term budget outlook should specify the types of resources, which may be required to achieve national recognition. This information will help CPE develop its budget requests in the future as it will ensure a more effective match of program enhancement, physical facilities, technology and other items which may be needed by the various programs to achieve national status.

Program Criteria

To be eligible for funds from the Regional University Excellence Trust Fund, the proposed program:

1. Must be a single, disciplinary or interdisciplinary instructional or applied research program or a limited number of such programs in a related field of study. (Additional unrelated programs must be addressed in separate proposals.)
2. Must be consistent with the institutional mission, strategic plan, HB 1 and eventually the strategic agenda, all of which should be directed to address the needs of the Commonwealth; and must improve the quality of education and the educational experience at the university.
3. Must complement programs of distinction at the other regional universities in addressing the educational needs of the Commonwealth.
4. Must have potential capacity for national prominence.
5. Must reflect cooperation and collaboration with other sectors in the postsecondary education system.

While not required, proposed programs of distinction:

1. Should embody the competitive strengths likely to be required by universities of the 21st Century. These strengths may include: innovative and integrated curriculum, innovative delivery, active learning, and lifelong learning.
2. Should enhance economic development, quality of life, workforce development, or lifelong learning.
3. Should have a positive impact on the institution as a whole, on the entire postsecondary education system, and on the Commonwealth.
4. Should include a masters degree program as a component of the overall initiative to establish the program of distinction.

Funding Criteria

To be eligible for funds from the Regional University Excellence Trust Fund, the institution:

1. Must provide a 1:1 match from either internal reallocation or external funds.
2. Must match recurring funds to receive recurring funds and, likewise, match nonrecurring funds to receive nonrecurring funds.
3. Must have matching funds available prior to the allotment of trust funds.
4. Must establish an identifiable budget and expenditure unit for each program.
5. Must supplement, rather than supplant, current program funds.

Assessment Criteria

The program proposal submitted by the university:

1. Must include outcomes-based performance indicators, benchmarks, and evaluation criteria, specifically including student outcomes. The program proposal must indicate the ultimate outcome to be achieved as well as periodic (e.g., annual or biennial) intermediate outcomes.

Trust Fund Award Process

CPE views the award of strategic incentive and investment trust funds as one of its most significant responsibilities. It also recognizes the responsibility of each institutional governing board in proposing the program of distinction that best fits with its university's mission and strategic plan. To help assure that each party fulfills its respective role and that the objectives of both the system and the individual institution are met, CPE advocates a selection process that involves a partnership between the CPE and the governing board. This process will involve the following steps:

Selection Process:

1. CPE will select one consultant to review and advise CPE on the selection process used by each university as well as on the potential for the resulting array of proposed regional university programs to significantly improve the quality of postsecondary education in Kentucky.
2. The proposal must have support from the institution as evidenced by approval of the board of regents and a description of the selection process which provides for involvement of university faculty.
3. CPE will determine if the proposal from each university is complete and ready to advance to the proposal review process.

Proposal Review:

1. Upon receipt of institutional proposals, CPE and its consultant may select one or more program area specialists, including nationally recognized experts in the area of the proposed program of distinction, to serve as an external review panel to review proposals. That review panel will report on the reasonableness of the planned expenditures, the appropriateness of the proposed benchmarks, and the potential for achieving national prominence.
2. CPE will have final approval on the selection and funding of programs of distinction.

Post-Award Review:

1. CPE will conduct a periodic (annual or biennial) assessment of each funded program. If approved intermediate outcomes have not been substantially achieved, trust funds may not be provided in subsequent years.

Proposal Contents

The proposal submitted by each university shall include a:

1. Program Plan
2. Funding Plan
3. Assessment Plan

The specific elements to be included in each of these sections will be detailed in the Request for Proposals (RFP) document.

1997/98 Research Challenge Trust Fund

Criteria

Introduction

The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) gives the Council on Postsecondary Education (CPE) the responsibility to develop the criteria and process by which institutions may apply for funds appropriated to individual Strategic Incentive and Investment Trust Funds. CPE recognizes that any criteria and processes it develops must be designed to implement the goals of HB 1, (i.e., to achieve (1) a major comprehensive research institution ranked nationally in the top 20 public universities at the University of Kentucky and (2) a premier, nationally-recognized metropolitan research university at the University of Louisville) and eventually the strategic agenda. CPE believes that one intended outcome of the Research Challenge Trust Fund is to result in research institutions recognized nationally as leaders in specific programs or a core of interrelated disciplines of distinction.

CPE believes that the development of these proposals (i.e., the selection process) must include a campus-based process involving its board of trustees, faculty, and other university constituents, as appropriate. Such a broad-based effort is particularly important given the expectation that recurring funds will be reallocated from other areas of the university to the programs included in the proposal. As a means of supporting both this on-campus process as well as facilitating this initiative at the systemwide level, CPE will select one consultant to advise CPE on the selection process used by each university and to advise CPE on the proposals resulting from that selection process.

CPE will accept one institutional "overview" or conceptual proposal and a series of specific "program" level proposals from each research university. In the overview proposal, the university should describe (1) its broad strategy of achieving HB 1 goals including focusing on specific programs, building research infrastructure, enhancing research productivity of faculty, reallocation of resources, etc.; (2) its approach to selecting programs for enhancement; and (3) the categories of resource needs (faculty positions, research assistant funding, research equipment funding, general enhancement, etc.) and trust fund support which will enhance its ability to meet HB 1 goals.

The specific program proposals should include a discussion of the longer-term outlook (five-year enhancement plan) including the resources, which may be required to achieve national status. Such a long-term budget outlook should specify the types of resources, which may be required to achieve national recognition. This information will help CPE develop its budget requests in the future as it will ensure a more effective match of basic research enhancement, physical facilities, technology and other items which may be needed by the various programs to achieve national status.

Program Criteria

To be eligible for funds from the Research Challenge Trust Fund, proposed programs:

1. Must include a conceptual proposal that designates either a single, disciplinary or interdisciplinary academic degree program or research area or a series of academic degree programs.
2. Must be consistent with the institutional mission, strategic plan, HB 1 and eventually the strategic agenda, all of which should be directed to address the needs of the Commonwealth.
3. Must show evidence of, where programmatically feasible and practicable, efforts to collaborate with and complement research programs at the other research university in addressing the needs of the Commonwealth.
4. Must have potential capacity for national prominence.

While not required, proposed research programs:

1. Should lead to the advancement of knowledge while enhancing economic development, quality of life, or workforce development.
2. Should have a positive impact on the institution as a whole, including direct benefit to undergraduate students, on the postsecondary education system, and on the Commonwealth and nation.
3. Should include the doctoral degree (or appropriate terminal professional degree) if consistent with the overall research agenda.
4. Should have a plan approved by CPE for technology transfer and intellectual property rights.

Funding Criteria

To be eligible for funds from the Research Challenge Trust Fund, the institution:

1. Must provide a 1:1 match from either internal reallocation or external funds.

2. Must match recurring funds to receive recurring funds and, likewise, match nonrecurring funds to receive nonrecurring funds.
3. Must have matching funds available prior to the allotment of trust funds.
4. Must establish an identifiable budget and expenditure unit for each program.
5. Must supplement, rather than supplant, current program funds.

Assessment Criteria

The research proposal submitted by the university:

1. Must include outcomes-based performance indicators, benchmarks, and evaluation criteria. The program proposal must indicate the ultimate outcome to be achieved as well as periodic (e.g., annual or biennial) intermediate outcomes.

Trust Fund Award Process

CPE views the award of strategic incentive and investment trust funds as one of its most significant responsibilities. It also recognizes the responsibility of each institutional governing board in developing proposals that best fit its university's mission and strategic plan. To help assure that each party fulfills its respective role and that the objectives of both the system and the individual institution are met, CPE advocates a selection process that involves a partnership between the CPE and the governing board. This process will involve the following steps:

Selection Process:

1. CPE will select one consultant to review and advise CPE on the selection process used by each university as well as on the potential for the resulting array of proposals to significantly affect the advancement of knowledge and the national ranking as research universities.

2. The proposal must have support from the institution as evidenced by approval of the board of trustees and a description of the selection process which provides for involvement of university faculty.
3. CPE will determine if the proposals from each university are complete and ready to advance to the proposal review process.

Proposal Review:

1. Upon receipt of institutional proposals, CPE and its consultant may select one or more program area specialists, including nationally recognized experts in the area of the proposal, to serve as an external review panel to review proposals. That review panel will report on the reasonableness of the planned expenditures, the appropriateness of the proposed benchmarks, and the potential for achieving national prominence.
2. CPE will have final approval on the selection and funding of proposals.

Post-Award Review:

1. CPE will conduct a periodic (annual or biennial) assessment of each funded program. If approved intermediate outcomes have not been substantially achieved, trust funds may not be provided in subsequent years.

Proposal Contents

The proposal submitted by each university shall include a:

1. Program Plan
2. Funding Plan
3. Assessment Plan

The specific elements to be included in each of these sections will be detailed in the Request for Proposals (RFP) document.

1997/98 Workforce Development Trust Fund

Criteria

Introduction

The Kentucky Postsecondary Education Improvement Act of 1997 (HB1) created the Postsecondary Education Workforce Development Trust Fund to provide financial assistance to further cooperative efforts among the community colleges and technical institutions and for the acquisition of equipment and technology necessary to provide quality educational programs. House Bill 1 further states that CPE shall develop the criteria and process for submission of an application for funding under the provisions of HB 1. The Kentucky and Community Technical College System (KCTCS) may apply to CPE for financial assistance from this fund. HB 1 further states that financial assistance shall be awarded for instructional programs ensuring that the community colleges and technical schools are able to continually acquire state of the art equipment and technology needed to accomplish their missions.

House Bill 4 (HB 4) appropriates \$3 million to the Postsecondary Education Workforce Development Trust Fund for 1997/98. In testimony and discussions regarding HB 4 during the May 1997 Special Session of the General Assembly, it was indicated that the intent of this appropriation for 1997/98 was to assist the Kentucky Tech Branch of KCTCS in the acquisition of equipment and technology in order to enhance the delivery of instruction to students. The presentations and discussions on this trust fund for 1997/98 indicated that since an equity adjustment funding appropriation was being made to the University of Kentucky Community College System in the current year of the biennium, the \$3 million in the Trust Fund would be used exclusively to provide for instructional equipment and technology in the Kentucky Tech system.

Proposal Criteria

To be eligible for 1997/98 funds in the Workforce Development Trust Fund, KCTCS must present to CPE a proposal. In that proposal KCTCS:

1. Must provide a program plan detailing how these proposed expenditures will enhance the delivery of instructional activities in the Kentucky Tech Branch.
2. Must provide a funding plan detailing how the \$3 million appropriation for 1997/98 is proposed to be spent on equipment and technology which will enhance the delivery of instruction in the Kentucky Tech Branch.

3. Must provide to CPE its statement of methodology detailing how KCTCS established the priority order for expending fund from the trust fund in 1997/98.
4. Must develop as part of its proposal, an assessment plan detailing the actual expenditure of funds from the Trust Fund in 1997/98; the number of students who are benefiting from the expenditure of these funds; and quantitative measures of the enhanced instructional delivery provided by the use of these funds.

Upon receipt of this proposal from KCTCS, CPE will perform an analysis of the information provided. CPE reserves the right to have the proposal reviewed by an external review panel selected by CPE where such review panel will be advisory to CPE. Final funding decisions will be made by CPE.

Proposal Contents

The proposal submitted by KCTCS shall include a:

1. Program Plan
2. Funding Plan
3. Assessment Plan

The specific elements to be included in each of these sections will be detailed in the Request for Proposals (RFP) document.

FACULTY AND STAFF TUITION WAIVER POLICY

November 3, 1997

Recommendation:

That CPE approve the attached Faculty and Staff Tuition Waiver Policy.

Rationale:

- KRS 164.020(32) requires CPE to develop such a policy.
- The current policy was implemented on an interim basis on August 8, 1997.
- Staff is proposing changes in the interim policy based on comments and suggestions from the institutions.

Background:

KRS 164.020(32), enacted as a part of the Postsecondary Education Improvement Act of 1997, allows faculty and employees of the public postsecondary institutions to take up to six hours of college credit coursework, tuition-free, at any of the postsecondary institutions. The statute further directs CPE to develop a statewide policy to implement the program.

On July 22, 1997, CPE authorized the Acting President to develop and implement an interim policy in order to accommodate employees who were seeking to register for the fall semester. On August 8, 1997, Acting President Gary Cox issued an interim policy and distributed it to the institutions. A copy of that document was provided to the CPE as an information item on August 27.

On September 29, the institutions were asked to provide any comments or suggestions for modification to the interim policy, based on their experience with registration for the fall semester. The attached document reflects changes proposed as a result of that process. Proposed new language is underlined; proposed deletions are highlighted by strike-throughs.

The most significant change was the addition of language in Section B to address the issue of assigning credit hours to third parties. Prior to the new law, at least two institutions permitted their employees to assign rights to a certain number of credit hours to a spouse and/or dependents. Once the interim policy was issued, questions arose as to how the new policy would affect those institutions. The new language would stipulate that while the credit hours earned under the state policy are not assignable, employees could opt to participate in their institutions' policies instead.

2.51: FACULTY AND STAFF TUITION WAIVER PROGRAM POLICY

I. Statement of Purpose

The 1997 First Extraordinary Session of the General Assembly resulted in the creation of a faculty and staff tuition waiver program [KRS 164.020(32)] with the express purpose of promoting employee and faculty development. Specific responsibility was granted to the Council on Postsecondary Education to develop and implement this program. Consistent with stated legislative purpose, this policy sets out the parameters of this program, which is intended to enhance the professional development opportunities of the ~~employees and~~ faculty and staff of the public postsecondary institutions.

~~The Council on Postsecondary Education authorized the Acting President to implement a policy so that employees seeking to participate in the Faculty and Staff Tuition Waiver Program could enroll for the 1997 fall semester. This policy is an interim policy that will be reviewed by the Council during the fall semester.~~

II. Statutory Authority

Authority is expressly granted in KRS 164.020(32) which provides the Council on Postsecondary Education shall:

(32) Develop a statewide policy to promote employee and faculty development in all postsecondary institutions through the waiver of tuition for college credit coursework in the public postsecondary education system. Any regular full-time employee of a postsecondary public institution may, with prior administrative approval of the course offering institution, take a maximum of six (6) credit hours per term at any public postsecondary institution. The institution shall waive the tuition up to a maximum of six (6) credit hours per term; . . .

Additional requirements for employees of the Kentucky Community and Technical System are stated in KRS 164.5807 ~~House Bill 1, 1997 Extraordinary Session, Section 19(6)~~:

(6) A regular full-time employee may, with prior administrative approval, take one (1) course per semester or combination of summer sessions on the University of Kentucky's campus or at a community college during the employee's normal working hours. The University of Kentucky shall defray the registration fee up to a maximum of six (6) credit hours per semester or combination of summer sessions.

III. Policy

Section A. Definitions

1. "Course-offering institution" means the institution where an employee has enrolled to take a college credit course under the provisions of this policy.
2. "Employing institution" means the institution where an employee seeking a benefit under this policy works on a full-time basis.
3. "Institution" means a state-supported postsecondary institution as described in KRS 164.001(10).
4. "Regular full-time employee" or "employee" means an employee so classified by an employing institution within the human resources system of that institution. NOTE: *Until July 1, 1998, participation by the technical branch of the Kentucky Community and Technical College System (KCTCS) is limited to employees of the postsecondary technical institutions and the postsecondary faculty of the area centers. On July 1, 1998, all KCTCS employees will become eligible.*
5. "Summer term" or "summer session" means the period in the academic calendar between the spring and the fall semester.

Section B: General Requirements

1. The program is to be titled the Faculty and Staff Tuition Waiver Program.
2. The Faculty and Staff Tuition Waiver Program applies to the waiver of tuition and does not include mandatory student fees, course and other fees, textbooks or other charges assessed by a course-offering institution.
3. The Council on Postsecondary Education requires that all tuition waived under this program:
 - a. be recorded consistent with residency requirements;
 - b. be recorded in the financial accounting system of the course-offering institution consistent with financial reporting guidelines of the Council; and
 - c. be separately identified in the course-offering institution's student database consistent with Council guidelines.
4. The Faculty and Staff Tuition Waiver Program applies to all courses offered for college credit not specifically excluded by this policy.

5. A course-offering institution may, through a written policy, exclude non-credit continuing or community education courses, courses offered through overseas programs, correspondence courses, and audited courses.
6. Participation in the Faculty and Staff Tuition Waiver Program may generate additional taxable income under the provisions of the federal tax code for graduate, professional and doctoral level programs.
 - a. The course-offering institution shall provide a report to the chief personnel officer of each employing institution on all employees participating in the Faculty and Staff Tuition Waiver Program. The report shall designate the course number and whether the course is undergraduate, graduate, doctoral or professional.
 - b. The employing institution is responsible for withholding ~~of the~~ proper taxes and for reporting taxable income ~~for all employees of the institution~~ regardless of ~~the institution~~ where the course is taken.
 - c. Any tax liability incurred through participation in this program is the responsibility of the employee.
7. This policy confers a financial benefit to regular, full-time employees and is not intended to guarantee access or preferential treatment to any academic course or program.
8. An employee eligible to participate in this program may take courses during normal working hours with written permission of the employing institution.
9. An institution is not required to offer a course during an academic term unless there are a sufficient number of tuition-paying students taking the course. An institution may restrict enrollment in a course if space is not available.
10. An institution may offer additional benefits to its own employees or to employees of other postsecondary institutions that exceed the benefits of this policy.
11. Credit hours earned under the state policy are not assignable; however, an employing institution that wishes to allow its employees to assign credit hours to third parties may do so, either by having the employee sign a waiver of the state policy in favor of the institutional policy or by the institution granting credit hours in excess of those provided by the state.

Section C: Eligibility Criteria

1. An employee, to be eligible for participation in the Faculty and Staff Tuition Waiver Program, must be classified by the employing institution as a regular full-time employee. Certification of

employment shall be provided by the employing institution for each academic term in which the employee seeks to participate in the program.

2. If employment is terminated prior to the first day of classes, an approved tuition waiver will be cancelled.
3. An employee is not eligible to receive a tuition waiver under this program in excess of six credit hours per academic term from an institution or combination of institutions.
4. Employees must meet the course-offering institution's:
 - a. general admission requirements; and
 - b. any specific program requirements.
 - c. A course-offering institution may require that a student achieve a minimum grade level, not to exceed a 2.0 on a 4.0 grade scale, in order to continue to be eligible to participate in the Faculty and Staff Tuition Waiver Program in subsequent academic terms.

~~Section D: Effective Date of This Policy~~

- ~~1. This policy shall be effective August 8, 1997.~~
- ~~2. The Council on Postsecondary Education shall review and act on this policy prior to the start of the spring 1998 academic term.~~

Certification: _____
Gary S. Cox, Acting President
J. Kenneth Walker, Acting Chief
Operating Officer

Previous Actions:

Original Approval: _____ **August 8, 1997**

Amended: _____

Information:

A primary responsibility of the Strategic Committee on Postsecondary Education (SCOPE) is to act as the search committee to recommend candidates for the position of CPE president. SCOPE will meet on October 29 to choose a search firm to assist in that process. Four search firms, determined to be finalists as a result of a staff review of proposals received, have been invited to make presentations at that time.

KRS 164.013 requires that SCOPE submit three candidates to be considered by CPE. CPE may reject all three and ask for another slate to be submitted; however, in the end, CPE must select someone recommended by SCOPE. Five CPE members, in addition to Leonard Hardin who chairs the committee, serve on SCOPE.

MINUTES¹
Investments And Incentives Committee
November 3, 1997

The Investments and Incentives Committee (IIC) met on November 3, 1997, at 9 a.m. in the CPE Conference Room, Frankfort. IIC Chair Greenberg presided.

ROLL CALL

The following members were present: Mr. Baker, Ms. Edwards, Mr. Hackbart, Mr. Hardin, Ms. Menendez, Mr. Miller, Ms. Ridings, Mr. Whitehead, and Chair Greenberg.

*APPROVAL OF
MINUTES*

A motion was made by Mr. Whitehead and seconded by Mr. Hardin to approve the October 20, 1997, minutes. The motion passed unanimously.

*1998/2000
TUITION
SCHEDULE*

RECOMMENDATION: That the 1998/2000 tuition rates for Kentucky's public universities, community colleges, and postsecondary technical schools (see page I-9 of the agenda materials) be approved; and that the Council on Postsecondary Education's (CPE) tuition-setting policy be reviewed in 1998.

DISCUSSION: The recommended tuition rates are the same as those presented as Option 1 at the October 20, 1997, CPE meeting. These rates are based upon the current tuition setting policy that has been in place since 1981.

Tuition is the second largest source of funding for postsecondary education; the largest is state funding. Mr. Greenberg noted that establishing tuition rates is a multifaceted, complex process and recommended that the entire tuition setting policy and student aid be reviewed next year.

Ms. Edwards reported that while at the last CPE meeting the Board of Student Body Presidents went on record as supporting Option 1, much discussion and concern has arisen on the doctoral campuses regarding the combined total increase of 22.1 percent. Ms. Edwards presented an alternative option, Option 4 (a copy is available upon request). She reported that both the University of Kentucky and the University of Louisville support a flat tuition increase of 3 percent at all institutions. Ms. Edwards' option holds the tuition increase at the doctoral institutions to 6.7 percent, along the lines of the increase for the regional institutions.

Mr. Hackbart asked whether CPE ever deviated from the tuition setting policy when establishing tuition rates. Mr. Walker stated that in 1981, when the policy was established, there was a decision to phase in the initial

¹ All attachments are kept with the original minutes in CPE offices. A verbatim transcript of the meeting is also available.

prescribed rates over a two or three year period. Since that time, a strict application of the policy has been followed.

Mr. Greenberg asked whether there were other student representatives present and whether they would like to speak. Ms. Melanie Cruz, the UK Student Body President, addressed the committee and read a statement endorsing what was Option 3 at the last CPE meeting, and called for a 3 percent cap on tuition increases at all universities.

Mr. Greenberg asked whether the university presidents would like to comment on the proposed tuition options. Interim President Burch said that after talking with the Board of Student Body Presidents representatives at the last meeting, her understanding was that the Board of Student Body Presidents based their recommendation on what seemed equitable among all the institutions. Their support of Option 1 was accompanied by the recommendation that after rates are set for the 1998/2000 biennium, the policy would be studied prior to setting rates for the 2000/02 biennium.

President Eaglin commented that as Convener of the Council of Presidents, all presidents supported the adherence to the established procedure for setting tuition.

Mr. Miller stated that he understood the students' concerns. Setting tuition rates is one of the most difficult responsibilities of CPE. He believes that anytime tuition is raised someone is denied access to higher education; nevertheless, CPE has a fiduciary duty to provide necessary revenue to meet the Commonwealth's public policy goals.

Mr. Hackbart asked that if CPE conducted a policy review, could CPE adjust tuition next year for the second year of the biennium. Mr. Walker stated that the rates could be changed if the review indicated that need.

Ms. Edwards requested that the university presidents commit to allow students to delay payments to January 1 so that students could take advantage of new tax laws. President Eaglin commented that most institutions already have deferred payment programs in place, and that such a commitment would require board approval.

Mr. Baker stated that while this increase is unpleasant, it cushions the increase that will occur in the next biennium. Chair Greenberg stated that CPE is aware of the tuition burden of all students; however, the tuition recommendations were based upon looking to the future and the need to upgrade the entire Kentucky Postsecondary Education System.

MOTION: Mr. Miller moved the adoption of the staff recommendation. Ms. Menendez seconded the motion.

VOTE: The motion passed with an 8 to 1 vote. Ms. Edwards voted no.

1998/2000
OPERATING
FUNDS
REQUEST FOR
INSTITUTIONS

RECOMMENDATION: That CPE recommend to the Governor and General Assembly state appropriations of \$854,902,700 in 1998/99 and \$874,313,200 in 1999/2000 (as indicated in Table 1 of the agenda materials) for the universities, community colleges, and postsecondary technical schools. This reflects current services increases of 2.9 percent (\$21,946,800) in 1998/99 and 2.8 percent (\$21,902,600) in 1999/2000 and necessary base adjustments (see Tables 2 – 4 in the agenda materials) in each year for state-supported debt service, University of Louisville (U of L) hospital contract, and operation and maintenance (O&M) of previously approved facilities coming on-line. Also that CPE recommend to the Governor and General Assembly that before O&M funds be allotted, each institution must submit for CPE approval a facilities maintenance plan establishing and committing to a maintenance standard for facilities at the institution.

DISCUSSION: Mr. Walker stated that this agenda item deals with the maintenance of each base and the inflationary increase provision of each base. The recommendations are based upon substantial discussions occurring during the May 1997 Special Session of the General Assembly in which the Governor's Office and the Governor's Budget Office gave a presentation entitled the *Budget Outlook*. The *Budget Outlook* presentation was a 7-year macro revenue and expenditure plan for all of state government. The first three years of that budget outlook comprised the current fiscal year, 1997/98, and the next fiscal biennium, 1998/2000. As it relates to postsecondary education, the commitments made in that budget outlook were to maintain the bases of each postsecondary education entity through the next biennium, to provide an inflationary increase on each entity's base, and then to provide an additional \$100 million over the 3-year period. The first portion of that \$100 million was the \$38 million provided in House Bill 4 for 1997/98.

Chair Greenberg asked whether the presidents had any comments. President Funderburk asked if an elaborate maintenance plan was being requested or whether current plans would suffice. Mr. Walker stated that the intent of the recommendation is that the institutions commit to a maintenance standard that would be a new item added to current maintenance plans.

Chair Greenberg asked for other comments or questions from the presidents. President Alexander suggested that the recommendation be footnoted to reflect that student growth was not taken into consideration when calculating base adjustments. He believes that if access is a priority, then at some point formula funding should be used again and not just providing a percentage increase for the base. President Alexander believes that percentage base increases do not stimulate higher education access.

MOTION: Mr. Hardin moved the adoption of the recommendation and Mr. Hackbart seconded the motion.

VOTE: The motion passed unanimously.

*1998/2000
FUNDING LEVEL
FOR EACH
INCENTIVE TRUST
FUND*

RECOMMENDATION: That CPE recommend to the Governor and General Assembly \$44 million in 1998/99 and \$77 million in 1999/2000 for funding of the six Strategic Investment and Incentive Trust Funds as established in the Kentucky Postsecondary Education Improvement Act of 1997 (HB 1). The recommended distribution of funds among the trust funds is found on page I-42 of the agenda materials. The intended use of these recommended funds is described in the background section of this agenda item.

DISCUSSION: Mr. Walker gave an overview of the recommendation. Funding for the trust funds during the next biennium will come from the remaining \$62 million mentioned in the Governor's budget outlook presentation. Staff recommended \$29 million the first year of the biennium and \$33 million in new money for the second year of the biennium to be allocated among the six trust funds as indicated on page I-42 of the agenda materials. The use of the funds is described on page I-41.

Chair Greenberg stated that this is an effort on behalf of the state and that it puts Kentucky in a leadership position to improve the quality of postsecondary education in the state. The additional \$10 million in the Research Challenge Trust Fund is to be used as seed money to encourage community match. Once the community match is obtained, the money can be used to increase that trust fund to \$100 million from private sources. The money could be spent over a short period of time. This would provide a significant jump-start to the research initiative which is part of the strategic agenda.

Mr. Hackbart stated that the initiative provides an opportunity for major efforts to begin quickly. The recommendation for the Student Aid Trust Fund is a major increase of approximately 25 percent and will help off set some of the effects resulting from the tuition increase.

Mr. Baker asked for clarification on the additional \$10 million placed in the Research Challenge Trust Fund. He asked whether the money would be borrowed to invest and endow professorships that will generate income for professors. He is concerned with how the additional money will be structured. Mr. Ramsey explained that the concept would be to take the \$10 million debt service for use in supporting a bond issue of approximately \$100 million. There are some preliminary indications and commitments that the \$100 million could be matched from corporate citizens and from others interested in academic excellence. The result of this would be the creation of a \$200 million pool or endowment. The \$200 million pool would be invested and the investment earnings used to fund endowed professorships and endowed chairs. Many models exist on ways to jump-start this activity and this is one such model for building centers of excellence. The goal is to reach a funding level as quickly as possible that will allow development of a specific model to create funding for endowed professorships and endowed chairs.

Mr. Hackbart stated that this is an effort to invest in human capital, a critical component for building a nationally prominent research university.

Mr. Baker stated that the part that was puzzling him was that the debt service on the \$10 million almost would equal the interest income generated from the \$100 million. He believes it would be more cost effective for the state to provide the \$10 million straight out, unless there is significant private capital match. Mr. Hackbart stated that the key is the private capital match.

Chair Greenberg stated that if a significant pool of money could be obtained to attract human capital, it would take on the role of an economic engine which would have a multiplier effect. When significant researchers are brought in, they bring with them multiple numbers of Ph.D., Master's, and well trained people. This would have a multiplier effect in each community. Each community could take advantage of this by amassing a significant research effort in selected fields, and could then become the research center for those fields within the country and hopefully attract industry to build plants around where the research is occurring.

Chair Greenberg asked whether the presidents had any comments or questions regarding the recommendation. President Votruba stated that given the aspiration level that Kentucky has for its research enterprise, it will take this kind of aggressive entrepreneurial thinking to realize the aspiration. President Alexander stated that he believes that it is a good idea to jump-start the program, but what will actually occur is that the system will borrow against the future for current operations. According to President Alexander, there are two issues with regard to the universities: 1) access and research and 2) human capital development. He believes that if the state is going to borrow against the future for research, then perhaps borrowing against the future for access should also be considered by hiring additional professors. That would be human capital development as well.

Chair Greenberg stated that part of what is occurring is building a momentum to discover ways to get the resources needed to fund all of these ideas. In the absence of a strategic agenda, this is a first step.

President Shumaker stated that since June, U of L has attracted far more excitement and interest in this approach than the University could accommodate, even with the start-up funding received as a result of the May Special Session. He believes this strategy has the potential of leveraging significant amounts of private funding to match what the state and the universities could provide. He stated that not only individuals, but nonprofit organizations and hospitals have told the University that they are prepared to match far more than U of L could match.

President Wethington stated that the ability or potential ability to set-up a fund that would ensure some continued appropriation to the research institutions over time is what makes this kind of approach interesting. He believes that the idea of putting in place something that over time will

continue to provide an infusion of funds to the research universities is something that should be pursued.

MOTION: Mr. Miller made the motion that the recommendation be approved and Ms. Menendez seconded the motion.

VOTE: The motion passed unanimously.

*1998/2000
CAPITAL
PROJECTS
RECOMMENDATION*

RECOMMENDATION: That CPE recommend to the Governor and General Assembly the following state-funded and agency-funded pools and projects.

A. State-Funded Projects:

- A deferred maintenance and government mandates pool to provide funding for \$25 million in state bonds with a required \$1 to \$1 match (originally proposed as a \$2 to \$1 match) from each institution generating a potential of \$50 million in capital projects being completed. Each university and the Kentucky Community and Technical College System (KCTCS) will be required to fund, from agency funds, half of each project to be funded from this pool. The allocation of the pool among universities and KCTCS is included as **Attachment A-1** in the agenda materials. Projects eligible for funding from this pool are included as **Attachment A-2** in the agenda materials. A *revised* Attachment A-2 was distributed at the IIC meeting and is available upon request.
- A KCTCS capital projects pool to provide \$50 million in bonds to fund capital projects across the community college and Kentucky Tech systems. In recognition of the transition issues for KCTCS, the specific projects to be funded from the pool will be subsequently identified by KCTCS with necessary reporting to CPE, executive branch agencies, and legislative committees. The KCTCS resolution recommending this approach to CPE is included as **Attachment B-1** in the agenda materials.
- Critical major renovation projects totaling \$32,434,000, and new facilities totaling \$148,140,000 (with additional funding of \$17,000,000 agency funds) to be authorized in 1998/99 and funded with state-supported debt service in 1999/2000. Projects are included as **Attachment B-2** in the agenda materials. The project description and its relationship to House Bill 1 (HB 1) as reported by each institution are included as **Attachment B-3** in the agenda materials.
- A CPE capital projects pool of \$55 million for capital projects related to the Commonwealth Virtual University (CVU) and projects to ensure student access to the postsecondary education system statewide through both traditional physical and electronic access. Some funds from the pool would be used specifically to redress

situations where gaps exist in the physical and/or electronic access points. The project description is included as **Attachment B-4** in the agenda materials.

- A research equipment and laboratory replacement or acquisition pool of up to \$30 million for the University of Kentucky and the University of Louisville. HB 1 establishes research at UK and U of L as a high priority. Implementation of this priority may require upgrading existing equipment and/or research laboratories, acquiring new equipment or establishing new research laboratories to meet expectations of HB 1. To leverage funds from this pool, CPE may require an institutional match for some funds to be allocated.
- Bonds for this complete capital construction and equipment projects package will be sold by the State Property and Buildings Commission. State-supported debt service for these bonds were included in Agenda Item CPE (I-3) IIC (E), "1998/2000 Funding Level for Each Incentive Trust Fund" in the Physical Facilities and Technology Trust Funds.
- Before project funds may be allotted, each institution must submit for CPE approval a facilities maintenance plan establishing and committing to a maintenance standard for facilities at the institution and a technology replacement plan establishing and committing to a technology replacement standard for the institution.

B. Agency-Funded Projects:

- An agency bond projects pool totaling \$35 million (additional funding of \$5 million agency funds) to be authorized in 1998/99 with debt service supported by restricted agency funds. This pool would provide funding for individual projects to be approved by CPE in the future and recommended to the Secretary of the Finance and Administration Cabinet. Projects eligible for funding from this pool are included as **Attachment C** in the agenda materials.
- Agency fund projects totaling \$404,504,000 in 1998/99 and \$91,278,000 in 1999/2000 to address life safety, major maintenance, equipment acquisitions, infrastructure repair and upgrades, and new construction. These projects are included as **Attachment D** in the agenda materials.

DISCUSSION: Chair Greenberg called attention to the modified recommendation that was distributed at the meeting. The modification states:

"If an institution is able to complete its authorized project, as described and intended, for less than the authorized and funded project scope, the institution may propose the use of the residual funds for another capital project, subject to CPE approval."

The intent of the modification is to create incentives for maximizing the use of resources.

Mr. Walker stated that agency funded projects are projects funded from sources other than state funds or state funded debt service. He called attention to a handout labeled as pages I-49A to I-50A. This handout replaced Attachment A-2 in the agenda materials (a copy is available upon request) and includes the addition of the Thompson Complex, North Wing HVAC for Western Kentucky University (WKU). The scope of this project is \$1.375 million.

Mr. Walker called attention to another handout, a letter dated October 31 from Interim President Burch at WKU commenting on the recommendation for a \$2 to \$1 agency funds to state funds match.

Mr. Walker pointed out that the state-funded projects recommendation dealing with research equipment and laboratory replacement may require an institutional match.

Mr. Walker stated that the agency bond projects pool approach has worked very well over the last four biennia. If approved, the appropriations bill would identify an amount of money, i.e., an amount of authorization that institutions could then come back to CPE and propose specific projects to be funded. State law requires that any capital project over \$400,000 in scope must be listed in order for an institution to be eligible to complete that project.

Chair Greenberg complimented fellow colleagues and CPE for putting together this complex recommendation. He asked for comments and discussion.

Mr. Baker expressed concern over the matching requirement. He believes it is difficult for a university president to solicit a donor to install a new furnace or put a new roof on a building. It is easier to find donors willing to put their names on projects that are visible to the public than for deferred maintenance.

Mr. Hackbart stated that if the committee, CPE, Governor, and legislature approve this recommendation, it would be the first time that there would be a separate fund established by CPE. Mr. Walker stated that the approach was recommended two years ago, but it was not funded. Mr. Hackbart said that the institutions have handled the maintenance issues on their campus from resources within their campus. In effect, this pool would be a supplement over and above the resources they traditionally and normally would apply to the maintenance of the physical plant. This recommendation would be supporting institutions by providing funds to the institutions to help in the maintenance of facilities. This is a new initiative in that sense. Institutions should not have to obtain match money for the pool off-campus because it is assumed that they would use money that has been routinely budgeted for maintenance as the source for the match money.

President Eaglin stated that the Conference of Presidents asked him to address the match issue. He said that the presidents realize and are appreciative of this as an attempt to help with deferred maintenance issues; however, it is difficult to talk about deferred maintenance without looking at the total budgetary process. Each institution budgets money for deferred maintenance. On behalf of the Conference of Presidents, President Eaglin asked the committee to reconsider the \$2 to \$1 match and replace it with a \$1 to \$1 match. Such a match would give the institutions greater flexibility to access these dollars more quickly and to invest more money into deferred maintenance.

Interim President Burch stated that accessing the money more easily and quickly is critical. Having a \$1 to \$1 match would make the difference as to whether some institutions are able to access the \$25 million recommended for deferred maintenance. She encouraged the committee to drop the match back to at least \$1 to \$1. President Wethington supported the Conference of Presidents' recommendation of a \$1 to \$1 match.

Mr. Miller asked for the rationale for changing the match and what difference it made when the total dollars are not changed. Mr. Ramsey stated that in an effort to address as many of the deferred maintenance issues as possible, a \$2 to \$1 match was suggested so that \$75 million would be available to put towards the recommendations in the *Banks's Report*. A \$1 to \$1 match would provide only \$50 million that could be put towards the recommendations in the *Banks's Report*. Another reason for the match requirement is that deferred maintenance is a shared responsibility between the campuses and the state. The committee discussed the fact that the universities already do budget money for deferred maintenance and the institutions have flexibility for end-of-year fund balance allocations.

President Eaglin stated that some institutions have to use year-end fund balances to meet operating costs. Institutions only have so much money to put into deferred maintenance. President Alexander stated that a 2.9 percent base increase with an increase in student enrollment, does not allow flexibility for a \$2 to \$1 match.

MOTION: Mr. Hackbart stated that a shared responsibility is being worked toward in terms of the facilities motion. He moved an amendment to change the match ratio to \$1 to \$1 for the maintenance pool. Ms. Edwards seconded the motion.

VOTE: Chair Greenberg called into question the motion made by Mr. Hackbart to amend the deferred maintenance pool match requirement to a \$1 to \$1 match instead of a \$2 to \$1 match. The motion passed unanimously.

MOTION: Mr. Miller made the motion to approve the recommendation and Mr. Whitehead seconded the motion.

VOTE: Mr. Greenberg called the entire revised recommendation into question including the amendment made to the original recommendation just approved and those presented on the revised Attachment A-2. (The question would include the amendment to include the Thompson Renovation at WKU and the \$1 to \$1 match on the deferred maintenance pool.) The motion passed unanimously.

*1996/98 AGENCY
BOND POOL
DISTRIBUTION*

RECOMMENDATION: That CPE approve the authorization of \$1 million to the University of Kentucky from the residual agency bond authority for 1996/98. The project authorized to be completed is the Clinical Teaching/Support Labs renovation. (Attachment A of the agenda materials summarizes the recommendation and Attachment B provides a description of the project.)

DISCUSSION: Mr. Walker stated that the 1996 General Assembly created a \$35 million agency bond pool. In July 1996 the Council on Higher Education approved a list of projects costing approximately \$24 million, leaving approximately \$10 million in residual authorization for this biennium. The institutions were surveyed and asked whether any planned to come forward with project requests requiring use of that residual. Only UK indicated and requested funding from that pool. UK requested an authorization of \$1 million to fund a \$2 million project for the clinical teaching support lab in the dental program at the University.

Chair Greenberg asked for comments or discussion from the committee or presidents. Upon receiving none, he called the motion into question.


MOTION: Mr. Miller made the motion and Ms. Menendez seconded the motion to approve the recommendation.

VOTE: The motion passed unanimously.

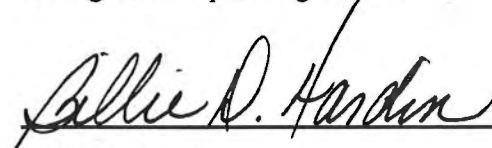
ADJOURNMENT

The meeting adjourned at 10:50 a.m.

Respectfully submitted,



J. Kenneth Walker
Acting Chief Operating Officer



Billie D. Hardin
Secretary

1998/2000 TUITION SCHEDULE

Recommendation:

- That the 1998/2000 tuition rates, shown on Attachment A, for Kentucky's public universities, community colleges, and postsecondary technical schools be approved.
- That the Council on Postsecondary Education's (CPE) tuition-setting policy be reviewed in 1998.

Rationale:

- Kentucky Revised Statute (KRS 164.020(8)) gives CPE the statutory responsibility to set tuition rates for Kentucky's public postsecondary institutions.
- The Kentucky Postsecondary Education Improvement Act of 1997 includes the postsecondary technical schools within CPE's authority.
- The proposed rates reflect a strict application of the current CPE tuition-setting policy.
- Consistent with the tuition policy, the proposed rates maintain Kentucky tuition rates at a level comparable to benchmark institutions.
- The recommended tuition rates will provide the institutions with additional revenue.
- The university presidents and the Board of Student Body Presidents have expressed support for this approach to be used in 1998/2000.
- With inclusion of the postsecondary technical schools within the tuition-setting authority of CPE and the planned implementation of the Commonwealth Virtual University, it is appropriate that the tuition policy be reviewed in 1998.

Background:

In 1981, the Council on Higher Education (CHE) developed and implemented a tuition-setting policy for public universities and community colleges. The policy was reviewed and revised in 1991 and again in 1993. A copy of that tuition-setting policy (a Kentucky Administrative Regulation) is included in this agenda item as Attachment B.

The proposed tuition schedule reflects a strict application of the tuition setting policy. That is, it considers tuition rates at the benchmark institutions and Kentucky's per capita personal income (PCPI) in calculating rates for the biennium. Advantages of this approach include minimizing fluctuation in rates in the next biennium and providing additional revenue for the institutions.

The university presidents were asked to comment on an alternative approach for setting tuition for the 1998/2000 biennium. That approach would have held increases at the resident undergraduate level to approximately 3 percent; rates at all other levels would reflect strict application of the policy. The general consensus of the presidents is to use the current tuition-setting policy for all levels. At the Investments and Incentives Committee meeting on October 20, 1997, the Board of Student Body Presidents also voiced support for setting rates at all levels using the current tuition-setting policy.

Among universities and community colleges, increases in resident undergraduate rates in the first year of the biennium range from 3.9 percent (\$20 per semester) at the community colleges to 11.7 percent (\$140 per semester) at the doctoral universities. Second year increases range from 3.8 percent (\$20 per semester) at the community colleges to 10.4 percent (\$140 per semester) at the doctoral universities.

It should be noted that rates at the postsecondary technical schools have been increased by 3 percent (rounded to the nearest \$10) in each year of the biennium for full-time resident students. Rates at all other levels have been set in the method used by the technical schools in prior years; i.e., per quarter rates are one-half semester rates and nonresident rates are twice resident rates.

The rates are presented by student level and type of institution; i.e., community colleges, technical schools, regional universities, and doctoral institutions. Attachment C includes tables showing:

- Percent and dollar increases in rates for five years at the universities and community colleges;
- Rates for five years at the postsecondary technical schools;
- Revenue estimates for the universities and community colleges;
- Tuition rates at the benchmark institutions and the percent of each state's PCPI;
- PCPI since 1987 in Kentucky, the benchmark states, and the United States; and
- Letters from university presidents related to the tuition-setting process used for the 1998/2000 biennium.

A model to estimate tuition revenue for the technical schools is not available at this time. A revenue model will be developed as soon as enrollment data become available through the CPE Comprehensive Data Base.

With inclusion of the postsecondary technical schools into the CPE's tuition-setting authority, review of the current sets of benchmark institutions, and implementation of the Commonwealth Virtual University, it is appropriate that the current tuition-setting policy be reviewed. This review will take several months to complete and should be initiated in early 1998.

**1998/2000 TUITION RATES
KENTUCKY POSTSECONDARY INSTITUTIONS**

	<u>1997/98</u>		<u>1998/99</u>		<u>1999/2000</u>	
	<u>Semester</u>	<u>Quarter</u>	<u>Semester</u>	<u>Quarter</u>	<u>Semester</u>	<u>Quarter</u>
RESIDENT						
Community College System	\$ 510		\$ 530		\$ 550	
Lexington Community College	810		810		810	
Postsecondary Technical Schools						
Per Week Contact Hours						
24 and over	310	155	320	160	330	165
18 - 23	260	130	270	135	280	140
12 - 17	210	105	220	110	230	115
7 - 11	160	80	170	85	180	90
Under 7	110	55	120	60	130	65
Regional Universities						
Undergraduate	900		960		1,010	
Graduate	990		1,060		1,110	
Doctoral Universities						
Undergraduate	1,200		1,340		1,480	
Graduate	1,320		1,470		1,630	
Annual Professional Rates						
Law	4,620		5,090		5,560	
Medicine	8,400		9,150		9,890	
Dentistry	6,630		7,400		8,160	
Pharm.D.	4,460		4,590		4,730	
NONRESIDENT						
Community College System	1,530		1,590		1,650	
Lexington Community College	2,430		2,430		2,430	
Postsecondary Technical Schools						
Per Week Contact Hours						
24 and over	620	310	640	320	660	330
18 - 23	520	260	540	270	560	280
12 - 17	420	210	440	220	460	230
7 - 11	320	160	340	170	360	180
Under 7	220	110	240	120	260	130
Regional Universities						
Undergraduate	2,700		2,880		3,030	
Graduate	2,970		3,180		3,330	
Doctoral Universities						
Undergraduate	3,600		4,020		4,440	
Graduate	3,960		4,410		4,890	
Annual Professional Rates						
Law	12,460		13,700		14,930	
Medicine	20,530		22,910		25,280	
Dentistry	17,580		19,110		20,640	
Pharm.D.	10,520		12,200		13,890	

13 KAR 2:050. Tuition at public institutions of higher education in Kentucky.

RELATES TO: KRS 164.020(3)

STATUTORY AUTHORITY: KRS 164.020(3)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.020(3) requires the Council on Postsecondary Education to determine tuition for attendance at public institutions of higher education in the Commonwealth. This administrative regulation prescribes the current tuition policy established by the council.

Section 1. General. The Council on Postsecondary Education sets the tuition for all students enrolled in each public institution of higher education including an individually-accredited community colleges and professional schools in Kentucky. These include Eastern Kentucky University, Kentucky State University, Morehead State University, Murray State University, Northern Kentucky University, University of Kentucky - University System, University of Louisville, Western Kentucky University, and University of Kentucky - Community College System.

Section 2. Tuition Policy. (1) Kentucky's tuition policy shall be responsive to access and marketplace; that is, the policy shall be based in large part on tuition rates at benchmark (peer) institutions in neighboring states and shall consider the need for economic access to higher education for Kentucky residents. The council shall conduct periodic surveys of doctoral, master's, community college system, and professional schools benchmarks' tuition consistent with the following tuition-setting principles:

(a) Maintain tuition levels for Kentucky residents as a reasonable percentage of per capita personal income (PCPI), with concomitant recommendations for adequate funding for need-based student financial aid to ensure economic access to higher education;

(b) Use all council-approved benchmark institutions as points of reference for determining tuition;

(c) Differentiate tuition rates by type of institutions (individually-accredited community colleges, regional/master's degree-granting universities, and doctoral degree-granting universities); and

(d) Provide for stability of tuition rate increases from biennium to biennium (i.e., minimize fluctuations).

(2)(a) A resident tuition objective, expressing tuition as a percentage of PCPI, is set for each type of institution and professional school.

(b) Resident undergraduate and professional school tuition rates are expressed as a percentage of PCPI.

(c) Graduate resident tuition rates are expressed as a percentage of the undergraduate resident tuition rates. Nonresident undergraduate and graduate rates are expressed as a percentage of appropriate resident rates.

(d) Tuition rates for nonresident professional schools are set at the median of similar rates at benchmark institutions. (13 Ky.R. 1314; eff. 2-10-87; 17 Ky.R. 3213; eff. 7-5-91; 22 Ky.R. 2040; 23 Ky.R. 116; eff. 7-5-96.)

**1998/2000 TUITION SCHEDULE
FULL-TIME SEMESTER RATES**

	1995/96	1996/97	Dollar	Percent	1997/98	Dollar	Percent	1998/99	Dollar	Percent	1999/2000	Dollar	Percent
RESIDENT	Rates	Rates	Change	Change	Rates	Change	Change	Rates	Change	Change	Rates	Change	Change
Undergraduate													
Community Colleges	\$490	\$500	\$10	2.0 %	\$510	\$10	2.0 %	\$530	\$20	3.9 %	\$550	\$20	3.8 %
Lexington Community College	810	810	0	0.0	810	0	0.0	810	-	0.0	810	-	0.0
Regional Universities	840	870	30	3.6	900	30	3.4	960	60	6.7	1,010	50	5.2
Doctoral Universities	1,130	1,170	40	3.5	1,200	30	2.6	1,340	140	11.7	1,480	140	10.4
Graduate													
Regional Universities	920	960	40	4.3	990	30	3.1	1,060	70	7.1	1,110	50	4.7
Doctoral Universities	1,240	1,290	50	4.0	1,320	30	2.3	1,470	150	11.4	1,630	160	10.9
ANNUAL RATES													
Law	4,260	4,440	180	4.2	4,620	180	4.1	5,090	470	10.2	5,560	470	9.2
Medicine	8,090	8,250	160	2.0	8,400	150	1.8	9,150	750	8.9	9,890	740	8.1
Dentistry	6,170	6,400	230	3.7	6,630	230	3.6	7,400	770	11.6	8,160	760	10.3
Pharm.D.**	NA	4,280	NA	NA	4,460	180	4.2	4,590	130	2.9	4,730	140	3.1
NONRESIDENT													
Undergraduate													
Community Colleges	1,470	1,500	30	2.0	1,530	30	2.0	1,590	60	3.9	1,650	60	3.8
Lexington Community College	2,430	2,430	0	0.0	2,430	0	0.0	2,430	-	0.0	2,430	-	0.0
Regional Universities	2,520	2,610	90	3.6	2,700	90	3.4	2,880	180	6.7	3,030	150	5.2
Doctoral Universities	3,390	3,510	120	3.5	3,600	90	2.6	4,020	420	11.7	4,440	420	10.4
Graduate													
Regional Universities	2,760	2,880	120	4.3	2,970	90	3.1	3,180	210	7.1	3,330	150	4.7
Doctoral Universities	3,720	3,870	150	4.0	3,960	90	2.3	4,410	450	11.4	4,890	480	10.9
ANNUAL RATES													
Law	11,610	12,040	430	3.7	12,460	420	3.5	13,700	1,240	10.0	14,930	1,230	9.0
Medicine	18,310	19,420	1,110	6.1	20,530	1,110	5.7	22,910	2,380	11.6	25,280	2,370	10.3
Dentistry	15,770	16,680	910	5.8	17,580	900	5.4	19,110	1,530	8.7	20,640	1,530	8.0
Pharm.D.**	NA	10,110	NA	NA	10,520	410	4.1	12,200	1,680	16.0	13,890	1,690	13.9

**Differential rates for the Pharm.D. program were not calculated prior to the 1996/98 biennium.

Community Colleges: UK Community College System (excluding Lexington Community College).

Regional Universities: Eastern Kentucky University, Kentucky State University, Morehead State University, Murray State University, Northern Kentucky University, and Western Kentucky University.

Doctoral Universities: University of Kentucky and University of Louisville.

**POSTSECONDARY TECHNICAL SCHOOLS
HISTORIC TUITION RATES**

	<u>1995/96</u>		<u>1996/97</u>		<u>1997/98</u>		<u>Proposed 1998/99</u>		<u>Proposed 1999/2000</u>	
	<u>Semester</u>	<u>Quarter</u>	<u>Semester</u>	<u>Quarter</u>	<u>Semester</u>	<u>Quarter</u>	<u>Semester</u>	<u>Quarter</u>	<u>Semester</u>	<u>Quarter</u>
Resident										
Per Contact Hours										
24 and over	300	150	300	150	310	155	320	160	330	165
18 - 23	250	125	250	125	260	130	270	135	280	140
12 - 17	200	100	200	100	210	105	220	110	230	115
7 - 11	150	75	150	75	160	80	170	85	180	90
Under 7	100	50	100	50	110	55	120	60	130	65
Nonresident										
Per Contact Hours										
24 and over	600	300	600	300	620	310	640	320	660	330
18 - 23	500	250	500	250	520	260	540	270	560	280
12 - 17	400	200	400	200	420	210	440	220	460	230
7 - 11	300	150	300	150	320	160	340	170	360	180
Under 7	200	100	200	100	220	110	240	120	260	130

1998/2000 TUITION REVENUE ESTIMATES

	1997/98 Estimated Revenue	1998/99		
		Estimated Revenue	Dollar Change*	Percent Change*
Eastern Kentucky University	30,036,300	31,964,900	1,928,600	6.4%
Kentucky State University	6,100,300	6,490,700	390,400	6.4%
Morehead State University	18,722,400	19,922,100	1,199,700	6.4%
Murray State University	22,389,900	23,833,800	1,443,900	6.4%
Northern Kentucky University	26,767,500	28,521,300	1,753,800	6.6%
University of Kentucky	77,700,500	86,025,400	8,324,900	10.7%
UK Community College System	37,916,200	39,051,500	1,135,300	3.0%
University of Louisville	57,050,600	62,922,700	5,872,100	10.3%
Western Kentucky University	31,660,400	33,681,900	2,021,500	6.4%
Total	308,344,100	332,414,300	24,070,200	7.8%

	1999/2000		
	Estimated Revenue	Dollar Change*	Percent Change*
Eastern Kentucky University	33,657,400	1,692,500	5.3%
Kentucky State University	6,836,000	345,300	5.3%
Morehead State University	20,972,900	1,050,800	5.3%
Murray State University	25,089,000	1,255,200	5.3%
Northern Kentucky University	30,086,900	1,565,600	5.5%
University of Kentucky	94,978,600	8,953,200	10.4%
UK Community College System	40,233,900	1,182,400	3.0%
University of Louisville	69,482,700	6,560,000	10.4%
Western Kentucky University	35,470,600	1,788,700	5.3%
Total	356,808,000	24,393,700	7.3%

*Change over previous year.

Note: Revenue estimates are calculated using CPE tuition revenue model.

**1996/97 RESIDENT UNDERGRADUATE ANNUAL TUITION
AS A PERCENT OF PER CAPITA PERSONAL INCOME (PCPI)
UK COMMUNITY COLLEGE SYSTEM BENCHMARK INSTITUTIONS**

<u>Benchmark Institutions</u>	<u>1996/97 Annual Tuition</u>	<u>Percent of PCPI</u>
Vincennes University (Indiana)	2,214	9.9 %
Parkersburg Community College (West Virginia)	1,148	6.2
Sinclair Community College (Ohio)	1,398	5.9
Virginia Community College System	1,385	5.6
Columbia State Community College (Tennessee)	1,024	4.7
Cleveland State Community College (Tennessee)	1,024	4.7
Jackson State Community College (Tennessee)	1,024	4.7
Dyersburg Community College (Tennessee)	1,024	4.7
Mineral Area College (Missouri)	840	3.7
Three Rivers Community College (Missouri)	816	3.6
Rend Lake College (Illinois)	816	3.1
Southeastern Illinois College	820	3.1
Wabash Valley College (Illinois)	744	2.8
Isothermal Community College (North Carolina)	557	2.5
Rockingham Community College (North Carolina)	557	2.5
 Median		 4.7

**1996/97 RESIDENT UNDERGRADUATE ANNUAL TUITION
AS A PERCENT OF PER CAPITA PERSONAL INCOME (PCPI)
REGIONAL BENCHMARK INSTITUTIONS**

<u>Benchmark Institutions</u>	<u>1996/97 Annual Tuition</u>	<u>Percent of PCPI</u>
Miami University (Ohio)	\$ 5,098	21.7 %
Kent State University (Ohio)	4,288	18.2
Ohio University	3,885	16.5
Wright State University (Ohio)	3,600	15.3
Cleveland State University (Ohio)	3,441	14.6
Central State University (Ohio)	3,243	13.8
Truman University (Missouri)	3,000	13.1
Ball State University (Indiana)	2,906	13.0
Old Dominion University (Virginia)	2,730	11.0
Indiana State University	2,434	10.8
Southeast Missouri State University	2,167	9.5
Southwest Missouri State University	2,136	9.3
Illinois State University	2,277	8.6
University of Memphis (Tennessee)	1,860	8.5
Radford University (Virginia)	2,016	8.1
Austin Peay State University (Tennessee)	1,714	7.9
East Tennessee State University	1,714	7.9
Middle Tennessee State University	1,714	7.9
Tennessee Tech University	1,714	7.9
Eastern Illinois University	2,052	7.7
Western Illinois University	2,040	7.7
Marshall University (West Virginia)	1,320	7.2
Northwest Missouri State University	1,434	6.3
Appalachian State University (North Carolina)	874	4.0
East Carolina State University	874	4.0
Western Carolina University (North Carolina)	874	4.0
 Median		 8.6

**1996/97 RESIDENT UNDERGRADUATE ANNUAL TUITION
AS A PERCENT OF PER CAPITA PERSONAL INCOME (PCPI)
DOCTORAL BENCHMARK INSTITUTIONS**

<u>Benchmark Institutions</u>	<u>1996/97 Annual Tuition</u>	<u>Percent of PCPI</u>
University of Cincinnati	\$ 4,152	17.6 %
University of Toledo	3,777	16.0
University of Virginia	3,832	15.4
University of Akron	3,488	14.8
Ohio State University	3,468	14.7
Virginia Polytech & State University	3,500	14.0
Purdue University	3,117	13.9
Indiana University	3,067	13.7
University of Missouri (Kansas City)	2,904	12.7
University of Missouri (Columbia)	2,904	12.7
Virginia Commonwealth University	3,125	12.5
University of Illinois	3,150	11.8
University of Tennessee	1,940	8.9
Georgia State University	1,699	7.5
West Virginia University	1,332	7.2
North Carolina State University	1,386	6.3
University of North Carolina (Chapel Hill)	1,386	6.3
University of Houston	768	3.5
 Median		 12.7

**1996/97 RESIDENT ANNUAL TUITION
AS A PERCENT OF PER CAPITA PERSONAL INCOME (PCPI)
PROFESSIONAL SCHOOLS**

<u>Benchmark Institutions</u>	<u>1996/97 Annual Tuition</u>	<u>Percent of PCPI</u>
Law		
University of Virginia	\$ 11,180	44.9 %
University of Missouri (Kansas City)	7,792	34.1
Ohio State University	6,412	27.2
Indiana University (Indianapolis)	5,341	23.8
University of Illinois	5,750	21.6
West Virginia University	3,304	17.9
University of Tennessee (Knoxville)	3,514	16.1
Median		23.8
Medicine		
University of Missouri (Kansas City)	\$ 14,591	63.8 %
Indiana University (Indianapolis)	11,040	49.2
Ohio State University	10,155	43.1
University of Illinois (Chicago)	11,250	42.3
West Virginia University	7,718	41.8
University of Tennessee (Memphis)	8,684	39.9
University of Virginia	8,740	35.1
Median		42.3
Dentistry		
University of Missouri (Kansas City)	\$ 12,160	53.2 %
Indiana University (Indianapolis)	9,860	43.9
Ohio State University	8,646	36.7
Virginia Commonwealth University	8,698	34.9
University of Tennessee (Memphis)	5,950	27.3
West Virginia University	4,144	22.5
Southern Illinois University	5,682	21.4
Median		34.9
Pharm.D.		
University of Missouri (Kansas City)	\$ 6,710	29.3
Purdue University (Main Campus)	6,457	28.8
Ohio State University	5,715	24.3
University of Tennessee (Memphis)	3,522	16.2
West Virginia University	2,676	14.5
University of Illinois (Chicago)	3,790	14.2
University of North Carolina	2,430	11.0
Median		16.2

**1996/97 NONRESIDENT ANNUAL TUITION
PROFESSIONAL SCHOOLS**

<u>Benchmark Institutions</u>	<u>1996/97 Annual Tuition</u>
Law	
University of Virginia	\$ 18,244
University of Missouri (Kansas City)	15,581
University of Illinois	15,343
Ohio State University	14,932
Indiana University (Indianapolis)	12,978
University of Tennessee (Knoxville)	9,340
West Virginia University	8,726
Median	14,932
Medicine	
University of Illinois (Chicago)	\$ 32,780
University of Missouri (Kansas City)	29,564
Ohio State University	28,305
Indiana University (Indianapolis)	25,275
University of Virginia	20,986
West Virginia University	20,052
University of Tennessee (Memphis)	16,858
Median	25,275
Dentistry	
Ohio State University	\$ 24,855
University of Missouri (Kansas City)	24,461
Indiana University (Indianapolis)	21,120
Virginia Commonwealth University	20,636
Southern Illinois University	17,046
University of Tennessee (Memphis)	14,492
West Virginia University	12,292
Median	20,636
Pharm.D.	
University of Missouri (Kansas City)	14,951
Purdue University (Main Campus)	13,885
Ohio State University	14,112
University of Tennessee (Memphis)	8,500
West Virginia University	9,280
University of Illinois (Chicago)	9,286
University of North Carolina	14,756
Median	13,885

**PER CAPITA PERSONAL INCOME 1987 - 1996
KENTUCKY AND BENCHMARK STATES**

<u>Benchmark State</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
Georgia	14,048	14,980	16,188	17,123	17,645	18,495	19,249	20,589	21,718	22,709
Illinois	16,347	17,611	18,858	20,159	20,621	21,784	22,560	24,010	25,310	26,598
Indiana	13,834	14,721	16,005	16,816	17,286	18,415	19,213	20,489	21,457	22,440
Missouri	14,537	15,492	16,431	17,409	18,099	18,949	19,557	20,654	21,836	22,864
North Carolina	13,155	14,128	15,221	16,275	16,802	17,831	18,670	19,922	21,082	22,010
Ohio	14,543	15,485	16,499	17,548	18,017	18,945	19,696	21,323	22,547	23,537
Tennessee	12,738	13,659	14,765	15,905	16,501	17,647	18,439	19,980	21,076	21,764
Texas	13,764	14,640	15,483	16,749	17,450	18,460	19,145	20,102	21,119	22,045
Virginia	16,322	17,640	18,970	19,537	20,099	20,934	21,653	22,948	23,985	24,925
West Virginia	10,959	11,658	12,529	13,967	14,666	15,554	16,169	16,906	17,714	18,444
Median	13,966	14,851	16,097	16,970	17,548	18,478	19,231	20,539	21,588	22,575
U.S. Average	15,471	16,615	17,696	18,666	19,201	20,137	20,800	22,045	23,196	24,231
Percent Increase										56.6
Kentucky	11,950	12,795	13,777	14,747	15,429	16,418	16,889	17,936	18,866	19,687
Percent Increase										64.7
As Percent of Median	85.6	86.2	85.6	86.9	87.9	88.9	87.8	87.3	87.4	87.2
As Percent of U.S. Avera	77.2	77.0	77.9	79.0	80.4	81.5	81.2	81.4	81.3	81.2

I-19

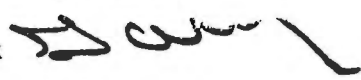
Source: U.S. Department of Commerce.



Gary S. Cox
Acting President

MEMORANDUM

TO: University Presidents
KCTCS Acting President

FROM: Gary Cox 

DATE: September 19, 1997

SUBJECT: 1999/2000 Tuition Schedule

Enclosed is a spreadsheet showing a draft 1998/2000 tuition schedule for the universities, community colleges, and postsecondary technical schools. As you know, the Council likely will take action on tuition rates for the 1998/2000 biennium at its November meeting. I am transmitting this draft requesting your comments about this approach.

The draft rates for the community colleges and universities were derived using a modified application of the existing tuition-setting policy. With strict application of the policy, rates at the resident undergraduate level increased from approximately 3.8 percent at the community colleges to 11.7 percent at the doctoral institutions. We felt these increases were excessive. Therefore, we are proposing that semester rates at the resident undergraduate level for the community colleges and universities and full-time resident rates at the postsecondary technical schools be increased by approximately 3.0 percent (the percent increases vary due to rounding to the nearest \$10). All other rates (i.e., graduate, nonresident, and professional) would reflect application of the existing tuition-setting policy prior to limiting rate growth for undergraduate resident students.

As I mentioned earlier, I anticipate the Council will taking action on tuition rates for 1998/2000 at its November meeting. However, this does not preclude the possibility that the Council may choose to review the current policy and potentially revise rates for the second year of the biennium at a later date. Some issues affecting the tuition policy that need to be addressed are the inclusion of postsecondary technical schools and the development of the Commonwealth Virtual University.

I would appreciate receiving your comments by close of business October 10. Please call me if you have any questions.

GSC/bdh
Enclosure



OFFICE OF THE PRESIDENT

201 HOWELL-MCDOWELL AD. BLDG.
MOREHEAD, KENTUCKY 40351-1689
TELEPHONE: 606-783-2022
FAX: 606-783-2216

*Rich Heritage...
Bright Future*

TO: Gary Cox
Acting President, Council on Postsecondary Education

FROM: Ronald G. Eaglin ^{RE}
Convener, Conference of University Presidents

DATE: September 30, 1997

RE: 1998/2000 Tuition Schedule

As Convener of the Conference of Presidents, I am providing a coordinated response to the draft 1998/2000 tuition rates. Pursuant to 13 KAR 2:050, Kentucky's tuition policy shall be based in large part on tuition rates at benchmark institutions in neighboring states and shall consider the need for economic access to higher education for Kentucky residents. The staff proposes to deviate from the policy for resident, undergraduate students at the community colleges and the regional and doctoral universities.

Capping resident undergraduate tuition rates in 1998/2000 will likely result in larger and objectionable rate increases in the future when the policy is applied. We recommend that the current tuition policy be followed for the 1998/2000 biennium and that a review of the policy be initiated in a timely manner to reflect what may be changing objectives.

If the results of the current tuition policy are inconsistent with the objectives you desire, then perhaps a common percentage increase for all student groups in the 1998/2000 biennium is preferable while a review is undertaken. However, our recommendation is that the current tuition policy be followed.

We would appreciate the opportunity to discuss this issue further, if necessary.

c: Leonard V. Hardin
Conference of University Presidents

MSU is an affirmative action equal opportunity educational institution.



EASTERN KENTUCKY UNIVERSITY
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Office of the President

Coates Box 1A, 107 Coates Building
Richmond, Kentucky 40475-3101
(606) 622-2101

September 4, 1997

Dr. Gary Cox
Acting President Council on Postsecondary Higher Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601-8204

Dear Dr. Cox:

We have reviewed the proposed 1999/2000 tuition schedule and offer the following comments:

Serious consideration must be given to the implications of abandoning the tuition policy for in-state undergraduate, community college, and postsecondary technical school students. If this is the course of action for the 1998/2000 biennium, the result for 2000/2002 could be a large increase in tuition which the Council would be hesitant to propose and others would find difficult to support. We would be creating the very kind of uneven increases that the policy is intended to prevent. Therefore, we support use of the tuition policy for the coming biennium.

If the ultimate decision is that tuition for in-state undergraduate, community college, and postsecondary technical school students is to be increased by some percentage other than what the policy would indicate, we believe that all other tuitions should be increased proportionally. Otherwise, in addition to the problem cited above, the Council on Postsecondary Education would be changing the relationships among those fees which have been established through use of the tuition policy. In other words, if we do not follow the policy for one set of tuitions, we should not apply it to others.

Sincerely,

A handwritten signature in cursive script that reads "Hanly Funderburk".

Hanly Funderburk

cc: University Presidents

I-22



RECEIVED DIVISION
OF THE PRESIDENT

OCT 6 9 39 AM '97

Kentucky State University

Frankfort, Kentucky 40601

Office of the President

TO: Dr. Gary S. Cox, Acting President
Council on Postsecondary Education

FROM: Mary L. Smith
Mary L. Smith, President

SUBJECT: Your Memo, 1998/2000 Tuition Schedule

DATE: October 2, 1997

We have reviewed your memorandum of September 19, 1997 concerning the 1998/2000 Tuition Schedule. We do anticipate tuition change recommendations for the 1998-2000 biennium during the November meeting, leaving open the option of additional review and revision of the constant dollar increases recommended for the second year of that biennium.

We have always supported the notion that low tuition is the best form of financial aid, promoting access in a state with traditionally low college-going rates. In that regard, and recognizing the public debate contrasting tuition increases with increases in the cost of living index, we support the proposal for holding resident undergraduate rate increases at approximately 3%. However, we are very concerned about the need for consistency with respect to undergraduate/graduate and resident/nonresident tuition, preferring the percent increase be applied uniformly to all categories as appropriate.

If you have any questions or concerns, please do not hesitate to give me a call.

MLS/dlg

cc: University Presidents

I-23

Telephone (502) 227-6260 FAX (502) 227-6490

Kentucky State University is an Equal Educational and Employment Opportunity/Affirmative Action Institution.



Murray State University

OFFICE OF THE PRESIDENT
P O BOX 9
MURRAY KY 42071-0009
PHONE: (502) 762-3763 FAX: (502) 762-3413

RECEIVED BY COUNCIL
30 SEP 1997

OCT 3 12 29 AM '97

October 1, 1997

Dr. Gary Cox
Acting President
Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601-8204

Dear Dr. Cox:

In response to your memorandum dated September 19, 1997, regarding the 1998/2000 tuition schedule, I would highlight the following points in support of the current policy:

- a) Consistency: The proposed method of calculating the tuition rates appears to be inconsistent with the existing tuition-setting policy (i.e., "excessive" vs. use of PCPI indicators).
- b) Future Trends: The current policy provides "for stability of tuition rate increases from biennium to biennium (i.e., minimize fluctuations)." However, it seems that the proposed tuition rates would result in greater fluctuations for the following years.
- c) Rate Compression: The current policy indicates a differentiation of tuition rates by type of institution (i.e. community college, regional/masters degree-granting universities, etc.). The proposed method would lead to a compression of the rates between the institutions.

If you would like to discuss these points further, please feel free to call me.

Sincerely yours,

Kern Alexander
President



OCT 8 11 27 AM '97

MEMORANDUM

October 2, 1997

TO: Gary Cox, Acting President
Council on Postsecondary Education

FROM: James C. Votruba *JCV*

SUBJECT: Draft 1999/2000 Tuition Schedule

During the short months leading up to and following my acceptance of the presidency at Northern Kentucky University, I have sought to learn about the policies which affect this institution, other public postsecondary institutions and the students who attend the institutions. Among the most interesting policies which I encountered is the tuition-setting policy that has been employed by the Council on Higher Education over the last several years. It is interesting in its use of benchmarks and in its particular attention to per capita personal income of Kentuckians. As a result, I have reviewed the draft 1999/2000 Tuition Schedule with considerable interest.

As drafted, Council staff is considering proposing that the CPE consider using a different standard to establish undergraduate resident tuition rates than it would use to establish all other tuition rates, a significant departure from the existing tuition-setting policy. As stated in the September 19 memorandum, the reason for such a departure from policy and practice is that the staff "*felt that these increases were excessive*", referring to undergraduate rates derived from the existing policy. CPE staff appears to have concluded that all other rates produced by the existing policy are reasonable and not excessive since staff proposes that all other rates would be set in accordance with and based on the existing policy. The proposal also addresses technical school rates even though the existing policy was never designed to set rates for such schools. Your draft proposal raises a number of serious concerns which should be carefully considered by the staff and, more importantly, by the CPE before it exercises its responsibility to set tuition rates.

An abrupt and arbitrary departure from existing policy such as that suggested should not be undertaken without a comprehensive and thoughtful analysis of the impact of such a change. No evidence is provided that such analysis has occurred. By proposing to depart from the policy for undergraduate rates only, a balance and relationship which has heretofore existed among the various tuition rates is abruptly, and without a clearly expressed rationale, eliminated. Although tuition rates at technical schools seem to have been set using the policy, the rationale for applying to technical schools the tuition policy designed for community colleges and universities is not articulated.

Gary Cox
Draft 1999/2000 Tuition Schedule
October 2, 1997
Page 2 of 2

In light of the ambitious goals set forth in House Bill 1 and by Governor Patton for Kentucky, a change in tuition policy such as that suggested by the draft proposal may prove counter productive in the long run. While not the only factor necessary to attain the goals, it is clear that availability of adequate financial resources has been established as critical and essential if Kentucky is to achieve the postsecondary system it envisions. The draft does not suggest the relationship that is believed to exist between the proposed change in application of tuition policy and the short-term/long-term implications of such a change on attainment of the goals set forth in House Bill 1. We stand ready to work toward the attainment of the goals. However, there is a very real concern that the programmatic and financial challenges already inherent in the attainment of the goals will become all the more challenging if the proposed change in tuition policy is not well grounded. The state, the CPE and the students may, in the end, be better served by adherence to the existing policy for at least the first year of the biennium so that any substantive change in tuition-setting policy is made only after more careful consideration of its impact on attainment of the goals in House Bill 1.

By most accounts, the tuition-setting policy used by this state for its community colleges and universities appears to have served Kentucky and its citizens reasonably well over time. While I would be among the first to support a thorough analysis of tuition-setting policy, I trust that the members of the CPE will exercise the due diligence required of such a body before it would act to approve the kind of substantive policy change suggested by the September 19 draft proposal.

I hope my comments will be helpful as work continues to develop a tuition rate recommendation for CPE consideration.

copy: Leonard Hardin
Presidents

October 7, 1997

Dr. Gary S. Cox
Acting President
Council on Postsecondary Education
1024 Capital Center Drive
Suite 320
Frankfort, KY 40601-8204

RE: Proposed 1998-2000 Tuition Schedule

Dear Gary:

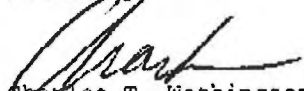
This is in response to your recent memorandum regarding the draft 1998/2000 tuition schedule. The current tuition policy has been effective and fair, taking into consideration both access and marketplace, and it would be unfortunate to abandon it without careful consideration. Therefore, I recommend that the tuition policy in place be utilized for the establishment of the 1998-2000 tuition rates. However, as I have indicated in the past, I think it is critical that we moderate the impact of the policy implementation on our students. This, too, is consistent with the current policy which states that policy implementation should provide for stability of tuition rate increases from biennium to biennium through minimizing fluctuations. But, simply placing a cap on undergraduate resident tuition rates would seem to move us away from our established tuition policy principles while at the same time raising the possibility of very unreasonable tuition rate increases if the current policy is maintained in the future.

Therefore, I recommend that we do the following in setting the tuition rates for 1998-2000:

1. Adhere to the current tuition policy;
2. To meet the stated principle of minimizing the tuition fluctuations, move toward tuition rate implementation by capping the annual rate increase by some factor of inflation, e.g., no more than twice the rate of inflation or inflation plus two percent. Through this approach, the impact on the students would be moderate in any given year while adhering to the principles of the tuition policy.
3. As in the past, continue to establish the non-resident rate at three times the resident rate and the graduate rate at 110% of the undergraduate rate.

As I review the specific proposed rates for the University of Kentucky, it appears that full implementation of the policy would result in 10-12% increases per year for students in the University System. This is an excessively high increase for our students and appears to be much higher than national rate increases; e.g., the College Board just released information that indicates "on average, undergraduates at four-year institutions will pay approximately five percent more this year than last in tuition and fees; undergraduates at two-year institutions will pay 2 to 5 percent more." I would be pleased to discuss this tuition recommendation with you if any further information is needed.

Sincerely,


Charles T. Wethington, Jr.
President

CTW:bmr

c: Leonard V. Hardin

KCTCS

KENTUCKY COMMUNITY AND
TECHNICAL COLLEGE SYSTEM

October 8, 1997

Dr. Gary S. Cox
Acting President
Council on Postsecondary Education
1024 Capitol Center Drive, Suite 320
Frankfort, KY 40601

Dear Gary:

Congratulations on your new appointment with the Association of Independent Kentucky Colleges and Universities. All of us at the KCTCS wish you the very best in your new endeavor. We appreciate the support that you have provided to us in the start up of our new system.

We have reviewed the tuition rates that the Council is proposing for the next biennium. We support these rates as proposed.

However, we would suggest, as noted in your letter, the new Council take the opportunity over the next several months to review its tuition setting policies. The "old" Council had a formula which attempted to set tuition policy in accordance with two factors: 1) affordability (as measured by per capita personal income growth); and 2) the market (as measured by tuition at benchmark institutions). This type of rational methodology is appropriate and we urge the Council to review the existing tuition rate setting model and to modify/amend/reconstruct a "new" tuition to develop a rate setting model that is in accordance with the goals and intent of House Bill 1. Therefore, we would suggest that the tuition rates that are on the table at this time be for one year rates and the Council revisit rates for 1999-2000 once the tuition rate setting model has been reexamined.

Also, we urge the Council to work with the KCTCS to identify the appropriate benchmarks to be used by the Council for both the University of Kentucky Community College System and the Ky TECH System.

Finally, we believe that as part of this review by the Council and this reexamination of benchmarks the Council should visit the issue of comparative differences in tuition among different types of institutions: for example Ky. TECH; the community colleges; the baccalaureate and masters institutions; and the research institutions. We currently have a differential pricing policy that, in the case of Ky. TECH, has evolved without systematic planning and analysis. We believe that this is the appropriate time for the Council to incorporate in it's review of the tuition issue, an analysis

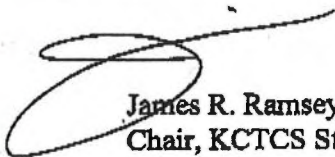
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Equal Education and Employment Opportunities M/F/D

October 8, 1997

Page 2

of the pricing policies for each of the different component parts of our postsecondary education system, to include the Commonwealth Virtual University.

Sincerely,



James R. Ramsey
Chair, KCTCS Statewide Transition Team

:jr/227

c: Leonard Hardin
Ken Walker



Student Government Association

Melanie B. Cruz, President
Alizha V. Rice, Vice-President
120 Student Center
Lexington, KY 40506-0030
(606) 257-3191
FAX: (606) 257-6645

October 31, 1997

Dear Sir or Madam:

On behalf of the University of Kentucky Student Body, I am writing this letter to express our concern with the current tuition increase. As a student body of one of the state doctoral institutions, we have a different perspective on the current tuition policy. We feel that these perspectives have not been addressed. The students at the University of Kentucky do not support the severity of the anticipated tuition increases.

The statement made to the CPE did not completely reflect the views of the University of Kentucky Student Body. The current policy was supported with the consent that tuition for doctoral institutions be reduced. This was not brought to the CPE's attention. A strict implementation of the current tuition rate will be an excessive tuition increase for the students at the University of Kentucky and the University of Louisville.

In addition, after reconsideration of the tuition plans, we are in favor of the third tuition option. This tuition plan, which sets a 3% cap across the board, would be appropriate for a major research institution like the University of Kentucky. Our student population is so diverse, composed of resident students and out of state students in undergraduate, graduate, and doctorate programs. It is because of this diversity that the students support the third tuition option.

Please take into consideration the difficult task that student leaders have understanding the complexity of tuition policies. We feel that after reevaluating and weighing the tuition policies, that the third tuition policy will not only be better for the University of Kentucky, but also the best choice for the CPE to support.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie Bell Cruz". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Melanie Bell Cruz
Student Government Association
President

11/3/97

Investments and Incentives Committee,
Council on Postsecondary Education
Suite 320
1024 Capital Center Drive
Frankfort, KY 40601-8204

Dear Sir or Madam:

This statement is in regard to the **1998/2000 Tuition Schedule** Action Item being considered today, November 3, 1997, by the Investments and Incentives Committee and the Council on Postsecondary Education. Although the Investments and Incentives Committee has recommended strict application of current tuition setting policy (**Option 1**) in setting the **1998/2000 Tuition Schedule** (as of 10/20/97), we the student representatives of the University of Kentucky and the University of Louisville recommend reconsideration of **Option 3** in setting the **1998/2000 Tuition Schedule**.

This recommendation comes in light of the following factors which the Investments and Incentives Committee may not have considered in their October 20 meeting:

1. All parties involved with the state tuition-setting policy (e.g., all of the public servants: CPE staff, committee and council members, the university presidents; as well as the students) have expressed the need for a review of the current tuition-setting policy in the upcoming months. This implies that the afore-mentioned parties find flaws in the current tuition-setting policy. Under this assumption, we the students do not think it is wise for the CPE to approve **Option 1** which is based on this tuition-setting policy. Specifically, the policy's flaws manifest themselves in the extreme economic shocks several student groups will experience over the next biennium as well as in the policy's creation of a disparity in funding for four-year undergraduate programs across the state. **Option 3**, in its uniform inflationary increase, ~~appears to be the most prudent of the options until such time when the IIC, the CPE and other interested parties have reviewed the current tuition-setting policy.~~
2. It is not apparent from the proposed **1998/2000 Tuition Schedule** under **Option 1** to what extent the following tuition-setting principle has been applied: "Provide for stability of tuition rate increases from biennium to biennium (i.e., minimize fluctuations)"[KRS 164.020(3) Section 2, 1(d)]. For example, the percentage increase in tuition of 23.3% over the biennium for resident and nonresident undergraduates at doctoral universities cannot be counted as "stable."
3. It is not apparent from the varying responses to the proposed tuition schedule by the university presidents whether or not the CPE can justify its rationale for the **1998/2000 Tuition Schedule** Action Item, which states: "The university presidents . . . have expressed support for this approach to be used in 1998/2000"(p.I-7, Action Item CPE(I-1) IIC(C)). For example, in an October 7 letter from the Office of the President of the University of Kentucky to the Acting President of the CPE, President Wethington recommended:
"To meet the stated principles of minimizing the tuition fluctuations, move toward tuition rate implementation by capping the annual rate increase by some factor of inflation, e.g., no more than twice the rate of inflation or inflation plus two percent.

**1998/2000 TUITION SCHEDULE
FULL-TIME SEMESTER RATES
OPTION - LIMIT INCREASE AT UK AND UofL TO INCREASE AT REGIONAL UNIVERSITIES**

	1995/96	1996/97	Dollar	Percent	1997/98	Dollar	Percent	1998/99	Dollar	Percent	1999/2000	Dollar	Percent
RESIDENT	Rates	Rates	Change	Change	Rates	Change	Change	Rates	Change	Change	Rates	Change	Change
Undergraduate													
Community Colleges	\$490	\$500	\$10	2.0 %	\$510	\$10	2.0 %	\$530	\$20	3.9 %	\$550	\$20	3.8 %
Lexington Community College	810	810	0	0.0	810	0	0.0	810	-	0.0	810	-	0.0
Regional Universities	840	870	30	3.6	900	30	3.4	960	60	6.7	1,010	50	5.2
Doctoral Universities	1,130	1,170	40	3.5	1,200	30	2.6	1,280	80	6.7	1,350	70	5.5
Graduate													
Regional Universities	920	960	40	4.3	990	30	3.1	1,060	70	7.1	1,110	50	4.7
Doctoral Universities	1,240	1,290	50	4.0	1,320	30	2.3	1,410	90	6.8	1,490	80	5.7
ANNUAL RATES													
Law	4,260	4,440	180	4.2	4,620	180	4.1	5,090	470	10.2	5,560	470	9.2
Medicine	8,090	8,250	160	2.0	8,400	150	1.8	9,150	750	8.9	9,890	740	8.1
Dentistry	6,170	6,400	230	3.7	6,630	230	3.6	7,400	770	11.6	8,160	760	10.3
Pharm.D.**	NA	4,280	NA	NA	4,460	180	4.2	4,590	130	2.9	4,730	140	3.1
NONRESIDENT													
Undergraduate													
Community Colleges	1,470	1,500	30	2.0	1,530	30	2.0	1,590	60	3.9	1,650	60	3.8
Lexington Community College	2,430	2,430	0	0.0	2,430	0	0.0	2,430	-	0.0	2,430	-	0.0
Regional Universities	2,520	2,610	90	3.6	2,700	90	3.4	2,880	180	6.7	3,030	150	5.2
Doctoral Universities	3,390	3,510	120	3.5	3,600	90	2.6	3,840	240	6.7	4,050	210	5.5
Graduate													
Regional Universities	2,760	2,880	120	4.3	2,970	90	3.1	3,180	210	7.1	3,330	150	4.7
Doctoral Universities	3,720	3,870	150	4.0	3,960	90	2.3	4,230	270	6.8	4,470	240	5.7
ANNUAL RATES													
Law	11,610	12,040	430	3.7	12,460	420	3.5	13,700	1,240	10.0	14,930	1,230	9.0
Medicine	18,310	19,420	1,110	6.1	20,530	1,110	5.7	22,910	2,380	11.6	25,280	2,370	10.3
Dentistry	15,770	16,680	910	5.8	17,580	900	5.4	19,110	1,530	8.7	20,640	1,530	8.0
Pharm.D.**	NA	10,110	NA	NA	10,520	410	4.1	12,200	1,680	16.0	13,890	1,690	13.9

**Differential rates for the Pharm.D. program were not calculated prior to the 1996/98 biennium.

Community Colleges: UK Community College System (excluding Lexington Community College).

Regional Universities: Eastern Kentucky University, Kentucky State University, Morehead State University, Murray State University, Northern Kentucky University, and Western Kentucky University.

Doctoral Universities: University of Kentucky and University of Louisville.

**1998/2000 OPERATING FUNDS
REQUEST FOR INSTITUTIONS**

**ACTION ITEM
CPE (I-2) IIC (D)
November 3, 1997**

Recommendation:

- That CPE recommend to the Governor and General Assembly state appropriations of \$856,002,700 in 1998/99 and \$875,443,200 in 1999/2000 (Table 1) for the universities, community colleges, and postsecondary technical schools. This recommendation reflects current services increases of 2.9 percent (\$21,946,800) in 1998/99 and 2.8 percent (\$21,932,600) in 1999/2000 and necessary base adjustments (Tables 2 – 4) in each year for state-supported debt service, University of Louisville (UofL) hospital contract, and operation and maintenance (O&M) of previously approved facilities coming on-line.
- That CPE recommend to the Governor and General Assembly that before O&M funds be allotted, each institution must submit for CPE approval a facilities maintenance plan establishing and committing to a maintenance standard for facilities at the institution.

Rationale:

- The recommendation reflects the biennial budget approach for the universities and the Kentucky Community and Technical College System (KCTCS) presented during the May 1997 Special Session of the General Assembly.
- The increase in current services for each year of the biennium reflects the GOPM estimated inflation rate of 2.9 percent in 1998/99 and 2.8 percent in 1999/2000. Increases are calculated on each postsecondary institution's net base (i.e., state appropriation less debt service and the UofL hospital contract).
- The recommendation reflects base adjustments over the biennium in state support for debt service on current bond issues, the UofL hospital contract, and operation and maintenance of previously approved facilities coming on-line during the 1998/2000 biennium.

Background:

Passage of the Kentucky Postsecondary Education Improvement Act of 1997 in May resulted in a biennial funding recommendation process for 1998/2000 different from processes used in previous biennia. Historically, the biennial budget process for higher education was initiated by the Council on Higher Education's (CHE) approval of the biennial budget request guidelines designed to result in a request made to CHE by each university and the community college system.

Since the early 1980s, a funding formula calculation has been the central feature of these request guidelines. The institutions, working with CHE staff, would complete the formula calculation and would then use those results in their biennial requests submitted to CHE. CHE would then use this information in developing its biennial funding recommendation to the Governor and the General Assembly. As a result of the legislative action taken in May, there is no formula calculation and the institutions did not submit a biennial budget request to CPE for the 1998/2000 budget cycle.

The process used for this recommendation is based on the approach presented during the May Special Session. This approach provides the postsecondary system with slightly less than a 3 percent "current services" increase in each fiscal year over the respective bases for the universities and KCTCS (including the community colleges and postsecondary technical schools). This increase is based on a national economic forecast of the Consumer Price Index (CPI) annual change. The process includes provisions for base adjustments to reflect changes over the biennium in state-supported debt service on currently issued bonds, the UofL hospital contract, and operation and maintenance funds for previously approved facilities coming on-line during the 1998/2000 biennium.

Base adjustments in each year of the biennium include:

- Decreases in state-supported debt service for current bond issues of \$11,083,200 in 1998/99 and \$5,841,500 in 1999/2000 (see Table 2). These decreases include the state support for State Property and Building Commission bonds being consolidated at the state level.
- Increases in the UofL hospital contract of \$399,500 in the first year of the biennium and \$558,200 in the second year (see Table 3).
- O&M of previously approved facilities coming on-line of \$4,573,100 in 1998/99 and \$2,791,200 in 1999/2000 (see Table 4).

1998/2000 STATE OPERATING RECOMMENDATION

	1997/98 Base Approp.(1)	Base Adjustments			1997/98 Net Base
		Debt Service	UofL Hospital Contract	Total	
Eastern Kentucky University	62,833,800	5,966,800		5,966,800	56,867,000
Kentucky State University	19,924,500	2,295,400		2,295,400	17,629,100
Morehead State University	36,823,100	3,688,300		3,688,300	33,134,800
Murray State University	44,276,200	3,836,700		3,836,700	40,439,500
Northern Kentucky University	33,256,300	5,220,800		5,220,800	28,035,500
University of Kentucky					
University (2)	274,072,500	15,450,000		15,450,000	258,622,500
Lexington Community College (2)	6,050,300	767,500		767,500	5,282,800
Subtotal	280,122,800	16,217,500		16,217,500	263,905,300
University of Louisville	154,179,700	12,074,900	15,549,000	27,623,900	126,555,800
Western Kentucky University	56,614,200	4,414,400		4,414,400	52,199,800
KCTCS					
UK Community College System (2)	92,623,400	10,741,300		10,741,300	81,882,100
KY Tech Schools (3)	59,512,500	3,372,800		3,372,800	56,139,700
Subtotal	152,135,900	14,114,100		14,114,100	138,021,800
Total	840,166,500	67,828,900	15,549,000	83,377,900	756,788,600

	1997/98 Net Base	1998/99 Current Services Increase (2.9%)	Debt Service Requirements On Current Con.Ed. Issues	UofL Hospital Contract	O&M New Facilities Coming On-Line	Total 1998/99 Operating Recommendation
Eastern Kentucky University	56,867,000	1,649,100	5,312,600		-	63,828,700
Kentucky State University	17,629,100	511,200	2,223,800		-	20,364,100
Morehead State University	33,134,800	960,900	2,139,000		214,900	36,449,600
Murray State University	40,439,500	1,172,700	3,394,700		1,478,400	46,485,300
Northern Kentucky University	28,035,500	813,000	5,054,400		-	33,902,900
University of Kentucky						
University	258,622,500	7,500,100	12,019,900		537,500	278,680,000
Lexington Community College	5,282,800	153,200	690,600		-	6,126,600
Subtotal	263,905,300	7,653,300	12,710,500		537,500	284,806,600
University of Louisville	126,555,800	3,670,100	11,363,100	15,948,500	-	157,537,500
Western Kentucky University	52,199,800	1,513,800	3,934,200		326,700	57,974,500
KCTCS						
UK Community College System	81,882,100	2,374,600	10,613,400		815,600	95,685,700
KY Tech Schools	56,139,700	1,628,100	-		1,200,000	58,967,800
Subtotal	138,021,800	4,002,700	10,613,400		2,015,600	154,653,500
Total	756,788,600	21,946,800	56,745,700	15,948,500	4,573,100	856,002,700

(1) Includes funding enacted in HB 379 and HB 4 and funds appropriated to CPE and transferred to the institutions for the Paducah Engineering Program (UK - \$950,000; MuSU - \$350,000); \$147,400 transferred from LCC to UK for retirement liability; and \$352,100 transferred from UKCCS to UK for O&M associated with the Rural Economic Development Center in Somerset.

(2) Further refinements among UK, LCC, and CCS allocations may still be made.

(3) Further refinements between the secondary and postsecondary technical school activities within the Workforce Development Cabinet may still be made.

1998/2000 STATE OPERATING RECOMMENDATION

	1998/99 Net Base*	1999/2000 Current Services Increase (2.8%)	Debt Service Requirements On Current Con.Ed. Issues	UofL Hospital Contract	O&M New Facilities Coming On-Line	Total 1999/2000 Operating Recommendation
Eastern Kentucky University	58,516,100	1,638,500	5,320,400		254,700	65,729,700
Kentucky State University	18,140,300	507,900	2,224,600		-	20,872,800
Morehead State University	34,310,600	960,700	2,138,400		-	37,409,700
Murray State University	43,090,600	1,206,500	1,548,000		-	45,845,100
Northern Kentucky University	28,848,500	807,800	5,065,400		-	34,721,700
University of Kentucky						
University	266,660,100	7,466,500	7,967,700		315,500	282,409,800
Lexington Community College	5,436,000	152,200	689,000		-	6,277,200
Subtotal	272,096,100	7,618,700	8,656,700		315,500	288,687,000
University of Louisville	130,225,900	3,646,300	11,366,700	16,506,700	951,900	162,697,500
Western Kentucky University	54,040,300	1,513,100	3,938,100		-	59,491,500
KCTCS						
UK Community College System	85,072,300	2,382,000	10,645,900		119,100	98,219,300
KY Tech Schools	58,967,800	1,651,100	-		1,150,000	61,768,900
Subtotal	144,040,100	4,033,100	10,645,900	-	1,269,100	159,988,200
Total	783,308,500	21,932,600	50,904,200	16,506,700	2,791,200	875,443,200

* The 1998/99 Net Base includes the 2.9% increase for current services and O&M for new facilities coming on-line in 1998/99.

**1998/2000 BASE ADJUSTMENTS
DEBT SERVICE REQUIREMENTS**

Fiscal Year 1998/99	1997/98 Enacted Debt Service	1998/99 Base Adjustments			1998/99 Debt Service Requirement
		SPBC Bonds*	Change in Con Ed Debt Service	Total Base Adjustment	
<u>Institutions</u>					
Eastern Kentucky University	5,966,800	(600,000)	(54,200)	(654,200)	5,312,600
Kentucky State University	2,295,400	(72,000)	400	(71,600)	2,223,800
Morehead State University	3,688,300	(1,558,000)	8,700	(1,549,300)	2,139,000
Murray State University	3,836,700	(424,000)	(18,000)	(442,000)	3,394,700
Northern Kentucky University	5,220,800	(166,000)	(400)	(166,400)	5,054,400
University of Kentucky					
University	15,450,000	(3,075,000)	(355,100)	(3,430,100)	12,019,900
Lexington Community College	767,500	-	(76,900)	(76,900)	690,600
Subtotal	16,217,500	(3,075,000)	(432,000)	(3,507,000)	12,710,500
University of Louisville	12,074,900	(545,000)	(166,800)	(711,800)	11,363,100
Western Kentucky University	4,414,400	(470,000)	(10,200)	(480,200)	3,934,200
KCTCS					
UK Community College System	10,741,300	(121,000)	(6,900)	(127,900)	10,613,400
KY Technical Schools	3,372,800	(3,372,800)	-	(3,372,800)	-
Subtotal	14,114,100	(3,493,800)	(6,900)	(3,500,700)	10,613,400
Total	67,828,900	(10,403,800)	(679,400)	(11,083,200)	56,745,700

Fiscal Year 1999/2000	1998/99 Debt Service Requirement	1999/2000 Base Adjustments			1999/2000 Debt Service Requirement
		SPBC Bonds	Change in Con Ed Debt Service	Total Base Adjustment	
<u>Institutions</u>					
Eastern Kentucky University	5,312,600	-	7,800	7,800	5,320,400
Kentucky State University	2,223,800	-	800	800	2,224,600
Morehead State University	2,139,000	-	(600)	(600)	2,138,400
Murray State University	3,394,700	-	(1,846,700)	(1,846,700)	1,548,000
Northern Kentucky University	5,054,400	-	11,000	11,000	5,065,400
University of Kentucky					
University	12,019,900	-	(4,052,200)	(4,052,200)	7,967,700
Lexington Community College	690,600	-	(1,600)	(1,600)	689,000
Subtotal	12,710,500	-	(4,053,800)	(4,053,800)	8,656,700
University of Louisville	11,363,100	-	3,600	3,600	11,366,700
Western Kentucky University	3,934,200	-	3,900	3,900	3,938,100
KCTCS					
UK Community College System	10,613,400	-	32,500	32,500	10,645,900
KY Technical Schools	-	-	-	-	-
Subtotal	10,613,400	-	32,500	32,500	10,645,900
Total	56,745,700	-	(5,841,500)	(5,841,500)	50,904,200

*State supported debt service for State Property & Buildings Commission bonds is to be consolidated at the state level.

**1998/2000 BASE ADJUSTMENTS
UofL HOSPITAL CONTRACT**

Fiscal Year 1998/99		1998/99 Base <u>Adjustment</u>	Total 1998/99 Hospital <u>Contract</u>
	1997/98 <u>Enacted</u>		
State Support	15,549,000	399,500	15,948,500
<hr/>			
Fiscal Year 1999/2000		1999/2000 Base <u>Adjustment</u>	Total 1999/2000 Hospital <u>Contract</u>
	1998/99 Hospital <u>Contract</u>		
State Support	15,948,500	558,200	16,506,700

**1998/2000 BASE ADJUSTMENTS
O&M FOR NEW FACILITIES COMING ON-LINE**

Fiscal Year 1998/99

<u>Institution</u>	<u>Facility</u>	<u>On-Line Date</u>	<u>Custodial/Maintenance</u>	<u>Utilities</u>	<u>Total</u>
Eastern Kentucky University	Classroom Building/Wellness Center	06/99	-	-	-
Morehead State University	Wellness Center, Phase I	07/96	20,300	6,500	26,800
	Wellness Center, Phase II	09/98	89,600	23,000	112,600
	Folk Art Center, First Floor	03/97	15,800	6,600	22,400
	Folk Art Center, Second Floor	07/98	16,600	4,400	21,000
	Weathers House	03/96	12,400	4,000	16,400
	Phillips House	07/96	11,700	4,000	15,700
Total					214,900
Murray State University	Regional Special Events Center	04/98	779,300	443,400	1,222,700
	Paducah Crisp Extended Campus Center	01/98			255,700
Total					1,478,400
University of Kentucky	Animal Science Research Center, Phase I	01/99	125,000	48,500	173,500
	Agging/Allied Health Bldg, Phase I	03/98	122,700	105,300	228,000
	Kentucky Well Sample & Core Respository Bldg	03/98	33,000	75,000	108,000
	Swine Facility - Princeton	08/98	14,000	14,000	28,000
	Career Planning and Placement Center	10/99			-
Total					537,500
University of Louisville	Health Science Center Research Facility	12/99	-	-	-
Western Kentucky University	Economic Development Center	01/98	216,900	109,800	326,700
UK Community College System					
Ashland Community College	Classroom Building	06/97	111,000	68,000	179,000
Hopkinsville Community College	Regional Technical Training Center	04/98	157,600	161,900	319,500
Hazard Community College	Classroom/Economic Development Bldg, Phase I	08/98	195,400	121,700	317,100
Prestonsburg Community College	Classroom/Health Education Building	05/99	-	-	-
Total					815,600
KY Technical Schools					
Hopkinsville	Classroom Building	07/98			1,200,000

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TABLE 4

**1998/2000 BASE ADJUSTMENTS
O&M FOR NEW FACILITIES COMING ON-LINE**

Fiscal Year 1999/2000

<u>Institution</u>	<u>Facility</u>	<u>On-Line Date</u>	<u>Custodial/ Maintenance</u>	<u>Utilities</u>	<u>Total</u>
Eastern Kentucky University	Classroom Building/Wellness Center	06/99	172,600	82,100	254,700
University of Kentucky	Animal Science Research Center, Phase I	01/99	125,000	48,500	173,500
	Career Planning and Placement Center	10/99	97,000	45,000	142,000
Total					315,500
University of Louisville	Health Science Center Research Facility	12/99	533,800	418,100	951,900
UK Community College System Prestonsburg Community College	Classroom/Health Education Building	05/99	73,400	45,700	119,100
KY Technical Schools Pikeville	Classroom Building	07/99			1,150,000

**1998/2000 FUNDING LEVEL
FOR EACH INCENTIVE TRUST FUND**

**ACTION ITEM
CPE (I-3) IIC (E)
November 3, 1997**

Recommendation:

That CPE recommend to the Governor and General Assembly \$44 million in 1998/99 and \$77 million in 1999/2000 for funding of the six Strategic Investment and Incentive Trust Funds as established in the Kentucky Postsecondary Education Improvement Act of 1997 (HB 1). The recommended distribution of funds among the trust funds is attached. The intended use of these recommended funds is described in the background section of this agenda item.

Rationale:

- The recommendation maintains the goals established in HB 1.
- The recommendation recognizes the outcomes of the report of the CPE consulting architect (the "Banks' Report") and the identified deferred maintenance needs on the campuses. CPE further recognizes that maintenance of campus facilities is a shared responsibility and therefore this recommendation includes a matching requirement for capital maintenance funds.
- The recommendation recognizes that the Commonwealth Virtual University (CVU) and other technology-based instruction is critical to the long-term goals of HB 1 as well as providing appropriate access to postsecondary education for all Kentuckians. This recommendation includes funds for the development of the CVU (both capital expenditures and recurring operating costs). It is anticipated that a substantial portion of these funds will be allocated in support of the regional universities for their CVU responsibilities.
- The recommendation supports various other capital construction and research equipment needs, which are directly linked to the goals of HB 1.
- The recommendation supports a creative and innovative program to "jump start" funding for the establishment of a top-20 research university and a nationally-recognized metropolitan university through the issuance of bonds to create an Endowment for Research Excellence where state funds in the endowment will be matched by private funds.
- The recommendation supports a program to establish endowed chairs and professorships at the regional universities through the issuance of bonds to create an Endowment for Academic Excellence where state funds in the endowment will be matched by private funds.

- The recommendation recognizes the importance of student financial aid to access. HB 1 requires that at least 25 percent of these funds be used for need-based financial aid. CPE will work with the Kentucky Higher Education Assistance Authority and the institutions to determine the most appropriate distribution between need-based and merit-based aid.
- The recommendation recognizes the critical importance of collaborative efforts between the two branches of KCTCS (the Community College System and the Kentucky Tech System). Funds to support such efforts are included.
- The recommendation recognizes that funding may be necessary to support the strategic agenda once that has been determined. Funds are included for that purpose. One possible item is the appropriate funding base for the Kentucky Tech System. CPE recognizes that comparable benchmark data are not yet available but that such funding may be necessary when such analysis is completed.

Background:

The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) created the Strategic Investment and Incentive Funding Program for postsecondary education consisting of six individual trust funds:

- Research Challenge Trust Fund;
- Regional University Excellence Trust Fund;
- Postsecondary Workforce Development Trust Fund;
- Physical Facilities Trust Fund;
- Technology Initiative Trust Fund; and
- Student Financial Aid and Advancement Trust Fund.

House Bill 4, the appropriations bill which accompanied HB 1 provided \$38 million additional funds to postsecondary education in 1997/98 (\$23 million for base adjustments and \$15 million for three of the six trust funds). During the May Special Session of the General Assembly there was substantial discussion of Governor Patton's intention to increase funding in postsecondary education by \$100 million (beyond inflationary increases) by the end of the 1998/2000 biennium. That anticipated additional \$62 million is recommended in this agenda item to be distributed among the six trust funds as displayed in the attached spreadsheet. The recommended uses of proposed increases are:

- **Research Trust Fund:** An additional \$10 million for debt service on a bond issue to create the Endowment for Research Excellence for UK and UofL. This creative and innovative program to "jump start" funding for research universities will provide up to \$100 million to be matched by private funds.
- **Regional Trust Fund:** \$1 million for debt service on a bond issue to create the Endowment for Academic Excellence for the regional universities. This program will provide up to \$10 million for endowed chairs and professorships to be matched by private funds.
- **Workforce Development Trust Fund:** An additional \$3 million for collaborative efforts between the two branches of KCTCS.
- **Physical Facilities Trust Fund:** \$29 million for debt service for state-funded capital construction and research equipment projects identified in the capital projects agenda item.
- **Technology Trust Fund:** \$8 million in 1998/99 and an additional \$4 million in 1999/2000 for CVU operating expenses, debt service on CVU and CPE access plan capital projects described in the capital projects agenda item, initial funding for implementing the strategic agenda.
- **Student Aid Trust Fund:** \$7 million for merit-based and need-based financial aid.

Allocation criteria for each trust fund for 1998/2000, including matching requirements, will be established by CPE. Eligibility criteria for the physical facilities and technology trust funds will include elements requiring institutions to develop appropriate facilities maintenance and technology replacement standards and plans before funds may be allotted from the trust funds.

Funding Level for Each Trust Fund *

Fiscal Year	Research	Regional	Workforce	Physical Facilities	Technology	Student Aid	Total
1998	6	6	3	0	0	0	15
1999	16	7	6	0	8	7	44
2000	16	7	6	29	12	7	77

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* Dollars in millions

**1998/2000 CAPITAL
PROJECTS RECOMMENDATION**

**ACTION ITEM
CPE (I-4) IIC (F)
November 3, 1997**

Recommendation:

That the Council on Postsecondary Education (CPE) recommend to the Governor and General Assembly the following state-funded and agency-funded pools and projects.

A. State-Funded Projects:

1 for # match

- A deferred maintenance and government mandates pool to provide funding for \$25 million in state bonds with a required ~~\$2 for \$1~~ match from each institution generating a potential of \$75 million in capital projects being completed. Each university and the Kentucky Community and Technical College System (KCTCS) will be required to fund, from agency funds, two-thirds of each project to be funded from this pool. The allocation of the pool among universities and KCTCS is included as **Attachment A-1**. Projects eligible for funding from this pool are included as **Attachment A-2**.
- A KCTCS capital projects pool to provide \$50.0 million in bonds to fund capital projects across the community college and Kentucky Tech systems. In recognition of the transition issues for KCTCS, the specific projects to be funded from the pool will be subsequently identified by KCTCS with necessary reporting to CPE, executive branch agencies, and legislative committees. The KCTCS resolution recommending this approach to CPE is included as **Attachment B-1**.
- Critical major renovation projects totaling \$32,434,000, and new facilities totaling \$148,140,000 (with additional funding of \$17,000,000 agency funds) to be authorized in 1998/99 and funded with state-supported debt service in 1999/2000. Projects are included as **Attachment B-2**. The project description and its relationship to House Bill 1 (HB 1) as reported by each institution is included as **Attachment B-3**. If an institution is able to complete its authorized project, as described and intended, for less than the authorized and funded project scope, the institution may propose the use of the residual funds for another capital project, subject to CPE approval.
- A CPE capital projects pool of \$55.0 million for capital projects related to the Commonwealth Virtual University (CVU) and projects to ensure student access to the postsecondary education system statewide through both traditional physical and electronic access. Some funds from the pool would be used specifically to redress situations where gaps exist in the physical and/or electronic access points. The project description is included as **Attachment B-4**.

- A research equipment and laboratory replacement or acquisition pool of up to \$30 million for the University of Kentucky and the University of Louisville. HB 1 establishes research at UK and UofL as a high priority. Implementation of this priority may require upgrading existing equipment and/or research laboratories, acquiring new equipment or establishing new research laboratories to meet expectations of HB 1. To leverage funds from this pool, CPE may require an institutional match for some funds to be allocated.
- Bonds for this complete capital construction and equipment projects package will be sold by the State Property and Buildings Commission. State-supported debt service for these bonds are included in Agenda Item CPE (I-3) IIC (E), “1998/2000 Funding Level for Each Incentive Trust Fund” in the Physical Facilities and Technology trust funds.
- Before project funds may be allotted, each institution must submit for CPE approval a facilities maintenance plan establishing and committing to a maintenance standard for facilities at the institution and a technology replacement plan establishing and committing to a technology replacement standard for the institution.

B. Agency-Funded Projects:

- An agency bond projects pool totaling \$35 million (additional funding of \$5.0 million agency funds) to be authorized in 1998/99 with debt service supported by restricted agency funds. This pool would provide funding for individual projects to be approved by CPE in the future and recommended to the Secretary of the Finance and Administration Cabinet. Projects eligible for funding from this pool are included as **Attachment C**.
- Agency fund projects totaling \$385,485,000 in 1998/99 and \$91,220,000 in 1999/2000 to address life safety, major maintenance, equipment acquisitions, infrastructure repair and upgrades, and new construction. These projects are included as **Attachment D**.

Rationale:

- Funding this capital package addresses a number of objectives in the Kentucky Postsecondary Education Improvement Act of 1997 (HB 1).
- The funding package addresses critical maintenance and government mandates issues by providing several options for the use of funds, and the pool would not penalize those institutions that have used agency funds to address maintenance and life safety issues. The recommendation is a unique approach to addressing critical needs on campuses with the advantage of leveraging agency funds. The approach is also supported by the Capital Planning Advisory Board and Mr. David Banks, the CPE consulting architect.

- The funding recommendation acknowledges transition issues related to KCTCS by identifying pools of funds to be allocated by the KCTCS Board of Regents following a more thorough review of the capital needs of the community colleges and the Kentucky Tech institutions.
- The funding package includes six new facilities and three major renovation projects to be funded by state supported bonds. The recommendation focuses on the highest priority needs in postsecondary education that could significantly impact the delivery of programs.
- This recommendation recognizes and supports capital projects related to the anticipated CVU and projects to ensure statewide student access to the postsecondary education system through both traditional physical and electronic means.
- This recommendation recognizes and supports necessary research equipment and laboratory replacement or acquisition at UK and UofL consistent with expectations of HB 1.

Background:

Institutional capital project requests, from all sources of funds, total approximately \$1.309 billion for capital construction, \$122.2 million for equipment purchases, and \$100.8 million for information technology for a grand total of more than \$1.532 billion. Of that total request, approximately \$978.8 million represent requests for state funds.

The priorities in the request support the objectives of the Kentucky Postsecondary Education Improvement Act of 1997 (HB 1). The recommendation also gives consideration to the highest statewide priorities of the Capital Planning Advisory Board and the consulting architect's report accompanying this agenda material. CPE's consulting architect, Mr. David C. Banks, conducted site visits to each university and community college to review each institution's capital project request for 1998/2000 funding and the general condition of the physical plant. Also, visits were made to each postsecondary technical school to review the general condition of the physical plant. Mr. Banks presented a summary of his findings and observations from his visits at the October 20, 1997, Investments and Incentives Committee meeting.

The first priority in this capital recommendation is a facility maintenance and government mandates bond pool. The approach provides several options for the use of funds, and the pool would not penalize institutions that have used agency funds to address facility maintenance, life safety and government mandates. The pool approach, a concept supported by the Capital Planning Advisory Board and by Mr. Banks, has the potential to complete up to \$75.0 million in capital projects because of the requirement that institutions match, on a \$2 for \$1 basis, all funds received from the pool.

The second priority is to provide a capital project pool for KCTCS to fund capital projects across the community college and Kentucky Tech system. Legislation reforming the state's postsecondary education system was enacted in May 1997 following submission of institutional six-year capital plans. Transition issues precluded KCTCS developing a capital project request for both the community colleges and the Kentucky Tech institutions for consideration in this process. It is appropriate to reserve a pool of funds (KCTCS Capital Projects Pool) and allow specific projects to be identified by KCTCS, authorized, funded, and completed during the 1998/2000 biennium.

The third priority contains major renovations and new construction projects. There are three major renovation projects—one each at Kentucky State University, Morehead State University, and Murray State University. These facilities house critical student service and academic program activities. Completion of the renovations will improve significantly the utilization of space and delivery of services to students. The remaining projects are six new construction projects to support initiatives related to student support services; academic program/instruction activities; and initiatives for statewide research and technology as well as economic development programs.

The fourth priority is a CPE capital projects pool to address issues related to the proposed CVU and projects to ensure statewide student access to the postsecondary education system. Capital projects to ensure student access will be identified by CPE as part of the analysis in developing the CVU.

The fifth priority is a research equipment and laboratory replacement or acquisition pool for the University of Kentucky and the University of Louisville to upgrade or acquire equipment or laboratories to meet research expectations of HB 1.

In summary, the state funded capital project recommendations focus on the highest priority capital needs in postsecondary education that are supportive of the implementation of the goals and objectives established in the Kentucky Postsecondary Education Improvement Act of 1997.

Additional capital projects considered critical to the continued success of the academic and support programs are being advanced. These projects are being advanced to be funded from agency funds or private funds sources. The number and type of projects being advanced are reasonable and are based on funding available from projected fund balances, capital outlay, private gifts, federal grants, and other agency-generated fund sources. Included in this group of projects are those addressing life safety issues, projects that protect the investment in plant, major renovations, and infrastructure (utilities and land) projects. Several new facilities, which are to be funded from private gifts, grants, and agency bonds, are also being recommended. When viewed in total, if completed, the agency-funded projects are supportive of the implementation of the goals and objectives established in the Kentucky Postsecondary Education Improvement Act of 1997.

As required by the *Commonwealth of Kentucky Branch Budget Request Guidelines for 1998-2000*, a copy of each capital project request [except institutions not operating under HB 622 (codified as KRS 164A.550-630)] estimated to cost \$1.0 million or more has been furnished for review and analysis to the Department for Facilities Management in the Finance and Administration Cabinet. All such projects will be reviewed and approved by the Department for Facilities Management regarding adequacy of project cost estimates and the feasibility of alternatives to replace the requested project. Where necessary, the Department for Facilities Management will suggest project scope or program modification to complete the project described by the institution.

**1998/2000 CAPITAL PROJECTS RECOMMENDATION
 DEFERRED MAINTENANCE AND GOVERNMENT MANDATES POOL
 Allocation Based on Education & General (E&G) Space**

<u>Institution</u>	<u>E&G Sq. Feet Fall 1996</u>	<u>Percent of Total</u>	<u>Share of 25.0 M Pool</u>
Eastern Kentucky University	2,555,649	9.6	\$ 2,410,000
Kentucky State University	700,917	2.6	661,000
Morehead State University	1,484,895	5.6	1,400,000
Murray State University	2,089,947	7.9	1,971,000
Northern Kentucky University	1,233,794	4.7	1,163,000
University of Kentucky	7,672,858	28.9	7,235,000
University of Louisville	3,878,518	14.6	3,657,000
Western Kentucky University	2,243,932	8.5	2,116,000
KCTCS (CCS and KY Tech)	4,653,030	17.5	4,387,000
Total	\$ 26,513,540	100.0	\$25,000,000

1998/2000 CAPITAL PROJECTS RECOMMENDATION
STATE FUNDED PROJECTS DETAIL
DEFERRED MAINTENANCE AND GOVERNMENT MANDATES
PROJECTS ELIGIBLE FOR FUNDING

<u>Priority/Institution/Project</u>	<u>Project Scope</u>
Eastern Kentucky University	
Minor Projects Maintenance - E&G	\$ 12,000,000
Americans With Disabilities Act - E&G	2,560,000
E&G Life Safety Begley Building Elevator	750,000
Subtotal	15,310,000
Kentucky State University	
ADA Projects Pool - E&G	650,000
General Maintenance Projects - E&G	1,150,000
Road and Walkway Improvements	622,000
Subtotal	2,422,000
Morehead State University	
Life Safety: Dam Repair/Restoration	800,000
Claypool-Young Air Quality, Health and Safety	400,000
Life Safety: Elevator Repairs - E&G	850,000
1990 Clean Air Act Amendment Compliance - E&G	2,200,000
ADA Compliance - E&G	2,025,000
Protect Investment in Plant - E&G	3,300,000
Subtotal	9,575,000
Murray State University	
Deferred Maintenance: E&G	5,032,000
Life Safety: E&G Pool	1,078,000
ADA Compliance: Architectural Barriers Blackburn Science	1,367,000
ADA Compliance: Architectural Barriers E&G Buildings	2,421,000
Asbestos Abatement E&G	58,000
CFC Compliance: E&G Chillers Replacement	897,000
Energy Conservation E&G	496,000
Projects Less Than \$400,000 E&G	2,368,000
Air Testing and Monitoring Equipment	125,000
Subtotal	13,842,000
Northern Kentucky University	
Landrum Safety Repairs	650,000
Fire Safety: E&G Sprinklers	400,000
ADA Compliance	400,000
Minor Projects Pool E&G	1,095,000
Energy Conservation/Management Pool	400,000
Subtotal	2,945,000

**DEFERRED MAINTENANCE AND GOVERNMENT MANDATES
PROJECTS ELIGIBLE FOR FUNDING
PAGE 2**

<u>Priority/Institution/Project</u>	<u>Project Scope</u>
University of Kentucky - University System	
Life Safety Pool E&G	11,400,000
Student Center Sprinkler System	700,000
Handicapped Access Pool E&G	2,425,000
Deferred Maintenance Roof Replacement - E&G	9,297,000
4KV to 12KV Electrical Conversion	400,000
Steam Line Expansion - Rose Street	700,000
Storm Sewer Improvements - Funkhouser	800,000
Chiller Replacement - Cooling #3	1,000,000
Electrical Substation #1 and #2 Connection	1,500,000
Substation #2 Renovation	2,000,000
Subtotal	30,222,000
University of Louisville	
CFC Project Phase II - E&G	1,325,000
ADA Project Pool - E&G	6,279,000
Code Improvements - E&G	2,588,000
Major Maintenance Pool Phase I - E&G	6,142,000
Environmental Health and Safety Projects - E&G	1,224,000
CFC Project Phase III - E&G	1,851,000
Subtotal	19,409,000
Western Kentucky University	
Life Safety Fire Alarm Improvements - E&G	476,000
<u>Thompson Complex North Wing HVAC</u>	<u>1,375,000</u>
Primary Electrical Service (Stage II)	1,500,000
Electrical Deferred Maintenance Projects - E&G	764,000
Cherry Hall Window Replacement	635,000
Academic Complex Roof Replacement	400,000
Roof Repair/Replacement Deferred Maintenance - E&G	877,000
HVAC/Plumbing Deferred Maintenance Projects - E&G	544,000
ADA Accessibility Projects - E&G	816,000
E&G Life Safety Deferred Maintenance - E&G	522,000
Building Envelope/Ext. Door Deferred Maintenance - E&G	444,000
Campus Energy Conservation - E&G	2,165,000
Window Repair and Replacement - E&G	596,000
Cooling Towers and Chiller Renovations	574,000
Chiller Conversion (R-12 to R-123)	569,000
E&G Building Interior Projects	487,000
AA#1 Air Conditioning	1,700,000
University Farms Improvements	750,000
Renovate Former Science Library - TCCW	639,000
Repair/Replacement of Walks and Lots	746,000
Subtotal	16,579,000
Kentucky Community and Technical College System	
Maintenance Pool - CCS/KY Tech Schools	15,000,000
System Total	\$ 125,304,000

KCTCS

KENTUCKY COMMUNITY AND
TECHNICAL COLLEGE SYSTEM

October 13, 1997

**RESOLUTION OF THE KENTUCKY COMMUNITY AND TECHNICAL
COLLEGE SYSTEM BOARD OF REGENTS**

WHEREAS, the Kentucky Community and Technical College System (KCTCS) Board of Regents on August 25, 1997, approved the Capital Plans previously submitted by the University of Kentucky Community College System (UKCCS) and the Department of Technical Education in the Workforce Development Cabinet;

WHEREAS, on September 23, 1997, the Council on Postsecondary Education directed all postsecondary institutions to reconsider, in light of House Bill 1 objectives, the Capital Plans previously submitted to the Capital Planning Advisory Board;

WHEREAS, the KCTCS Board of Regents was not fully constituted until the faculty, staff, and student members were formally sworn in at the October 13th meeting of the Board of Regents and, therefore, could not reasonably be expected to make a detailed set of line-item capital construction project recommendations as would normally be the case in the budget development process;

BE IT THEREFORE RESOLVED, that having considered various approaches for KCTCS capital construction recommendations for the upcoming biennium, given the new Board of Regents membership and the developing status of KCTCS, the Statewide Transition Team, under the authority of Section 154 of House Bill 1 from the First 1997 Extraordinary Session of the General Assembly, and the KCTCS Board of Regents recommend to the Council on Postsecondary Education, for the 1998-2000 biennium only, a capital budget pool approach for KCTCS.

Martha Johnson

Acting Chair, Kentucky Community and
Technical College System Board of Regents

Recommended:



James R. Ramsey
Chair, Kentucky Community and
Technical College System Statewide
Transition Team

**1998/2000 CAPITAL PROJECTS RECOMMENDATION
STATE FUNDED PROJECTS DETAIL**

MAJOR RENOVATIONS AND NEW FACILITIES

<u>Priority/Institution/Project</u>	<u>Project Scope</u>	<u>1998/99 State Bond</u>	<u>Agency Funds</u>
KCTCS - Capital Projects Pool	\$ 50,000,000	\$ 50,000,000	
NKU - Natural Science Building	38,000,000	38,000,000	
MoSU - Breckinridge Hall Renovation	14,000,000	14,000,000	
UKUS -Mechanical Engineering Facility	23,600,000	19,600,000	\$ 4,000,000
MuSU - Carr Health/Cutchin Renovation	10,184,000	10,184,000	
EKU - Student Service/Classroom Building	20,000,000	20,000,000	
KSU - Hill Student Center Renovation/Expansion	8,250,000	8,250,000	
UofL - Research Building (Belknap Campus)	32,040,000	32,040,000	
WKU - Postsecondary Education Improvement Act of 1997 Facility	18,500,000	18,500,000	
UKUS - Aging/Allied Health Building - Phase II	33,000,000	20,000,000	13,000,000
Subtotal	197,574,000	180,574,000	17,000,000
CPE - Capital Projects/CVU Technology Pool	55,000,000	55,000,000	
Total	\$ 302,574,000	\$ 285,574,000	\$ 17,000,000

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ATTACHMENT B-2

**MAJOR RENOVATIONS AND NEW FACILITIES
PROJECT DESCRIPTION AND RELATIONSHIP TO HB 1**

NKU - Natural Science Building, \$38.0 million State Bonds

Banks Report Project Description: The Natural Science Center, constructed in 1974, has critical space limitations as well as inadequate mechanical and electrical systems and no longer meets many of OSHA's safety requirements. Most laboratories lack proper ventilation, fume hoods, emergency showers, and eyewash facilities. No storage exists for toxic waste and chemical storage facilities are inadequate. Humidity and mechanical vibration problems plague the building causing damage to lab equipment and limiting the type of lab work that can be performed. Most of these problems are a result of the building not being originally constructed to house science laboratories. The new facility will provide adequate classroom, class lab, research lab, and faculty office space.

Relationship to HB 1 as reported by the institution: The Natural Science project is an interdisciplinary, collaborative, experiential science learning center dedicated to the goal of being at the forefront of 21st century undergraduate science instruction. Science and technology will be increasingly critical for economic and social progress in the Commonwealth during the next millennium. The facility provides for rejuvenated programs and new teaching methods within spaces of a different character and configuration. The space supports a hands-on, research-rich, integrated undergraduate science delivery system as envisioned by the higher education reform act. The facility functions as a collaborative learning center, fostering an interdisciplinary and research-rich environment for delivery of undergraduate instruction for astronomy, biology, chemistry, physics, and geology. The Natural Science Building is an investment in economic vitality and the future of the Commonwealth.

MoSU - Breckinridge Hall Renovation, \$14.0 million State Bonds

Banks Report Project Description: The project will completely refurbish the interior of the facility; remodel classrooms; improve handicapped access; allow for HVAC repairs; as well as address safety, mechanical, and electrical deficiencies. The renovation will provide state-of-the-art classrooms, laboratories, and faculty offices. The facility will house theater, public radio, and student television production programs. In addition, the journalism and speech programs will continue to be housed in this facility, and an interactive television classroom/studio will be included for distance learning.

Relationship to HB 1 as reported by the institution: Breckinridge Hall is an instructional facility used to provide many of the institution's general education classes. The facility will be the keystone to MoSU's future contribution to significantly improving the educational attainment levels of citizens and economic development in eastern and northeastern Kentucky. The project is most directly tied to the objective of increasing educational attainment for more citizens through greater access. A major part of the renovation will be the installation of distance learning classrooms and studios. Current technology allows for distant learners to experience personal and effective methods of instruction. The opportunities available will directly support KERA's objectives and also play a major role in the CVU, which was established as part of HB 1.

UK - Mechanical Engineering Building, \$23.6 million total scope (\$19.6 million State Bonds; \$4.0 million Agency Funds)

Banks Report Project Description: Current space for teaching, laboratories, and research is inadequate and predates current technology. The program currently is located in space belonging to other departments at the Civil Engineering Building and the Robotics Center. Portions of the old M.E. Quadrangle have been demolished. A new facility is needed to allow for increasing enrollments, additional research, new technology, and space custom designed for changing engineering programs.

Relationship to HB 1 as reported by the institution: Construction of the Mechanical Engineering Building is essential to meeting the challenge of the 1993 Governor's Higher Education Review Commission to elevate engineering at UK to top twenty-five status nationally and the challenge of HB 1 for UK to become a top twenty public research university. The mechanical engineering program currently is housed in a variety of spaces throughout the campus. New facilities are urgently needed in order to maintain an accredited degree program. The proposed structure addresses that need as well as the overall space requirements of the program and represents the final segment of an engineering complex that will provide necessary support for the college.

MuSU - Carr Health/Cutchin Renovation, \$10.8 million State Bonds

Banks Report Project Description: The Carr Health Building serves as the primary instructional facility for physical education programs and youth agency administration. Cutchin Field House has served as the intercollegiate athletics facility as well as an instructional facility. Since a new arena has been constructed, the university will renovate these two facilities to provide modernized instructional and student, faculty and staff recreational space. The existing swimming pool will be completely renovated and support areas air-conditioned and realigned.

Relationship to HB 1 as reported by the institution: Carr Health is the primary facility that houses academic programs in Physical Education (teacher education), Health (teacher education and allied programs), Recreation, Exercise Science, Youth and Human Service Organization Administration, Athletic Training and Athletic Coaching. The renovated space will support basic education programs in sports psychology (biomechanics and motor behavior), motor learning and biomechanical analysis of sports; exercise physiology, exercise science (health and wellness labs), human physiology, human anatomy, kinesiology and movement, as well as lab areas to support courses in pedagogy. Classrooms will be wired for computer networking and provided with multimedia capability.

EKU - Student Service/Classroom Building, \$20.0 million State Bonds

Banks Report Project Description: This project will house approximately 20,000 square feet of general purpose classroom and 95,000 square feet of faculty and administrative offices. It will continue to move the university in the direction of providing private offices to all full-time faculty. Campus classroom space is being reduced as the library takes space in the University Building and as other general purpose classrooms are converted into special purpose classroom/laboratories. These instructional needs must be met with new classrooms.

The student services portion of this project will house academic advising and counseling, with computer registration capability, at its core. Related services that rely most heavily upon this "core" would be in close proximity. Indirect beneficiaries will be the College of Education and College of Business through the space realignment.

Relationship to HB 1 as reported by the institution: The Student Services Classroom Building delivers educational services to citizens in quantities and of a quality comparable to the national average. The facility would assist with providing a seamless integrated system of postsecondary education, which is strategically planned and adequately funded to enhance economic development and quality of life. It would support the creation of at least one nationally recognized program of distinction, as well as the CVU concept.

KSU - Hill Student Center Renovation/Addition, \$8.3 million State Bonds

Banks Report Project Description: This project will provide a complete renovation of the Carl M. Hill Student Center Building and provide additional space for student support activities. The proposed project will upgrade the architectural finishes, provide new furnishings, and replace the HVAC units that service all spaces within the building. Some spaces within the building will be realigned for other uses. The project will provide a state of the art communications center, central post office, and space for a university radio station. A 25,000 square foot expansion is included in the project to further increase the level of service to students.

Relationship to HB 1 as reported by the institution: The student center is the central element for a variety of activities that should be convenient and functional to attract the interest of students on a small residential campus. The project supports the directive of HB 1, which directs several institutions of postsecondary education, to redirect resources and focus on improving the quality of all aspects of the educational experience. Impacted are those programs considered as student services on a residential campus and which are adjunct to the formal instructional program. Completion of the project supports close coordination of Blazer Library and the classroom learning experience within the residential areas to improve the learning environment for campus bound and commuting students. Also impacted is the need for greater access to computing technology (computer labs) and enhancements to distance learning opportunities.

UofL - Research Building, \$32.0 million State Bonds

Banks Report Project Description: This project will construct research space for various graduate programs throughout the university to accommodate critically deficient research program needs. More labs are needed to accommodate the research associated with increased research awards. The facility will assist in recruiting faculty as well as help accomplish the goals to become a Research I institution.

Relationship to HB 1 as reported by the institution: A research building on Belknap Campus is the university's highest priority. The project complements the currently authorized research building on the Health Science Campus and will house interdisciplinary research programs targeted by the report "Challenge for Excellence" which highlights five specific areas of concentration:

1. Biomedical Engineering;
2. Chemical Catalysis and Biohealth;
3. Genetics and Molecular Medicine;
4. Environmental Engineering; and
5. Supply Chain Management.

Completion of the projects addresses HB 1 goals to make UofL a premier, nationally-recognized, metropolitan research university. It also supports the strategy to invest in current and emerging areas of excellence that enhance the academic mission, respond to state and national priorities and spur economic development.

WKU - Postsecondary Education Improvement Act of 1997 Facility, \$18.5 million State Bonds

Banks Report Project Description: This project will construct a facility to house the Commonwealth Center for Instructional Technology and the Journalism Program to serve as a statewide and national resource for training and development in the innovative and effective use of information technology in student learning - computing, video, and distance learning. It will construct laboratories and electronic classrooms for workshops, conferences, and demonstrations focusing on the use of new learning technologies.

Relationship to HB 1 as reported by the institution: This new facility will house the Commonwealth Center for Instructional Technology, and the Journalism Program (expected to be presented as a program of distinction), will provide linkages with related academic communications programs, and will aid the development of a national caliber technology and communications center. It will serve as a statewide and national resource for training and development in the innovative and effective use of information technology in student learning -- computing, video and distance learning. The center will serve as a laboratory for experimentation and demonstration of asynchronous modes of instruction including Internet, desktop video, and CD-ROM. The program will support enhanced continuing education for alumni and employees in advertising, photojournalism, print journalism, public relations, and other communications practices. In addition to leveraging the state's prior commitment to technology, the center will build on WKU's leadership and experience in information technology, teacher education, and support of KERA and KET.

UK – Aging/Allied Health Building, \$33.0 million total scope (\$20.0 million State Bonds; \$13.0 million Agency Funds)

Banks Report Project Description: This new facility will allow consolidation of 14 undergraduate and graduate programs consisting of Clinical Labs Sciences, Clinical Nutrition, Physical Therapy, Physician Assistant Studies, Radiation Sciences, Communication Disorders, Health Administration, and Health Science Education. These programs exist in approximately ten locations around the campus. Program consolidation would benefit from better management, information technology, and sharing of clinics and labs for teaching, research, and service. The combination of these programs in one facility will provide opportunities to study subjects such as administration of nursing homes, ethical issues related to aging, nutrition, avoiding institutionalization, and common concerns about access to health care, especially advances in national health care.

Relationship to HB 1 as reported by the institution: This facility will house programs of the Medical Center's College of Allied Health professions and the Sanders-Brown Center on Aging. The Center on Aging, which includes the Commonwealth Center of Excellence on Aging and the National Institutes of Health's Alzheimer's Disease Research Center, is in the forefront of national efforts to address issues of aging. The center requires space for initiatives in clinical gerontology and research to enable students and faculty to explore and develop innovative and cost effective health care for the elderly. The facility will meet the programs varied space requirements, will enhance the multidisciplinary and cooperative strengths of the programs, and will support the university's efforts to become a top twenty public research university.

CPE – Capital Projects/CVU Technology Pool, \$55.0 million State Bonds

The Postsecondary Education Improvement Act of 1997 makes student access through both traditional physical and electronic means a high priority. This Act reinforces the belief of a direct linkage between educational attainment and income earnings. A more educated population will contribute to an improved economic opportunity and the standard of living in Kentucky. Implementation of this priority requires that access be reviewed from an electronic and physical facility perspective to ensure that the appropriate educational support services are available to provide the greatest possible educational opportunity. For the 1998/2000 biennium, CPE will consider an approach that provides the necessary infrastructure for access. This would include policy review (such as the current “extended campus coordinating regions”); development of an appropriate “access plan” that would identify any existing gaps impeding education delivery (i.e., point of access that may require new facilities); and further development of the CVU to identify necessary capital expenditures. Such an approach would best be addressed by a pool of funds available to CPE (a CPE Capital Projects Pool) that will be used specifically to redress situations where gaps exist in the physical and/or electronic access points. Preliminary analysis indicates that approximately \$30.0 million in state bonds may be required for the CVU, leaving approximately \$25.0 million available for the physical access plan.

1998/2000 CAPITAL PROJECTS RECOMMENDATION
 AGENCY BOND PROJECTS DETAIL
 PROJECTS ELIGIBLE FOR FUNDING

<u>Priority/Institution/Project</u>	<u>Project Scope</u>	<u>1998/99 Agency Bond</u>	<u>Agency Funds</u>
Eastern Kentucky University			
1 Parking Garage	7,200,000	2,200,000	5,000,000
2 Residence Hall Major Renovation	10,000,000	10,000,000	
3 Kentucky Fire and Rescue Training Academy Phase I	10,000,000	10,000,000	
Subtotal	27,200,000	22,200,000	5,000,000
Morehead State University			
1 Americans With Disabilities Act Compliance - Auxiliary	2,175,000	2,175,000	
2 Protect Investment in Plant - Auxiliary Facilities	2,420,000	2,420,000	
3 Renovation of Family Housing Complexes	4,000,000	4,000,000	
4 Administrative & Office Systems Support Initiatives	1,250,000	1,250,000	
5 Central Campus Reconstruction	650,000	650,000	
6 Plant Facilities Construction	2,000,000	2,000,000	
Subtotal	12,495,000	12,495,000	-
Murray State University			
1 Replace Richmond Hall	6,500,000	6,500,000	
2 Replace Clark or Franklin Hall/College	6,500,000	6,500,000	
3 Deferred Maintenance: H&D Pool	1,762,000	1,762,000	
4 Life Safety: H&D Pool	602,000	602,000	
5 ADA Compliance: Architectural Barriers H&D	890,000	890,000	
6 Asbestos Abatement: H&D	681,000	681,000	
7 CFC Compliance: H&D Chillers and Monitoring System	740,000	740,000	
8 Projects Less than \$400,000 H&D	120,000	120,000	
Subtotal	17,795,000	17,795,000	-
University of Kentucky			
1 Crisp Building Replacement at Paducah CC	2,200,000	2,200,000	
2 Patterson Hall Renovation	2,950,000	2,950,000	
3 Keeneland Hall - HVAC	1,900,000	1,900,000	
4 Jewell Hall - HVAC	700,000	700,000	
5 Boyd Hall - HVAC	1,100,000	1,100,000	
6 Parking Structure Expansion	5,654,000	5,654,000	
7 Commonwealth Stadium Expansion	24,000,000	24,000,000	
8 Holmes Hall - HVAC	950,000	950,000	
9 Student Housing/Fraternity House Replacement	5,600,000	5,600,000	
10 Outpatient Clinic Expansion - Dentistry	2,000,000	2,000,000	
11 KY Clinic Annex Replacement Building	6,000,000	6,000,000	
12 South Campus Communications Infrastructure	2,294,000	2,294,000	
13 Cooperstown/Shawneetown III	4,500,000	4,500,000	
14 Medical Center Addition	11,400,000	11,400,000	
15 Seaton Center Addition/Renovation	15,350,000	15,350,000	
Subtotal	86,598,000	86,598,000	-
University of Louisville			
1 HSC Parking Garage - Two Additional Floors	4,454,000	4,454,000	
Western Kentucky University			
1 Bemis Lawrence HVAC Repair	587,000	587,000	
2 Barnes Campbell HVAC Repair	587,000	587,000	
3 West Hall Lighting Project	538,000	538,000	
4 West Hall Roof Project	506,000	506,000	
5 Garrett Conference Center HVAC Project	587,000	587,000	
6 Renovation of Residence Hall Staff Apartments	639,000	639,000	
Subtotal	3,444,000	3,444,000	-
System Total	\$ 151,986,000	\$ 146,986,000	\$ 5,000,000

**1998/2000 CAPITAL PROJECTS RECOMMENDATION
AGENCY-FUNDED CAPITAL PROJECTS DETAIL**

09-I

<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99</u>			<u>1999/2000</u>			<u>Current Authority</u>
						<u>Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Restricted</u>	<u>Federal</u>	<u>Other</u>	
04	EKU	Minor Projects Equipment	OT	ES	5,000,000	2,500,000	0	0	2,500,000	0	0	0
07		Property Acquisition	AQ	ES	5,000,000	2,000,000	0	0	3,000,000	0	0	0
11		Distance Learning System Component Acquisition	WN	DL	2,960,000	2,960,000	0	0	0	0	0	0
12		Campus Data Network Expansion/Upgrade	WN	NI	1,900,000	950,000	0	0	950,000	0	0	0
14		Edu Reform Computing Telecommunications Expansion	WN	IA	1,450,000	700,000	0	0	750,000	0	0	0
15		Administrative Computing System Upgrade/Replacement	MC	IA	980,000	490,000	0	0	490,000	0	0	0
19		Academic Computing Upgrades	MC	IA	240,000	120,000	0	0	120,000	0	0	0
21		Fourier Transformer Nuclear Mag. Resonance Spectrometer	SR	ES	135,000	135,000	0	0	0	0	0	0
22		Electronic Security System for Law Library	AD	ES	110,000	110,000	0	0	0	0	0	0
		Subtotal			17,775,000	9,965,000	0	0	7,810,000	0	0	
03	KSU	McCullin Hall Renovation	MR	PI	1,642,000	0	0	1,642,000	0	0	0	0
04		Hunter Hall	MR	PI	1,257,000	0	0	1,257,000	0	0	0	0
05		Combs Hall	MR	PI	1,235,000	0	0	0	0	0	1,235,000	0
09		Chiller Additions	MM	PI	2,168,000	0	0	2,168,000	0	0	0	0
15		KSU Foundation Building	NC	ES	1,715,000	0	0	0	0	0	1,715,000	0
16		Guard Houses	NC	ES	56,000	0	0	0	56,000	0	0	0
17		University Motor Coach	MV	ES	285,000	285,000	0	0	0	0	0	0

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<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99</u>		<u>1999/2000</u>			<u>Current Authority</u>	
						<u>Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Restricted</u>	<u>Federal</u>	<u>Other</u>	
19	KSU	Hillcrest Renovation and Landscaping	MR	PI	382,000	382,000	0	0	0	0	0	0
		Subtotal			8,740,000	667,000	0	5,067,000	56,000	0	2,950,000	
02	MOSU	Instructional Technology Initiatives	SR	ES	1,702,000	1,702,000	0	0	0	0	0	0
03		Microcomputer/LANs/Peripherals-Instructional	LN	NI	1,800,000	1,800,000	0	0	0	0	0	0
04		Library Automation & Information Support Initiatives	OT	DS	900,000	900,000	0	0	0	0	0	0
05		Instructional and Support Equipment	AE	ES	1,366,000	1,366,000	0	0	0	0	0	0
06		Distance Learning Technology Initiatives	BV	DL	2,725,000	2,725,000	0	0	0	0	0	0
07		Nuclear Magnetic Resonance Apparatus	SR	ES	210,000	210,000	0	0	0	0	0	0
11		Fire Safety/Auxiliary Facilities	PP	LS	1,220,000	610,000	0	0	610,000	0	0	0
14		Networking/Infrastructure Initiatives	LN	NI	1,508,000	1,508,000	0	0	0	0	0	0
15		Equine Teaching Facility	NC	ES	1,200,000	620,000	0	580,000	0	0	0	0
22		Land Acquisitions Related to Campus Master Plan	AQ	ES	1,337,000	1,337,000	0	0	0	0	0	0
24		Tour Bus	MV	ES	330,000	330,000	0	0	0	0	0	0
25		Head Start Facility	NC	ES	720,000	144,000	0	576,000	0	0	0	0
		Subtotal			15,018,000	13,252,000	0	1,156,000	610,000	0	0	
27	MUSU	Purchasing and Accounts Payable System	DC	SP	228,000	113,000	0	0	115,000	0	0	0
32		Equipment less than \$100,000	OT	OT	1,436,000	864,000	0	0	572,000	0	0	0
33		General Lab Equipment Replacement	AE	ES	687,000	0	0	0	602,000	85,000	0	0
34		Replace Family & Consumer Studies Lab Equipment	AE	NS	353,000	0	0	0	353,000	0	0	0
36		Breathitt Lab Equipment	SR	ES	661,000	0	0	0	661,000	0	0	0
39		Telecommunications Switching Systems	PE	SP	120,000	120,000	0	0	0	0	0	0
40		National Scouting Museum, BSA Phase III	ME	RR	300,000	0	0	0	300,000	0	0	4,912,000

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<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99</u>		<u>1999/2000</u>			<u>Current Authority</u>	
						<u>Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Restricted</u>	<u>Federal</u>	<u>Other</u>	
41	MUSU	Arts Educational Equipment	AE	ES	798,000	683,000	0	0	115,000	0	0	0
		Subtotal			4,583,000	1,780,000	0	0	2,718,000	85,000	0	
02	NKU	Land Acquisition (1998-2000)	AQ	ES	2,000,000	2,000,000	0	0	0	0	0	0
03		Chiller Replacements/CFC	MR	GM	7,100,000	4,500,000	0	2,600,000	0	0	0	0
06		Athletic Fields - Phase I	NC	ES	7,000,000	0	0	7,000,000	0	0	0	0
07		Landscape Enhancement (1998-2000)	NC	PI	1,000,000	0	0	1,000,000	0	0	0	0
10		Covington Campus Privatization (Urban Learning Center)	NC	ES	10,000,000	0	0	10,000,000	0	0	0	0
11		Alumni & Faculty/Staff Center	NC	ES	3,000,000	0	0	3,000,000	0	0	0	0
17		Northern Kentucky Convocation Center Feasibility Study	NC	ES	500,000	500,000	0	0	0	0	0	0
18		Voice-Response/Touch-Tone System	OT	IA	205,000	205,000	0	0	0	0	0	0
19		Voice Mail	OT	IA	180,000	180,000	0	0	0	0	0	0
20		Alpha Expansion	MC	IA	135,000	135,000	0	0	0	0	0	0
21		Automatic Tape System	OT	IA	155,000	155,000	0	0	0	0	0	0
22		Laser Printer	OT	IA	125,000	125,000	0	0	0	0	0	0
23		New Press	AD	ES	175,000	175,000	0	0	0	0	0	0
24		Digital Copier	OT	DS	315,000	315,000	0	0	0	0	0	0
		Subtotal			31,890,000	8,290,000	0	23,600,000	0	0	0	
09	UKUS	Epi-Flourescence Microscope	SR	ES	130,000	130,000	0	0	0	0	0	0
10		DNA Sequencer	SR	ES	120,000	120,000	0	0	0	0	0	0
11		Language Lab	LN	ES	300,000	300,000	0	0	0	0	0	0
12		Differential Flow Calorimeter/Thermomechanical Analyzer	SR	ES	175,000	175,000	0	0	0	0	0	0
13		Community College System Network Upgrade	WN	NI	1,187,000	1,187,000	0	0	0	0	0	0
14		Pharmacy Dispensing Lab	MR	RR	600,000	600,000	0	0	0	0	0	0

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Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
15	UKUS	Academic & Research Renovation (College of Medicine)	MR	ES	625,000	625,000	0	0	0	0	0	0
16		Digital Radiograph/Imaging System	SM	DS	200,000	200,000	0	0	0	0	0	0
17		Confocal Microscope	SR	ES	315,000	315,000	0	0	0	0	0	0
18		Garbage Truck Front Loader - Replacement	MV	OT	150,000	150,000	0	0	0	0	0	0
19		General Chemistry Computerization	LN	IA	385,000	385,000	0	0	0	0	0	0
20		Laser Ablation Sampling System/ Attachment for ICP/MS	SR	ES	200,000	200,000	0	0	0	0	0	0
21		Healthcare Network	WN	NI	3,000,000	3,000,000	0	0	0	0	0	0
22		Publishing Services Building Addition	ME	RR	450,000	450,000	0	0	0	0	0	0
23		Long Range Utility Planning	MR	UT	600,000	600,000	0	0	0	0	0	0
26		Land Acquisition	AQ	ES	4,000,000	4,000,000	0	0	0	0	0	0
27		Instructional Multi-Media, Phase II	LN	DS	1,726,000	576,000	0	0	1,150,000	0	0	0
28		Gas Chromatograph Mass Spectrometer	SR	NS	250,000	250,000	0	0	0	0	0	0
29		Engineering Research Computing System	SM	SP	440,000	440,000	0	0	0	0	0	0
30		Network Replacement	DC	NI	100,000	100,000	0	0	0	0	0	0
31		DNA Sequencer	SR	ES	150,000	150,000	0	0	0	0	0	0
32		Supercomputer Upgrade I	MC	ES	3,148,000	1,574,000	0	0	1,574,000	0	0	0
33		Clinical Lab-Computer Assisted Learning Facility	MR	ES	450,000	450,000	0	0	0	0	0	0
35		Telemedicine Systems	SM	DS	600,000	600,000	0	0	0	0	0	0
36		Flow Cytometry Lab	SR	ES	375,000	375,000	0	0	0	0	0	0
37		Inductive Coupled Argon Plasma Unit	LB	ES	110,000	110,000	0	0	0	0	0	0
38		Department Computer Upgrade	SM	ES	225,000	225,000	0	0	0	0	0	0
39		NMR Spectrometer 300 Mhz Upgrade	SR	ES	400,000	400,000	0	0	0	0	0	0
40		3.7 Satellite Uplink	OT	DL	304,000	304,000	0	0	0	0	0	0

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<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>1999/2000 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Current Authority</u>
42	UKUS	Medical Center Information Center	MR	RR	1,550,000	1,550,000	0	0	0	0	0	0
43		Gas Chromatograph-Mass Spectrophotometer System	SR	ES	210,000	210,000	0	0	0	0	0	0
44		Laser Confocal Microscope	SR	NS	303,000	303,000	0	0	0	0	0	0
45		Distributed Testbed System	DC	ES	250,000	250,000	0	0	0	0	0	0
46		X-Ray Fluorescence Instrument	LB	ES	130,000	0	0	0	130,000	0	0	0
47		High-Temperature X-Ray Diffractometer	SR	ES	225,000	225,000	0	0	0	0	0	0
48		Imaging Systems I	IM	IA	328,000	328,000	0	0	0	0	0	0
51		Ultracentrifuge	SR	NS	113,000	113,000	0	0	0	0	0	0
52		Motion Analysis System Upgrade	SR	ES	204,000	204,000	0	0	0	0	0	0
53		Real Time Confocal Microscope	SR	ES	300,000	300,000	0	0	0	0	0	0
54		NSF Fileserver	LN	NI	150,000	150,000	0	0	0	0	0	0
55		Integrated TGA/Differential Scanning Calorimeter/MS	SR	ES	120,000	120,000	0	0	0	0	0	0
56		Storage Management System I	MC	ES	328,000	328,000	0	0	0	0	0	0
57		Clinical Development Space (College of Medicine)	MR	ES	500,000	500,000	0	0	0	0	0	0
58		Agriculture Information Center	MR	RR	800,000	800,000	0	0	0	0	0	0
59		Inverted Microscope Including Fluoroscope	SR	NS	150,000	150,000	0	0	0	0	0	0
60		Image Analyzer System	SR	NS	200,000	200,000	0	0	0	0	0	0
61		Lighting System	AE	ES	237,000	237,000	0	0	0	0	0	0
62		Plot Combine with Weighing System	SR	ES	125,000	125,000	0	0	0	0	0	0
63		X-Ray Fluorescence System	SR	ES	175,000	175,000	0	0	0	0	0	0
64		Offset Printing Press	AD	OT	150,000	150,000	0	0	0	0	0	0
66		Cooper House Renovation	MR	PI	750,000	750,000	0	0	0	0	0	0
67		Electrophysiologic Analysis System	SR	ES	200,000	200,000	0	0	0	0	0	0

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<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>1999/2000 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Current Authority</u>
68	UKUS	CAD/CAM System	SM	DS	184,000	184,000	0	0	0	0	0	0
69		Environmental Test System	SR	ES	125,000	125,000	0	0	0	0	0	0
70		Solids NMR Spectrometer	SR	ES	900,000	900,000	0	0	0	0	0	0
71		Gas Chromatography/Atomic Emission Detector (GC/AED)	SR	NS	120,000	120,000	0	0	0	0	0	0
73		Engineering Information Center	MR	RR	650,000	650,000	0	0	0	0	0	0
74		Compressed Video - Hazard	BV	DL	136,000	136,000	0	0	0	0	0	0
75		HPLC/Mass Spectrometer System	SR	ES	300,000	300,000	0	0	0	0	0	0
76		Sterilizing/Cleaning System	SR	ES	234,000	234,000	0	0	0	0	0	0
77		Thermal Analyzer and Powder Diffractometer	SR	ES	310,000	310,000	0	0	0	0	0	0
79		Calorimeter	SR	NS	104,000	104,000	0	0	0	0	0	0
80		Autoradiography	SR	NS	207,000	207,000	0	0	0	0	0	0
81		X-Ray Laue Unit - Single Crystal	SR	NS	150,000	150,000	0	0	0	0	0	0
82		Freeze-Thaw Apparatus	SR	NS	100,000	100,000	0	0	0	0	0	0
85		MB Ultracentrifuges	SR	NS	354,000	354,000	0	0	0	0	0	0
86		MB/GT Phospho-Imager	SR	NS	128,000	128,000	0	0	0	0	0	0
87		High Power CO2 Laser	SR	ES	250,000	250,000	0	0	0	0	0	0
88		Faraday Balance	SR	ES	200,000	60,000	140,000	0	0	0	0	0
89		Gas Analyzer	SR	ES	100,000	100,000	0	0	0	0	0	0
91		Agricultural Science Greenhouses - Renovation	MR	PI	750,000	750,000	0	0	0	0	0	0
92		GT Ultracentrifuges	SR	NS	345,000	345,000	0	0	0	0	0	0
93		Laser	SR	NS	104,000	104,000	0	0	0	0	0	0
94		High Pressure Liquid Chromatography and Accessories	SR	ES	200,000	100,000	100,000	0	0	0	0	0
95		Database Testbed	DC	NS	225,000	225,000	0	0	0	0	0	0

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Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
96	UKUS	Administration Building - Exterior Repair	MM	PI	1,400,000	1,400,000	0	0	0	0	0	0
97		Energy Conservation Project (Medical Center)	MM	OT	2,000,000	2,000,000	0	0	0	0	0	0
98		Whole Body Composition Analyzer	SR	ES	150,000	150,000	0	0	0	0	0	0
99		Fluorescent Activated Cell Sorter	SR	NS	230,000	230,000	0	0	0	0	0	0
100		Tinius Olsen Ductometer	SR	ES	100,000	100,000	0	0	0	0	0	0
101		Studio Recording Equipment	AE	ES	113,000	113,000	0	0	0	0	0	0
102		Gatton College Addition for International Bus. & Mgt.	ME	ES	1,500,000	1,500,000	0	0	0	0	0	0
103		9.4 Tessler Scanner	SR	OT	750,000	750,000	0	0	0	0	0	0
104		Dissecting Confocal Microscope	SR	ES	200,000	200,000	0	0	0	0	0	0
105		Upgrade of 400 MHz Nuclear Magnetic Resonance	SR	ES	500,000	160,000	340,000	0	0	0	0	0
106		High Resolution STEM 400KV	SR	ES	1,500,000	1,500,000	0	0	0	0	0	0
107		Lancaster Aquatics Center Expansion	MR	RR	2,573,000	2,573,000	0	0	0	0	0	0
108		High Resolution Phosphor Imager	SR	NS	200,000	200,000	0	0	0	0	0	0
109		DNA Synthesizer	SR	ES	100,000	100,000	0	0	0	0	0	0
110		Protein Synthesizer	SR	NS	200,000	200,000	0	0	0	0	0	0
111		DNA Sequencer	SR	NS	130,000	130,000	0	0	0	0	0	0
112		Holographic System with Image Analyzer	SR	ES	110,000	110,000	0	0	0	0	0	0
113		High Temperature Optical Microscope	SR	ES	105,000	105,000	0	0	0	0	0	0
114		Electron Spin Resonance Instrument	SR	ES	200,000	65,000	135,000	0	0	0	0	0
115		Three-Dimensional Scaling Device	SR	OT	100,000	0	100,000	0	0	0	0	0
116		Research Grade Light Microscope	SR	NS	100,000	100,000	0	0	0	0	0	0
117		600 MHz NMR system	SR	ES	1,500,000	1,500,000	0	0	0	0	0	0
118		Sterilizer	SR	ES	100,000	100,000	0	0	0	0	0	0

<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>1999/2000 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Current Authority</u>
119	UKUS	ABS DNA Sequencer	SR	ES	120,000	120,000	0	0	0	0	0	0
120		High-Speed Digital Signal Processing Development System	SR	OT	150,000	0	150,000	0	0	0	0	0
121		High Resolution Mass Spectrometer	SR	ES	500,000	500,000	0	0	0	0	0	0
122		Hydro Flume	SR	ES	130,000	130,000	0	0	0	0	0	0
123		DNA Sequencer/Gene Mapping	SR	ES	260,000	130,000	0	0	130,000	0	0	0
124		Upgrading/Establishing Communication System	DC	ES	827,000	365,000	0	0	462,000	0	0	0
125		Isolated Cell Calcium Detector	SR	NS	110,000	110,000	0	0	0	0	0	0
126		HPLC to Measure Cellular Metabolites	SR	NS	100,000	100,000	0	0	0	0	0	0
127		Virtual Reality Computing System	SM	NS	150,000	150,000	0	0	0	0	0	0
128		Optical Disk Server	DC	ES	180,000	180,000	0	0	0	0	0	0
129		Ultra High Vacuum Chamber	SR	ES	250,000	80,000	170,000	0	0	0	0	0
130		600 MHz Nuclear Magnetic Resonance	SR	ES	1,000,000	300,000	700,000	0	0	0	0	0
131		Laser System	SR	ES	250,000	80,000	170,000	0	0	0	0	0
132		4.7 Tessler Human Scanner	SR	OT	4,000,000	4,000,000	0	0	0	0	0	0
133		800 MHz NMR System	SR	ES	2,500,000	2,500,000	0	0	0	0	0	0
134		Area Detector Diffractometer	SR	ES	310,000	100,000	210,000	0	0	0	0	0
135		Oxymax Open Circuit Calorimeter	SR	ES	100,000	100,000	0	0	0	0	0	0
136		Confocal Microscope System	SR	NS	120,000	120,000	0	0	0	0	0	0
137		Virtual Environment Simulator	SR	OT	125,000	125,000	0	0	0	0	0	0
138		Stiff Testing Machine	SR	ES	140,000	140,000	0	0	0	0	0	0
139		Transmission Electron Microscope	LB	ES	200,000	200,000	0	0	0	0	0	0
140		Fluorescence Activated Cell Sorter	SR	OT	200,000	200,000	0	0	0	0	0	0
146		Renovation of Funkhouser - Phase IV	MR	RR	700,000	700,000	0	0	0	0	0	0

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<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>1999/2000 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Current Authority</u>
147	UKUS	Erikson Hall Renovation	MR	PI	2,250,000	0	0	0	2,250,000	0	0	0
148		Steam and Condensate Pipe Repair	MR	UT	2,100,000	2,100,000	0	0	0	0	0	0
149		Incinerator Replacement	LB	ES	1,600,000	1,600,000	0	0	0	0	0	0
150		Pollution Controls, Medical Center Heating Plant	MR	UT	1,333,000	1,333,000	0	0	0	0	0	0
151		Cooling Secondary Pumping	MR	UT	2,000,000	2,000,000	0	0	0	0	0	0
153		Bowman Hall Renovation	MR	RR	4,300,000	4,300,000	0	0	0	0	0	0
156		Slone Building Renovation	MR	RR	3,900,000	3,900,000	0	0	0	0	0	0
159		Chemistry Laboratory Renovation	MR	ES	1,050,000	1,050,000	0	0	0	0	0	0
161		Chilled Water Additions	NC	UT	700,000	700,000	0	0	0	0	0	0
162		King South Renovation	MR	RR	10,365,000	10,365,000	0	0	0	0	0	0
165		Medical Center Chilled Water Loop	NC	UT	500,000	500,000	0	0	0	0	0	0
168		Agriculture North Renovation	MM	LS	3,150,000	3,150,000	0	0	0	0	0	0
169		Agriculture Science South - Animal Care Facility Upgrade	MR	PI	900,000	900,000	0	0	0	0	0	0
170		High Security Isolation Facility	NC	ES	9,800,000	0	0	0	9,800,000	0	0	0
173		Cooling #3 to Lime Chilled Water Pipe	ME	UT	1,800,000	1,800,000	0	0	0	0	0	0
175		Specialized Greenhouses	NC	ES	3,550,000	3,550,000	0	0	0	0	0	0
177		Singleary Center Renovation of Auditoria and Public Spaces	MR	PI	1,850,000	1,850,000	0	0	0	0	0	0
178		Renovation of Biological Sciences Research Space	MA	ES	1,300,000	1,300,000	0	0	0	0	0	0
179		Telemedicine Rural Health	BV	DA	400,000	400,000	0	0	0	0	0	0
180		Satellite Uplink Rural Health	BV	DL	400,000	400,000	0	0	0	0	0	0
181		Patient Classification Equipment Rural Health	LN	DS	250,000	250,000	0	0	0	0	0	0
182		Image Analysis System	SR	NS	200,000	200,000	0	0	0	0	0	0
Subtotal					114,370,000	96,659,000	2,215,000	0	15,496,000	0	0	

Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
14	UKCCS	Madisonville - Muhlenberg County Classroom Building	NC	ES	3,500,000	3,500,000	0	0	0	0	0	0
		Subtotal			3,500,000	3,500,000	0	0	0	0	0	
01	UKH	Markey 4th Floor Renovation	MR	ES	3,800,000	3,800,000	0	0	0	0	0	0
02		Nursing Unit Modification VI	MR	PI	940,000	940,000	0	0	0	0	0	0
03		Nursing Unit Modification VIII	MR	PI	3,500,000	3,500,000	0	0	0	0	0	0
04		Diagnostic Service Upgrade VII	MR	ES	1,100,000	1,100,000	0	0	0	0	0	0
05		Outpatient Diagnostic and Treatment Center	NC	ES	14,000,000	14,000,000	0	0	0	0	0	0
06		Patient Care Facility/Women's Cancer Center	NC	ES	8,000,000	8,000,000	0	0	0	0	0	0
07		Outpatient Services	NC	ES	3,600,000	3,600,000	0	0	0	0	0	0
08		Primary Care Center	NC	ES	13,200,000	13,200,000	0	0	0	0	0	0
09		Imaging Services	MR	SC	3,500,000	3,500,000	0	0	0	0	0	0
10		Diagnostic Services Upgrade VIII	MR	ES	1,100,000	1,100,000	0	0	0	0	0	0
11		Intra-Hospital Transportation Systems III	MM	PI	700,000	700,000	0	0	0	0	0	0
12		Parking Structure I	NC	ES	6,600,000	6,600,000	0	0	0	0	0	0
13		Biohazard/Environmental Protection I	MM	LS	1,500,000	1,500,000	0	0	0	0	0	0
14		Materials Handling Storage/Distribution Center	NC	ES	970,000	970,000	0	0	0	0	0	0
15		Parking Structure II	NC	ES	6,600,000	6,600,000	0	0	0	0	0	0
16		Data Systems Expansion I	MM	OT	595,000	595,000	0	0	0	0	0	0
17		Building Connectors II	NC	ES	2,200,000	2,200,000	0	0	0	0	0	0
18		Utility System Upgrade III	MM	UT	1,500,000	1,500,000	0	0	0	0	0	0
19		Implementation of Land Use Plan II	AQ	ES	2,500,000	2,500,000	0	0	0	0	0	0
20		Limited Stay Facility	NC	ES	5,200,000	5,200,000	0	0	0	0	0	0
21		Building/Site Upgrade II	MM	PI	710,000	710,000	0	0	0	0	0	0

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Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
22	UKH	HVAC Upgrade	NC	PI	3,500,000	0	0	0	3,500,000	0	0	0
23		Hospital Kitchen Renovation I	MR	PI	1,000,000	1,000,000	0	0	0	0	0	0
24		Hospital Kitchen Renovation II	MR	PI	520,000	520,000	0	0	0	0	0	0
25		Hospital Parking Expansion	ME	ES	3,100,000	0	0	0	3,100,000	0	0	0
26		Outpatient Care Facility	NC	ES	3,500,000	3,500,000	0	0	0	0	0	0
27		Hyperbaric Chamber	PC	ES	150,000	150,000	0	0	0	0	0	0
28		Automated Screening System	PC	ES	200,000	200,000	0	0	0	0	0	0
29		Echocardiography Equipment	PC	ES	300,000	300,000	0	0	0	0	0	0
30		Digitract Orbitor Camera	SR	ES	250,000	250,000	0	0	0	0	0	0
31		Infectious Disease Detection System	SR	ES	102,000	102,000	0	0	0	0	0	0
32		EKG Management System	SR	ES	250,000	250,000	0	0	0	0	0	0
33		Cardiac Catheterization Lab	SR	ES	4,000,000	4,000,000	0	0	0	0	0	0
34		Electrophysiology Laboratory	SR	ES	1,250,000	1,250,000	0	0	0	0	0	0
35		Digital Enhancement	SR	ES	850,000	850,000	0	0	0	0	0	0
36		MRI	SR	ES	2,500,000	2,500,000	0	0	0	0	0	0
37		General Radiography Unit	SR	ES	800,000	800,000	0	0	0	0	0	0
38		Surgical Microscope	SR	ES	300,000	300,000	0	0	0	0	0	0
39		Upgrade HIS Computing Facilities	MC	IA	2,500,000	2,500,000	0	0	0	0	0	0
40		Clinical Information System	MC	IA	3,000,000	3,000,000	0	0	0	0	0	0
41		Digital Medical Record Expansion	DC	IA	2,000,000	2,000,000	0	0	0	0	0	0
42		Digital Radiology	SR	ES	1,750,000	1,750,000	0	0	0	0	0	0
43		Telecommunications	SM	ES	1,250,000	1,250,000	0	0	0	0	0	0
44		Laboratory Analyzer	SR	ES	200,000	200,000	0	0	0	0	0	0

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Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
45	UKH	Radiation Therapy Unit	SR	ES	1,800,000	1,800,000	0	0	0	0	0	0
46		Mobile Fluoroscopy	SR	ES	200,000	200,000	0	0	0	0	0	0
47		Surgical Laser	SR	ES	200,000	200,000	0	0	0	0	0	0
48		CT Scanner	SR	ES	1,600,000	1,600,000	0	0	0	0	0	0
49		General Radiography/Fluoroscopic Unit	SR	ES	500,000	500,000	0	0	0	0	0	0
50		OB Ultrasound	SR	ES	300,000	300,000	0	0	0	0	0	0
51		Perioperative Clinical	SM	ES	350,000	350,000	0	0	0	0	0	0
52		UROL Table	SR	ES	300,000	300,000	0	0	0	0	0	0
53		Scrup Dispenser	SR	ES	225,000	225,000	0	0	0	0	0	0
54		ALIS	SM	ES	800,000	800,000	0	0	0	0	0	0
I-71 55		Digital Imaging	SM	ES	750,000	750,000	0	0	0	0	0	0
56		Patient System Enterprise	MC	IA	4,000,000	4,000,000	0	0	0	0	0	0
57		Managed Care Enterprise	MC	IA	1,000,000	1,000,000	0	0	0	0	0	0
58		Clinical System Enterprise	MC	IA	5,000,000	5,000,000	0	0	0	0	0	0
59		State Communication Enterprise	MC	IA	3,000,000	3,000,000	0	0	0	0	0	0
60		Infrastructure Communication Enterprise	SM	ES	5,000,000	5,000,000	0	0	0	0	0	0
61		Vascular Ultrasound	SR	ES	300,000	300,000	0	0	0	0	0	0
62		Cardiac Ultrasound	SR	ES	300,000	300,000	0	0	0	0	0	0
63		Nuclear Medicine Camera	SR	ES	750,000	750,000	0	0	0	0	0	0
64		Endoscopy Video/Ultrasound	SR	ES	300,000	300,000	0	0	0	0	0	0
65		Mass Storage Capability	DC	IA	300,000	300,000	0	0	0	0	0	0
66		Upgrade Disk Capacity	MC	IA	450,000	450,000	0	0	0	0	0	0
67		Upgrade Tape Capacity	MC	IA	250,000	250,000	0	0	0	0	0	0

Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99		1999/2000			Current Authority	
						Restricted	Federal	Restricted	Federal	Other		
68	UKH	Upgrade Printing Capacity	MC	IA	400,000	400,000	0	0	0	0	0	0
69		Upgrade Telecommunications Facilities	LN	NI	750,000	750,000	0	0	0	0	0	0
70		Catheterization Lab	SR	ES	2,500,000	2,500,000	0	0	0	0	0	0
71		Angiographic Unit	SR	ES	1,950,000	1,950,000	0	0	0	0	0	0
72		Neuro-Radiography Unit	SR	ES	1,500,000	1,500,000	0	0	0	0	0	0
73		SPECT System	SR	ES	750,000	750,000	0	0	0	0	0	0
74		EKG Unit	SR	ES	400,000	400,000	0	0	0	0	0	0
75		Radiology Ultrasound	SR	ES	400,000	400,000	0	0	0	0	0	0
76		Mobile Radiology Unit	SR	ES	200,000	200,000	0	0	0	0	0	0
77		General Radiology Unit	SR	ES	800,000	800,000	0	0	0	0	0	0
78		Clinical Information System	MC	IA	1,000,000	1,000,000	0	0	0	0	0	0
79		Surgical Microscope	SR	ES	300,000	300,000	0	0	0	0	0	0
80		Gamma Knife Upgrade	SR	ES	2,000,000	2,000,000	0	0	0	0	0	0
81		Telecommunications	SM	ES	800,000	800,000	0	0	0	0	0	0
82		EMG Unit	SR	ES	200,000	200,000	0	0	0	0	0	0
83		MRI Upgrade	SR	ES	500,000	500,000	0	0	0	0	0	0
84		Digital Radiology	SR	ES	800,000	800,000	0	0	0	0	0	0
85		Fluoroscopy Unit	SR	ES	500,000	500,000	0	0	0	0	0	0
86		Electrophysiology Lab	SR	ES	1,500,000	1,500,000	0	0	0	0	0	0
87		Breast Radiographic	SR	ES	250,000	250,000	0	0	0	0	0	0
88		Mass Storage Capability	MC	IA	200,000	200,000	0	0	0	0	0	0
89		Endoscopy Video/Ultrasound	SR	ES	250,000	250,000	0	0	0	0	0	0
90		Upgrade Disk Capacity	MC	IA	250,000	250,000	0	0	0	0	0	0

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Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
91	UKH	Upgrade Telecommunications Facilities	LN	NI	250,000	250,000	0	0	0	0	0	0
92		Laboratory Analyzer	SR	ES	200,000	200,000	0	0	0	0	0	0
93		Surgical Laser	SR	ES	200,000	200,000	0	0	0	0	0	0
94		General Radiology Unit	SR	ES	500,000	500,000	0	0	0	0	0	0
95		Treatment Planning System	SR	ES	1,200,000	1,200,000	0	0	0	0	0	0
		Subtotal			163,312,000	156,712,000	0	0	6,600,000	0	0	
02	UL	Utility Distribution Improvements - South	ME	UT	6,541,000	6,541,000	0	0	0	0	0	0
03		Early Childhood "EDUCARE" Center	NC	NS	3,300,000	3,300,000	0	0	0	0	0	0
07		Humanities Classroom Renovation	MM	PI	721,000	721,000	0	0	0	0	0	0
10		New Residence Hall and West Utilities	NC	ES	18,277,000	0	0	18,277,000	0	0	0	0
16		University Park - Track & Field, Soccer and Field Hockey Fa	NC	ES	4,987,000	0	0	0	0	0	4,987,000	0
17		University Park - Parkway Field / Baseball Stadium	MR	ES	2,392,000	0	0	2,392,000	0	0	0	0
21		Computer File Server	DC	ES	440,000	220,000	0	0	220,000	0	0	0
23		Network Switching System	WN	NI	450,000	300,000	0	0	150,000	0	0	0
24		Digital Communications Network	WN	ES	550,000	300,000	0	0	250,000	0	0	0
25		Fiber Optic LAN/Computer-based Instruction System	LN	ES	427,000	427,000	0	0	0	0	0	0
26		Electronic Medical Record	DC	IA	2,044,000	2,044,000	0	0	0	0	0	0
27		Expand Medical Information Technology Infrastructure	MC	DS	440,000	440,000	0	0	0	0	0	0
29		Molecular Dynamics Software and Computer Workstation	SM	ES	125,000	63,000	62,000	0	0	0	0	0
31		Computer Workstations	DC	IA	500,000	0	0	0	500,000	0	0	0
36		High Definition Video System	SR	ES	300,000	300,000	0	0	0	0	0	0
38		Automated DNA Sequencer	SR	NS	149,000	149,000	0	0	0	0	0	0
39		Echocardiograph Vascular System	SR	ES	300,000	300,000	0	0	0	0	0	0

I-73

Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
40	UL	Computerized Cardiac Laboratory	SR	ES	256,000	256,000	0	0	0	0	0	0
41		Vascular Smooth Muscle Analyzer	SR	ES	144,000	144,000	0	0	0	0	0	0
42		Small Vein In Vivo Diagnostic System for Mechanisms of Infl	SR	NS	197,000	197,000	0	0	0	0	0	0
43		Peak 3D Computerized Motion Measurement & Analysis System	SR	ES	115,000	115,000	0	0	0	0	0	0
44		Atomic Absorption (AA) Spectrometer, High-Resolution	SR	ES	110,000	110,000	0	0	0	0	0	0
48		Imaging Raman Spectrometer	SR	ES	170,000	85,000	85,000	0	0	0	0	0
49		Bruker AMX 500 Console Upgrade	SR	ES	200,000	0	0	0	100,000	100,000	0	0
50		Molecular Imaging System	SR	ES	105,000	0	0	0	50,000	55,000	0	0
51		Automated Synthesizer	SR	ES	200,000	0	0	0	100,000	100,000	0	0
52		FT IR Spectrometer	SR	ES	150,000	0	0	0	75,000	75,000	0	0
53		MDR Renovation, Phase I, Bldg. 51	MR	ES	1,548,000	1,548,000	0	0	0	0	0	0
54		Medical School Lab Renovation, Bldg. 55A	MR	ES	1,717,000	1,717,000	0	0	0	0	0	0
55		Research Resources Center Expansion	ME	ES	1,588,000	1,588,000	0	0	0	0	0	0
57		Purchase Parking Spaces on Health Sciences Campus	AQ	ES	825,000	825,000	0	0	0	0	0	0
58		Satellite Uplink	BV	ES	300,000	300,000	0	0	0	0	0	0
59		Client/Server System	DC	IA	400,000	200,000	0	0	200,000	0	0	0
60		Disk Storage Sub-systems	MC	ES	1,000,000	500,000	0	0	500,000	0	0	0
61		Engineering/Scientific Processor	SM	ES	900,000	400,000	0	0	500,000	0	0	0
63		Compressed Video Conferencing Room and Instructional Lab	BV	DS	446,000	0	0	446,000	0	0	0	0
64		Telemarketing System	OT	IA	133,000	133,000	0	0	0	0	0	0
65		Metabolic Stress System and Bike	SR	ES	106,000	106,000	0	0	0	0	0	0
66		Stress Echo System	SR	ES	127,000	127,000	0	0	0	0	0	0
67		3-Dimensional Echocardiographic Package	SR	ES	140,000	140,000	0	0	0	0	0	0

I-7/4

Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
68	UL	Naifold Microvascular Analysis System	SR	NS	119,000	119,000	0	0	0	0	0	0
69		In Vivo Thrombosis Detection and Quantitation System	SR	NS	168,000	0	0	0	168,000	0	0	0
75		Scanning Tunneling Microscope	SR	ES	103,000	0	0	0	50,000	53,000	0	0
76		Epifluorescence Microscope	SR	ES	105,000	0	0	0	50,000	55,000	0	0
77		Surface Analysis Microscope System	SR	ES	400,000	0	0	0	200,000	200,000	0	0
78		X-Ray Deffractometer with Area Detector	SR	ES	450,000	0	0	0	225,000	225,000	0	0
79		Scanning Electron Microscope	SR	ES	230,000	0	0	0	115,000	115,000	0	0
81		Mid-Range Computer Systems	MC	ES	400,000	200,000	0	0	200,000	0	0	0
86		Broadcasting Facilities Equipment	BR	DS	500,000	250,000	250,000	0	0	0	0	0
87		Diode Laser	SR	ES	100,000	100,000	0	0	0	0	0	0
88		Animal Irradiator	SR	ES	154,000	154,000	0	0	0	0	0	0
89		Radiographic/Fluoroscopic X-Ray System	SR	ES	317,000	317,000	0	0	0	0	0	0
90		Peptide Sequencer	SR	ES	145,000	145,000	0	0	0	0	0	0
91		Video Diagnostic Analysis System	SR	NS	154,000	154,000	0	0	0	0	0	0
96		Capillary Electrophoresis	SR	ES	100,000	0	0	0	50,000	50,000	0	0
97		Liquid Chromatograph Mass Spectrometer	SR	ES	450,000	0	0	0	150,000	300,000	0	0
98		Spectroflurometer	SR	ES	100,000	0	0	0	50,000	50,000	0	0
99		EPR Spectrometer Update	SR	ES	125,000	0	0	0	60,000	65,000	0	0
100		MALDI Mass Spectrometer	SR	ES	400,000	0	0	0	200,000	200,000	0	0
101		White Blood Cell Velocity Measurement System	SR	NS	126,000	126,000	0	0	0	0	0	0
102		Integrated Multi-Detector Imaging System	SR	ES	545,000	545,000	0	0	0	0	0	0
103		Fluorescence Activated Cell Sorter	SR	ES	352,000	352,000	0	0	0	0	0	0
104		Digital Micro-Luminography System for Transmission Electron	SR	ES	120,000	120,000	0	0	0	0	0	0

I-75

Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
105	UL	Electronic Darkroom	SR	ES	113,000	113,000	0	0	0	0	0	0
107		Gas Chromatography-Mass Spec. (GC-MS) High-Resolution	SR	ES	110,000	110,000	0	0	0	0	0	0
108		750 MHz Nuclear Magnetic Resonance Spectrometer	SR	ES	1,200,000	400,000	800,000	0	0	0	0	0
109		49 Foot Research Vessel	SR	ES	500,000	100,000	400,000	0	0	0	0	0
110		Radiographic/Fluoroscopic Imaging Unit	SR	ES	195,000	195,000	0	0	0	0	0	0
113		Trash Compactor	MV	ES	125,000	125,000	0	0	0	0	0	0
114		Gel/Blot Image Analysis System	SR	ES	140,000	140,000	0	0	0	0	0	0
115		Acoustic Imaging 5200 Envision	PC	ES	176,000	176,000	0	0	0	0	0	0
117		Land Purchase East of University Hospital - HSC	AQ	ES	5,000,000	0	0	0	5,000,000	0	0	0
118		MDR Renovation, Phase II, Building 51	MR	ES	1,595,000	0	0	0	1,595,000	0	0	0
119		Dental Clinic and Sterilization Renovation	MR	ES	3,000,000	0	0	0	0	0	3,000,000	0
120		MDR Renovation, Phase III, Building 51	MR	ES	2,583,000	0	0	0	2,583,000	0	0	0
121		Transgenic Facility	NC	ES	2,261,000	0	0	0	2,261,000	0	0	0
123		Social Work - Practice Center - Marine Hospital (Portland)	MA	ES	7,865,000	0	0	0	0	0	7,865,000	0
124		Support Services Land Acquisition (Northeast)	AQ	ES	3,820,000	0	0	0	3,820,000	0	0	0
127		Computer Processing System	MC	ES	3,000,000	0	0	0	3,000,000	0	0	0
131		Dental Clinical Computer System	OT	DS	500,000	500,000	0	0	0	0	0	0
133		Message Board - University Park	AE	NS	300,000	300,000	0	0	0	0	0	0
136		Small Artery Reactivity Diagnostic System	SR	ES	138,000	0	0	0	138,000	0	0	0
137		Protein Sequencer	SR	NS	191,000	191,000	0	0	0	0	0	0
138		Intermediate Voltage Transmission Electron Microscope	SR	ES	350,000	0	0	0	350,000	0	0	0
139		High Resolution SEM with Backscatter Detector	SR	ES	160,000	0	0	0	160,000	0	0	0
140		Excimer Laser	SR	ES	600,000	0	0	0	600,000	0	0	0

I-76

Priority	Agency	Institution/project	Project Type	Primary Need	Project Scope	1998/99			1999/2000			Current Authority
						Restricted	Federal	Other	Restricted	Federal	Other	
141	UL	SEM Accessories for Elemental Analysis	SR	ES	165,000	0	0	0	165,000	0	0	0
142		SIMS Materials Characterization Apparatus	SR	ES	165,000	0	0	0	165,000	0	0	0
143		PECVD System	SR	ES	133,000	0	0	0	133,000	0	0	0
144		Backside Mask Aligner	SR	ES	154,000	0	0	0	154,000	0	0	0
145		Rapid Prototyping System	SR	ES	376,000	0	0	0	376,000	0	0	0
146		Autoclave, Large pass-thru	SR	ES	300,000	300,000	0	0	0	0	0	0
147		High Resolution/Mass Spectrometer (GC/MS) System	SR	ES	470,000	470,000	0	0	0	0	0	0
153		Injection Molding Machine	SR	ES	142,000	0	0	0	142,000	0	0	0
		Subtotal			94,310,000	29,298,000	1,597,000	21,115,000	24,805,000	1,643,000	15,852,000	
14	WKU	Mass Spectrometer	SR	ES	126,000	126,000	0	0	0	0	0	0
15		Confocal Microscope	SR	ES	110,000	0	0	0	110,000	0	0	0
16		Campus Energy Conservation	MM	OT	2,165,000	0	0	2,165,000	0	0	0	0
17		ADA Accessible Shuttle Buses	MV	GM	330,000	330,000	0	0	0	0	0	0
19		Satellite Uplink	BV	IA	426,000	426,000	0	0	0	0	0	0
20		Computing Network Expansion and Upgrade	LN	NI	855,000	0	0	855,000	0	0	0	0
26		Agriculture Exposition Center HVAC Improvements Phase II	MR	PI	650,000	650,000	0	0	0	0	0	0
31		Renovation of Theatre 100 in Gordon Wilson Hall	MR	OT	450,000	0	0	0	450,000	0	0	0
36		Property Acquisition	AQ	ES	370,000	0	0	0	370,000	0	0	0
38		Renovation of Craig Alumni Center	MR	PI	250,000	0	0	0	250,000	0	0	0
41		Video Server	BV	IA	801,000	801,000	0	0	0	0	0	0
45		Ivan Wilson Fine Arts Center Addition	ME	ES	1,209,000	0	0	1,209,000	0	0	0	0
46		Public Radio and Television Transmission Tower	NC	OT	615,000	0	0	0	615,000	0	0	0
47		Telephone Infrastructure Upgrade	PE	NI	750,000	750,000	0	0	0	0	0	0

I-77

<u>Priority</u>	<u>Agency</u>	<u>Institution/project</u>	<u>Project Type</u>	<u>Primary Need</u>	<u>Project Scope</u>	<u>1998/99 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>1999/2000 Restricted</u>	<u>Federal</u>	<u>Other</u>	<u>Current Authority</u>
48	WKU	Administrative Computing System Upgrade/Replacement	MC	SP	2,100,000	0	0	2,100,000	0	0	0	0
54		Western Kentucky University Alumni Center	NC	NS	12,000,000	0	0	1,200,000	0	0	10,800,000	0
		Subtotal			23,207,000	3,083,000	0	7,529,000	1,795,000	0	10,800,000	
		Grand-Total			476,705,000	323,206,000	3,812,000	58,467,000	59,890,000	1,728,000	29,602,000	

Note: Project priority is the priority given the project by the institution. Only projects requested for funding from agency funds will appear on this page.

MINUTES

Council on Postsecondary Education

Quality & Effectiveness Committee
Investments & Incentives Committee



November 3, 1997

Book 2 of 2



WESTERN
KENTUCKY
UNIVERSITY

October 31, 1997

Office of the President
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Western Kentucky University
1 Big Red Way
Bowling Green, KY 42101-3576

Mr. J. Kenneth Walker
Acting Chief Operating Officer
Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601-8204

Dear Ken:

Western Kentucky University wants to be on record, for Monday's Council on Postsecondary Education meeting, of opposing a required match of \$2-for-\$1 in order to receive funding from the deferred maintenance and government mandates pool. We recognize that we are all equally concerned about addressing the significant backlog of projects that need to be funded and completed. There is no question that the universities need to show a funding commitment for addressing this problem. However, there needs to be a feasibility check to ensure that funding is really available. I know you are aware of our efforts to reallocate funds and raise funds for the incentive funds matching. There really is a limit to the number of times we can be asked to match funding initiatives and still be successful implementing needed reforms.

We cannot have a funding mechanism approved that will result in critical maintenance and government mandates projects unfunded because a university cannot raise the match. We need to keep in mind why we have a backlog of unfunded maintenance projects and the types of projects that fall into this category. There are factors such as the age of the space and many years of inadequate funding for higher education that has resulted in the problems we have today. Deferred maintenance and government mandates projects are not optional for institutions to fund. We have serious concerns about life safety problems and potential infrastructure failures that could shut the campuses down. We need to work together to address the need and not be punitive.

Western is supportive of a required match of \$1-for-\$1 even though this matching requirement will be difficult to meet. We encourage the Council to amend the 1998/2000 capital projects recommendation to accommodate a state-funded pool of \$37.5 million and a matching requirement from the universities of an equal amount to bring the total funding to \$75 million.

Let me share with you that I mentioned this draft recommendation at our Board of Regents meeting today. A regent suggested that we advocate to Governor Patton that he use State Surplus Funds as a potential source for deferred maintenance funding. I plan to discuss with this suggestion with Dr. James Ramsay and suggest that the Council consider this approach as well.

I look forward to discussing this recommendation at Monday's Council meeting.

Sincerely,

Barbara G. Burch
Interim President

BGB:lf

cc: Dr. Gary Ransdell
Ms. Ann Mead

Hearing Impaired Only James Ramsay

The Spirit Makes the Master

**BIENNIAL REPORT
HIGHER EDUCATION**

**CAPITAL CONSTRUCTION
INSTITUTIONAL REQUESTS**

FOR THE

**1998/2000 STATE BIENNIAL BUDGET
OCTOBER 1997**

PREPARED BY:



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**FACILITY CONSULTANT TO THE
COMMONWEALTH OF KENTUCKY
COUNCIL ON POSTSECONDARY EDUCATION
FRANKFORT, KENTUCKY**

**BIENNIAL REPORT OF CAPITAL CONSTRUCTION
INSTITUTIONAL REQUESTS AND FACILITIES CONDITION
FOR THE 1998/2000
STATE BIENNIAL BUDGET**

I. INTRODUCTION:

The capital construction review process for the 1998/2000 biennium began on May 21, 1997, with site visits to the senior institutions. At that time, the legislature was still in extraordinary session considering reform legislation for postsecondary education. As a result, only the senior institutions were initially given site reviews. As the legislature completed its session, it was decided to visit only the community college system and then later, the 25 KY Tech schools which offer postsecondary programs were added to the campus reviews. The community colleges were integrated into the travel schedule already underway, but the tech school site visits were not started until July 11. Thus the travel schedule for this report was extended well into August before preparation of the report document could begin. The schedule also included a day of discussion with the community college system chancellor and his staff.

The consultant's charge for this biennium was expanded from reviewing only the capital project requests on a campus to reviewing the general condition of each campus and including the evaluation in this report. Due to the increased number of sites, including many of the extended campus sites and centers, and the need to revisit many parts of the state to complete visits to all community colleges and to the 25 tech school sites, this condition review was limited in nature and did not include a walk-through of each building as was done in

1989. However, the visits did allow observation of the general condition of the campus with specific problems noted for some individual buildings.

The tech schools were reviewed in a general manner, attempting to gain knowledge of how each facility compares with respect to other institutions and campuses in the state. The capital construction requests were reviewed and discussed with local and state facility and school administrators, but not with the idea that those projects would be ranked in this report or that any specific recommendations would be made for facility needs in the KY Tech system. This report contains only general comments with respect to the condition of the campuses and some suggestions for future consideration. Overall, the comments are very positive in nature.

The priority listing in this report contains only projects seeking state general funds or state bonds as the source of revenue. This is a change from previous biennia in which all capital requests were ranked together in a single list. The 1996/98 report stated that agency funded projects were seemingly in competition with state funded requests, which sometimes would penalize the institution's own ranking when similar types of projects were ranked together in the priority list. Since the institution is funding the project, it is not logical to rank it with others which will require state funding. As a result, the priority list is shortened from those of previous requests.

The main body of the report follows this introduction, and the full report also contains an executive summary for those wishing a condensed version.

II. GENERAL CONDITION OF FACILITIES:

The primary factor which influences the rankings in the attached priority list is the consultant's impression of the condition of statewide facilities following the summer campus visits and walk-through of the campuses. During the previous visits in 1995, the overall impression was that campuses were in good condition despite budget constraints over the past few years. It appeared that the institutions were able to find resources to keep up the condition of their campus. In view of that, it seemed that some new and modernized facilities were needed to help meet the growing demand for quality space and campus infrastructure. However, the 1996/98 report also sounded a warning that the institutions could not sustain this level of facility condition without maintenance and renovation funds and the means to address related facility problems, such as code compliance, governmental mandates, and environmental issues. What was observed during the current visits on most campuses was a general decline in the condition of facilities. It should be kept in mind that the 1996/98 report was not intended to cover the campus in general, but focused primarily on capital requests. Some of the decline could have been evident in the earlier review had there been more time and a directive to include more of the general campus condition.

As a result of the high priority given to new facilities and major renovations in the 1996/98 report, several major capital projects were authorized for planning funds, including programming which establishes the space and equipment limits of the project, and for design which converts the approved building concept into the detailed drawings and specifications that are used to obtain contractor bids when the project is

authorized to proceed toward construction. In some cases, major renovations were also included in this funding pool. Each project has moved ahead in this part of the development process and, therefore, carries with it a certain inferred commitment to move to construction. That has been addressed in the current report by inserting these projects into the highest category of deferred maintenance, renovation and new construction. The emphasis is still on the primary philosophy that the state should take care of existing facilities before investing limited resources in expansion, but these new projects were not ignored in order to meet the growing needs of preserving the existing plant.

Those campuses which appeared to have more than the average facility condition problems were Western Kentucky University, Murray State University, Somerset Community College, and the Lees College campus of Hazard Community College. While these institutions have many requests to address facility problems, there were conditions noted by the consultant which should be given attention, but were not included in the six-year plan which was the basis for the priority list. Generally, the conditions were not large scale in nature, but more of a preventive maintenance type which should be corrected before major problems develop. Examples include water infiltration and exterior facade damage to buildings approximately 30 years old at WKU, general maintenance problems related to aging buildings and deferred renovations at MuSU, and Stoner Hall facade at Somerset Community College which is allowing water to penetrate the stone joints and is likely leading to a failure in the anchorage system. Also, the Lees College campus of Hazard Community College has a long list of maintenance needs which obviously existed when it was a

private institution. More about preventive maintenance is included as a system recommendation later in this report.

The level of general cleanliness inside facilities was lower in the community colleges than in the KY Tech system. Of course, it should be kept in mind that during the summer months the community colleges continue to offer courses and many are well attended, while the KY Tech system typically was in recess, providing an opportunity to bring facilities up to the highest state of freshness. Many of the school administrators in the KY Tech system were justly proud of the year-round cleanliness and upkeep of their facilities. This is especially worthy of mention in this report in view of the heavy service type of laboratory classrooms found in many of these schools. Many tech schools have large classes in diesel mechanics, heavy equipment operation/repair, and auto repair. The level of upkeep in the community college system, especially in the newest facilities, is quite good, but overall, the facilities are showing more wear and tear when compared to the KY Tech schools, where the opposite situation might be expected.

The utilities infrastructure on many campuses is showing signs of needed upgrading and replacement. This is seen in recent electrical outages at WKU and MuSU, power shortages at NKU, loss of a cooling tower at the Learning Resource Center building at Paducah Community College, and numerous cases of leaking chilled water or steam condensate return lines on campuses with central utilities, non-compliant and aging chillers with banned refrigerants, etc. The KY Tech schools also have similar problems with a specific example being the roof mounted cooling tower at KY Tech Jefferson Campus,

Building "A", where the unit is operating, but losing large quantities of water which must be replaced continually. These items are wasting energy and valuable resources. Unfortunately, this type of project usually receives a rather low priority in most capital budget requests when compared to new construction or major renovation requests. Instead, they usually remain unfunded until an emergency outage forces a repair or replacement. Emergency projects can be expected to be more costly than a well timed and engineered solution. Some of the institutions have a replacement plan for these systems, but even those remain unfunded for longer periods than the replacement schedule suggests. A recommendation to help in this area is included in another part of this report. It concerns providing professional engineering services to the postsecondary institutions which could use these services.

Roofs have historically been a source of major investment to repair or replace on a recurring basis. In previous reports, it has been noted that roofing technology has advanced considerably in the past 20 years. Some of these technological improvements have extended the serviceability of roofs, while others have not matched the manufacturer's promises of performance. Eastern Kentucky University has several Trolcal (brand name) roof installations developing problems. It appears that these flexible membrane type of roofing systems are losing the flexibility or stretching ability which is very important to a building product subjected to weather extremes. This process results in shrinkage in the membrane and problems with anchorage to the building. There have been cases in Kentucky where large roofs have even split open from temperature change stresses. Eventually, all roofs develop leaks or problems as a result of

aging, including metal roofing materials, shingles, flashings, copings, etc. Newer types of roof material include a modified bitumen roll roofing with a granular exposed surface. Several of the state institutions have already installed this type material and comments from facility personnel have been very positive. The only one showing any problem of those seen this summer was at the Cumberland Valley Health Technology Center (KY Tech) in Pineville. Even that problem was minor in nature and could easily be repaired.

The roofs generally are in good condition based on those observed at each campus. Campus administrators were asked if they had any roof problems and, if so, these problems were inspected by the consultant. If none were reported, a random check was made, generally concentrating on the older roofs. The Learning Resource Center roofs at Madisonville Community College and Hopkinsville Community College were inspected and both had minor leaks that could be repaired, protecting the balance of the roof for longer service. The NKU Science Building roof has been checked during the past two campus visits and is deteriorating with a number of large blisters and numerous patches. It likely will not last for many more years. The Health Sciences Center roof at UofL is a coal tar and gravel roof which is in good condition, but does experience occasional minor leaks. The Oswald Building roof at Lexington Community College is scheduled for replacement in the next biennium, but does not show major deterioration. It may be a candidate for a roof scan and repairs. The Learning Resource Center roof at Somerset Community College was found to be in good condition, but in need of flashing repairs to protect the rest of the roof. Pitch is flowing away from the roof edges because of excessive slope and flashing fibers are

exposed to the weather. Minor repairs are indicated. The Stoner Building roof on that campus is nearing the time for replacement, but this may be a consequence of open building facade joints allowing water penetration through the walls and parapets. KY Tech facility roofs were in slightly better condition as a system than were the university and community college system roofs. Some of the KY Tech roofs are scheduled for replacement in the current biennium and others are requested in the 1998/2000 biennium. The same is true for the universities and community colleges.

However, the consultant recommends that a strong preventive maintenance program be initiated for all the institutions that are a part of the KCTCS system because there were many roofs inspected which showed early signs of failure. These developing problems could be detected with annual or semi-annual roof inspections and repairs made immediately with very little expense. Such a program would extend the life of many of the roofs seen during these campus visits. In some cases, it would not be unexpected to extend the life by ten years. This recommendation is for a part of a larger preventive maintenance program to be available to the postsecondary system as a whole. More on that subject is provided later in this report.

The summer of 1997 campus reviews also revealed an increase in the number of facilities with deteriorating exterior surfaces (facades). They range in nature from stained or discolored brick, stone, metal, etc. to badly weathered windows and wood siding, exposed steel such as in stairways, open and leaking joints in brick and stone finishes, movement of large stone panels away from the building structure (creating a hazardous

condition) and spalling concrete which is exposing the interior reinforcing steel. Some specific examples are WKU Smith Stadium and Somerset Community College (Meese Hall exterior staining), wood siding deterioration at Lees College campus of Hazard Community College, rusting steel exit stairs at NKU housing (already being repaired), rusting steel handrails and lintels on WKU Smith Stadium, stone panels being pushed from the building at Stoner Hall on Somerset Community College campus, spalling concrete on the Murray State University stadium, and deteriorating wood windows on Cherry Hall at WKU. The Cherry Hall windows are to be replaced in a capital request project for the new biennium. That project has been ranked in the major maintenance and renovation category.

WKU also has some badly deteriorating brick joints at relieving angles on multi-story buildings. These allow water penetration resulting in freezing and thawing of moisture which damages the brick and may push the brick away from the structure. Many of these type of conditions should be resolved by general maintenance practices, but some are expensive to repair because of special techniques required and exceed the cost limit for physical plant personnel or require equipment not available to them. Again, a good preventive maintenance program should identify these problems early enough to prevent a major repair project. Exterior deterioration such as mentioned here eventually results in extensive interior damage if not corrected soon after they are evident. The overall effect is that of a generally declining campus physical plant even if the majority of facilities are being well maintained. Pictures are available from these campus visits to document many of the conditions described in

this section of the report.

Overall, the campus roads, sidewalks, parking lots, landscaping and grounds are well maintained and inviting to the visitor or student. Naturally, some improvements are needed in these areas also. Parking lots needing some attention were at Maysville Community College and Northern Kentucky Health Technology Center (KY Tech). Another site-related problem exists at Maysville Community College with new sidewalks and landscaping. The new walkway steps are constructed of concrete with concrete side walls which were not properly tied together and the walls have shifted away from the steps. Some of the pavers used for the sidewalk surfaces have settled and become uneven creating a potential trip hazard with the possibility of twisted ankles. A similar situation was noted at Jefferson Community College, Downtown, at the Hartford Tower plaza where the brick pavers are cracking and becoming uneven as a walking surface. Morehead State University continues to experience erosion and weakening of the dam which creates the pool providing the primary source of water to the campus. Repair of that dam is included in a capital request in the 1998/2000 biennium and is an example of work which is beyond the capabilities of physical plant personnel. MoSU also has a new construction request to create a plaza and bell tower as a campus focal point that will enhance the current campus.

Parking was a topic of concern on almost all the campuses. Campus expansion, new landscaping and buildings, pedestrian walkways, etc. are claiming former parking lot locations and newer ones are being placed further from the center of campus. Parking demand continues to grow faster than spaces can be

provided. Some institutions are constructing parking garages such as those at NKU and UK. The community colleges are probably noticing the greatest impact since most of their students are commuters. KY Tech campuses are experiencing similar parking problems as enrollment grows and new programs are being offered. Mayo Regional Technology Center (KY Tech) is especially impacted by lack of parking. More and more, students are being asked to park greater distances from classrooms and laboratories. Some institutions are now offering a shuttle and encouraging car pooling to help with these problems. EKV and the UK Hospital are requesting new parking structures or expansion to be financed with agency funds and bonds. UofL Health Sciences Center is requesting state help in financing more parking levels at an existing garage while both Jefferson Community College - Downtown and KY Tech Jefferson Campus have parking problems which are difficult to address since expansion space for parking is almost impossible to obtain. Both are located in downtown Louisville.

Drainage on campus and off of parking areas is also a problem of increasing importance. Storm sewers, culverts and grade conditions all impact the flow of surface water, and recent years have brought heavy rain storms with rapid runoff, incidents of poor drainage and flooding or ponding, all due to campus or nearby development. The UK Funkhouser building basement has experienced flooding several times in the past few years. Several newly constructed buildings on various campuses have experienced flooding from overloaded storm or sanitary sewers which are not provided with backflow prevention. Water backs up into the lower levels of buildings when sewer lines are stressed beyond the carrying capacity.

Retention basins are being constructed along with new buildings in many cities, and other buildings are being fitted with backflow preventers to combat these problems. Flooding has been a problem at Prestonsburg Community College where the new science building was raised to make the first floor above the expected depth of flood waters.

During the summer, Maysville Community College was undergoing a repair project as a result of floor slab settlement and wall cracking. Similar conditions were noted on several other campuses including NKU, Paducah Community College and Elizabethtown Community College. Some of these problems have occurred in new buildings while others have been in older buildings. The most likely cause for wall settlement or cracking is poor soil bearing or erosion of soil from underneath floor slabs, grade beams or wall footings. These are usually costly to repair, requiring pressure concrete grouting or partial demolition and reconstruction. As an aside, it was noted by this consultant that some of these same problems are being experienced in the state highway system. In the case of the Maysville, Paducah and Bowling Green areas, there is the possibility of seismic activity contributing to the cracking and settlement seen in some buildings. However, most are found to be a result of water flow, saturation, or improper drainage. Again, many of these cannot be remedied by routine campus maintenance or repair. Increasingly, these facilities-related problems will have to be addressed in the capital budget.

During the review of the 25 KY Tech schools which are to become a part of the KCTCS responsibility, it was found that generally these buildings were in a better state of repair and

upkeep than sister institutions in the community college system. There may be several logical explanations for this apparent difference. First, the KY Tech schools were not in session during the summer at most locations allowing time to clean up and repair the facilities. However, the administrators are proud of the level of upkeep given these facilities and stated that they remain at that high state throughout the year. Some even bragged that the paint on the interior is the original paint which still looks new after eight or more years of service. A second reason may be that even though these schools specialize in the hard service type of curricula, they also train those who will eventually construct, repair or maintain facilities. They utilize those unique capabilities by making class projects of many smaller renovation or repair projects in their own or other state-owned facilities in the area. Thus, they can stretch maintenance budgets for maximum effectiveness and create an excellent learning environment for their students. Another feature found at the KY Tech schools is the close association with local industry which will employ these future graduates. Industry is interested in students being trained for specialized jobs and, therefore, they are active in establishing and updating the curriculum. At many locations, they donate machines and equipment, including advanced technology, to the schools so these students can receive the most beneficial training with respect to employment in industry. The savings to the taxpayers of Kentucky is significant and while these students are learning, they can utilize this advanced technology to improve the condition of facilities. An example is the furnishing of the latest air conditioning system equipment to refrigeration shops, which in turn can learn from installation and operation of the new

equipment and provide air conditioning for portions of the KY Tech facilities which would not otherwise be cooled.

The KY Tech system has for a number of years used contract services to maintain and service the major equipment in these schools. A new contract was issued this year as the old one expired and the service contract company changed. Workforce Development staff reported various degrees of success with this method of handling service and maintenance of building systems such as heating, air conditioning, lights, power, compressors, etc. and reducing the in-house staff needed for these services. At some KY Tech locations, it was reported that service under the new contract had been excellent with all routine maintenance items checked and serviced. Administrators at other facilities were concerned with the continuing poor operation of building equipment which had been in that condition for several years. Some complained that their building equipment went for very long periods without attention from the contractor.

The KCTCS board may want to consider extending such service contracts to the community colleges under the new administrative structure to help reduce the backlog of service and maintenance items currently existing at the colleges. A word of caution is necessary in any considerations for third party services, however. If a company holding such a contract sees that equipment is wearing out with potential major replacement costs, they may choose to make temporary repairs lasting until the contract expires and then drop the services at the end of the contract or rebid it with a large increase in prices. The danger is that the state may someday be forced to again manage these facilities with a very large backlog of

equipment replacements and a huge capital investment within a short period.

This report on the general condition of state-supported postsecondary facilities has only attempted to cover general and current conditions. More specific information relating to individual campuses is available if a particular issue needs addressing. However, it is not within the scope of this report to give a detailed description of each campus or individual buildings. Special case presentations can be prepared if necessary. The continuation of this report does, however, address other facility related issues, and those will follow this initial section.

III. POSTSECONDARY TECHNOLOGY IN FACILITIES:

Technology on postsecondary campuses continues to increase in number, sophistication, and usage. As a tool for learning and sharing ideas, the housing and accommodation of this rapidly changing technology is more and more important to postsecondary institutions. Buildings must be capable of providing more electrical power in more convenient locations with filtering or surge control features, more carefully controlled interior space conditioning, along with better distribution and transfer of data and visual/audible signals. As the technology requirements are satisfied, the human environment must also be improved to accommodate the single user or large group with a comfortable and friendly atmosphere.

This portion of the report is not intended to give definitive information about the state of the art of technology in state

postsecondary institutions, but rather to give a status report on how well the facilities are able to keep up with these specialized requirements. During the campus visits this summer, it was evident that the number of interactive TV classrooms is increasing, and more and more general purpose classrooms are being converted into computer labs. These rooms seem to be receiving sufficient funding to provide the required utility services, improved lighting and sound control, quality furnishings and finishes, as well as the actual equipment. These facilities are increasingly being utilized by students, faculty and staff, the communities, business and industry, and continuing education interests. Availability of these services seems to bring more people into the buildings for longer periods of the day. Increased usage of facilities brings with it increases in utility expenses, wear and tear on the building finishes and equipment, and sometimes creates a greater demand for on site parking. These demands are then reflected in the maintenance and renovation budget requests.

Facilities for technology were an important aspect of the general campus reviews as well as specific 1998/2000 biennial request projects. Thus a very general impression of the effects of these changes on the overall postsecondary system was seen. The first impression was that these facilities are becoming more common and increasing in use within the community college system at a faster pace than on university campuses. They also appear to be gaining rapidly in the use of networking and ITV classrooms for the sharing of information and instruction between campuses. Of course, these programs are in many cases originating on the university campuses and are being sent to community colleges as remote

teaching centers, and to extended campuses with the community college serving as the host site in various cities to provide upper level instruction and information sharing that would not otherwise be available without travel to the university campus. The University of Kentucky has been the leader in extending technology to the community colleges, but the other universities are also providing programs and courses to these sites as well as independent remote teaching sites. Thus, the number of state-owned, leased or donated facilities has increased dramatically over the past few years. Each newly acquired facility brings with it additional problems of space layout, quality of instructional space, climate control, water tightness, code compliance, accessibility, parking and the like. As instructional delivery systems continue to expand, the demand for capital and maintenance funding will increase. Certainly, the KCTCS and CPE boards will be evaluating the future issues of availability vs. cost where facilities of this specialized type are sought.

Technology issues on the KY Tech campuses are different from those presented above. Computers are certainly in heavy use in classrooms and labs, but there is much less networking. Most of the facilities which are connected to a network are for administrative purposes of reporting enrollment statistics, etc., and other related functions. Much of the other technology is in the form of computer numeric controlled shop equipment and manufacturing machinery. The Advanced Technology Center located in Bowling Green and the new ATI Center at Mayo Regional Technology Center in Paintsville are new facilities with the latest in technology for business and industry training. The Anderson County Technology Center in Lawrenceburg and the Southeast Regional Technology Center in

Middlesboro also are well equipped with technology, but most is related to light industry or business (electronics and computer controlled). These very well equipped facilities are currently limited in capacity to serve students seeking specialized technology programs unless they live nearby or are able to commute from distant parts of the state. There appears to be an excellent opportunity to utilize some of the networking and remote classroom expertise of the universities and the community college system to make this technology available to the entire state. The Middlesboro campus should be a leader in this concept with the KY Tech and Community College already sharing the same campus. The Kentucky Postsecondary Education Improvement Act of 1997 will increase the opportunities for utilization and distribution of the latest in technology and instructional capabilities.

IV. NEW CONSTRUCTION RELATED ISSUES:

Some of the issues related to constructing new facilities are not in themselves new. Most have been reported in previous facilities reports. The most common recurring issue is the one of facility problems which could be avoided or reduced in severity through proper analysis of "needs" versus "wants" in relation to the budget prior to submitting a capital request. Much time and many resources end up being wasted in futile attempts to build grand new structures with limited funding. Proper study and prudent trimming of these "wants" before the planning is started and the budget has been established will permit the project to move into and through the design and construction phases with greater assurance that delays and cut backs will be avoided later in the development. The previous two biennial reports have discussed this issue at length, and

the details will not be repeated in this one.

The second issue, also previously reported, continues to be a real issue as more new facilities are constructed. It concerns the amount of space and construction dollars given to the embellishment of new facilities in the form of volume of public spaces and expensive finishes. Much of the funding available for a new building when finally approved is consumed by large lobbies, atriums, towers, etc. which are impressive to visit, but have a negative effect on the total useable space provided for the construction dollar. When a building is intended to make a "statement" rather than be utilitarian, the limits normally expected for state construction seem to become much more lax. The changes in the prevailing wage rate laws will also continue to erode the already limited budgets for capital construction. It has further underscored the need to make newly constructed space more efficient in meeting the needs for additional space.

A new facility problem was realized during discussions with campus physical plant personnel. Newly constructed buildings are being equipped with the latest technology for the management and control of building systems such as the temperature and humidity of interior spaces. These control systems are growing more and more sophisticated and more proprietary in nature. Seemingly, these controls should make maintaining a comfortable atmosphere more automatic and with less involvement by maintenance personnel. Control of these systems is expected to be more precise, resulting in savings in energy and, at the same time, providing more comfortable atmospheres for occupants. From the number of complaints received during the summer reviews, it would seem problems

with these technologies have resulted in just the opposite situation with building temperatures and humidity levels being out of the control of the local plant personnel. There are a number of reasons given for this condition. First, these systems are proprietary and belong to the manufacturer of the equipment. While contracts usually include the training of local personnel to operate the system once installed, there were reports of failure by the manufacturer to give local operators a password to operate their own system. Instead, they have opted to provide control from the manufacturer's home or regional location. This method has been very unsatisfactory for the end users in state owned buildings. Secondly, in the case of many KY Tech schools, the company winning the service contract for maintenance of these systems has not been able to get any information from the equipment manufacturers concerning the operation, and therefore, has no control over the equipment they have a contract to service. In other instances, there are simply no qualified maintenance workers located at a facility who can monitor the system on a computer and make the desired corrections, especially if programming changes are required. As a result, many new facilities were found to be operating with temperature and humidity out of control and wasting energy when it should be expected that these systems would be maintaining an excellent comfort level. To the contrary, some spaces were visited which were too hot or too cold or had humidity levels too high for the use they were constructed to serve. There is an obvious need for a qualified person to represent the postsecondary system as these systems are being designed, installed, tested, and operated, who will assure the users and state government they are getting what is expected and will follow up on problems to assure they are resolved quickly.

V. OTHER CAPITAL RELATED ISSUES:

The University of Kentucky capital request includes requests for new buildings at Lexington Community College. This facility will remain with UK as provided in the Kentucky Postsecondary Education Improvement Act of 1997, so the request is justified. However, it has been requested in previous bienniums that a new campus for LCC be constructed at another location, most likely on the South Farm property owned by UK. It is rather obvious that there is limited space for LCC expansion at the current location, and UK may need some of the same property in future years for expansion of other university functions. At the time of our session with community college administrative staff, no decision on this subject had been made or was expected soon. Without a definite decision on the future location of the community college, there are many unanswered questions about the advisability of state funds being used for this new construction when that type of project funding is normally very limited in any biennium.

An issue of seemingly increasing importance concerns the renovation and rehabilitation of very old structures of questionable value. These facilities many times are much more expensive to renovate and make code compliant than it would be to construct an equivalent new facility. Some buildings fitting that category are the WKU Glasgow campus, UofL Reynolds Building, Prestonsburg Community College Pikeville Classroom Building, and MoSU Ashland Area Extended Campus Center. The Glasgow campus renovation has been moved up to priority number four from its position of 41 in the Six Year Plan. The Reynolds Building is considered an historical site

and probably will have to be renovated in order to preserve it. There may be federal funds or grants to assist with this project, but none are indicated in the Capital Request. The Pikeville Classroom Building renovation has been dropped as a request according to a September 5, 1997 letter from President Wethington in light of proposed sharing of space with the KY Tech center now under construction in Pikeville. However, the facility will likely remain in use by Prestonsburg Community College until the new facility is completed and scheduling of spaces is resolved. The Ashland Area Extended Campus Center has been dropped from the capital request for MoSU although it is listed for acquisition in the Six Year Plan. Additional study of these special projects and any similar ones is suggested before committing state funds to the renovation of each. All issues should be considered in a feasibility study before beginning actual planning for renovation.

Another developing issue with respect to facilities is the number of budget requests for state or agency funding of projects within or involving existing campus housing. One such issue is the Eastern Kentucky University request to make life safety related improvements to several dormitories and another to convert a residence hall to E & G use. Funding for both requests is to be from state bonds. MuSU is considering a proposal to demolish two multi-story dormitories and replace them with dormitories having two or three stories. Although agency bonds will be requested, another project at Woods Hall, formerly a dormitory which is being converted to E & G usage, has state bonds as the source of revenue. These projects involve issues of state funding for auxiliary services (in some cases) and all seem to be in response to a developing need to offer a different type of dormitory housing from that

offered by the existing housing stock. These issues should be studied and recommendations considered so there will be a clear policy determining where these projects are ranked in future capital budget requests.

While visiting the NKU campus, discussions concerning the new Natural Science Building and an earlier recommendation from CHE to phase construction over more than one biennium revealed a plan being considered by institutional representatives to construct a "shell" for the building and complete only those parts which could be completed within whatever funding is authorized. This is not a new concept for an institution, but it is a new issue with respect to construction of this particular building. One issue for consideration by CPE is the smaller amount of finished space that would be completed and ready for occupancy versus what would be expected with the legislative authorization. The second issue would be the inherent commitment to complete the entire structure in the next biennium (2000/2002) which is an act of committing future legislative sessions. The third issue is the possibility of at least two times when the budget might be underestimated, causing a return to the Capital Planning Advisory Board. The priority list included in this report assumes the full funding of the project in the next biennium, but that does not mean phasing the project would not be an option. However, if the project is phased, all parties should be aware of the side issues and the eventual outcome of the project.

As stated earlier in this report, the state could realize considerable savings in capital expenditures through a professionally managed preventive maintenance program by the creation of a staff position within KCTCS or CPE for a

licensed professional engineer or facility manager with experience in physical plant maintenance, operation and improvements. Such a manager would be responsible for developing a program of recurring facility inspections such as building envelopes, roofs, heating and air conditioning systems and controls, energy management systems, and the like. By providing guidelines for identification and treating of many facility-related maintenance problems on a regular basis, less costly and more timely preventive maintenance could be implemented, and the backlog of major deferred maintenance problems could be significantly reduced. By treating problems before they become major expense items, the buildings and systems could remain serviceable for many more years with the budget savings accruing to the state. Other valuable services of such a professional could be in acting as an advocate for the smaller institutions which cannot hire their own facility expert. Services could also include advice on energy management systems, developing schedules for life expectancy for major building equipment and predicting its replacement, improvements to control systems, fire and security alarms, etc., as well as engineering advice covering site development issues such as parking, central utilities and drainage. If the state does not wish to create such a position, it could be accomplished by "out-sourcing" the services, but it would be necessary to assure that the services are being provided with the best interest of state government as the purpose, and the service company should not be considered for other state contracts for services.

In a similar vein, the current campus visits revealed an increase in the number of proposals for service contracts and third party financing of new facilities, equipment (or

replacement of these items), and cleaning or maintenance services. Some proposals being considered would provide construction and/or operation of housing and dining facilities; replacement of or improvements to major building systems such as air conditioning; telephones or telecommunications; food services operations; bookstore operation; janitorial services; maintenance contracts; or the complete operation of the physical plant department. Some of these contractual services have already been implemented on university and KY Tech campuses. The success of these contracts should be monitored by CPE in future years and consideration should be given to the long term benefits or detriments, especially what is expected at the end of these service contracts. The primary question is: what will be required of the state at that time? If these large capital items are expended or worn out during the contract term, will the state be expected to make a major capital expenditure to upgrade or replace the facility, equipment, or service?

Another postsecondary education issue centers on the implicit commitment of future state budgets outside the context of operational funding. It has always been considered the responsibility of the state to continue funding of postsecondary system operations as they expand. However, new issues are emerging as campus representatives enter into new educational fields and services. One area of change is in the number of off campus or remote centers, extended campuses, and shared instructional programs at increasingly more locations within the state. These remote campus centers many times require leases or usage agreements, and some will undoubtedly result in future capital requests for new or renovated facilities. Some specific examples are the Somerset Community

College London campus, the acquisition of the Crisp Building by Murray State University, and the establishment of programs at Prestonsburg by both Eastern Kentucky University and Morehead State University. At the same time, Prestonsburg Community College continues to expand at its home campus as well as in other local towns. All of these advancements in the level of postsecondary education availability have capital and facility funding related issues.

Similarly, sometimes private gifts of money, real estate or major equipment create commitments of state funding in order to be accomplished. The private gift for the construction of the Madisonville Community College Science and Technical Classroom Building will expire if the building is not started within the specified period of time. Gifts of expensive industrial equipment to the KY Tech schools sometimes require the renovation of a space to house the equipment and also require upgrading of the utility services for operation of the equipment. Real estate donated to the state for construction of new community colleges or remote teaching centers, such as the Ashland Area Extended Campus and Economic Development Center for Morehead State University, usually require renovation and improvement of facilities over a number of years, and eventually, a replacement facility. Western Kentucky University has been operating the Glasgow campus for a number of years in the former Glasgow City School facilities with almost constant renovation. A current capital request of \$5,500,000 in state bonds has been raised to a high priority in the WKU 1998/2000 capital budget request. These facility commitments should be considered at the same time approval for new centers is being considered by CPE.

Each biennial review of capital construction requests raises the issue of new construction projects competing with other types of projects such as deferred maintenance or renovation of existing facilities. In most biennia, the philosophy for ranking projects has been to maintain and improve existing facilities before creating new space. However, as teaching, research, and technology change, there becomes a need for specialized space which cannot be feasibly met in the existing stock of space. During review of the 1996/1998 capital budget, this consultant reported on the excellent condition of facilities on the campuses statewide, and noted the long period in which very little new construction had been authorized by the legislature. Therefore, several requests for new construction were ranked at the top of the list and major renovations ranked slightly lower when an institution requested both types of projects. The report warned, however, that limited funding of higher education and especially capital improvement projects would surely lead to a decline in the overall level of maintenance, and wear and tear of facilities would go unattended to a greater degree.

The summer of 1997 campus visits have borne out the above warning and show that the condition of facilities is deteriorating from that high state reported just two years ago. As a result, it has again become necessary to give major maintenance, renovation, government mandate, and related projects a high priority in this report. However, because the legislature authorized the planning of certain major new facilities in the 1996 Session, it has been necessary to consider those projects in the upper rank of categories. The attached priority listing includes projects which currently appear to need major repair or improvement as the highest

priority, but these formerly authorized "new" projects have been interspersed with other renovations, deferred maintenance, and code improvement projects, which historically have been ranked higher than new construction requests. After the initial ranking category, the list returns to a more traditional format. It is the consultant's intent to continue with the philosophy of keeping existing facilities in good serviceable condition without either "existing" or "new" facilities interfering with the funding of the other.

The priority list follows this section of the report:

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CAPITAL CONSTRUCTION PRIORITY LISTING
1998 - 2000 BIENNIUM OF
THE COMMONWEALTH OF KENTUCKY
COUNCIL ON POSTSECONDARY EDUCATION

<u>PRI-ORITY</u>	<u>INST.</u>	<u>PROJECT DESCRIPTION/TITLE</u>	<u>CODE</u>	<u>PROJECT SCOPE</u>	<u>FUNDING SOURCE</u>	<u>REQUEST YEAR</u>
DEFERRED MAINTENANCE, RENOVATION AND NEW CONSTRUCTION						
001	EKU	Minor Projects Maintenance	PP/PI	12,000,000	State	98/2000
002	UKCC	Deferred Maintenance Project Pool	PP/PI	6,125,000	Bonds	98/2000
003	UofL	Major Maintenance Pool, Phase I	PP/PI	6,142,000	Bonds	98/2000
004	MoSU	Life Safety: Elevator Repairs	PP/LS	850,000	State	98/2000
005	NKU	Minor Projects Pool	PP/PI	1,095,000	State	98/2000
006	MuSU	Deferred Maintenance E & G Pool	PP/PI	5,032,000	Bonds	98/2000
007	WKU	HVAC/Plumbing Deferred Maintenance Projects	PP/PI	544,000	State	98/2000
008	MoSU	Protect Investment in E & G Facilities	PP/PI	3,300,000	Bonds	98/2000
009	KSU	General Maintenance Projects	PP/PI	1,150,000	Bonds	98/2000
010	MoSU	Breckinridge Hall Renovation	MR/PI	14,000,000	Bonds	98/2000
011	MuSU	Carr Health/Cutchin Field House Renovation	MR/RR	10,184,000	Bonds	98/2000
012	UKCC	Elizabethtown - Science Building Renovation	MR/PI	2,000,000	Bonds	98/2000
013	KSU	Hill Student Center Renovation/Addition	ME/ES	8,250,000	Bonds	98/2000
014	UKUS	Pollution Controls, Medical Center Heating Plant	MR/UT	1,333,000	Bonds	98/2000
015	MoSU	Life Safety - Dam Repair	MM/LS	800,000	State	98/2000
016	MuSU	Stewart Stadium Structural Repairs	MM/PI	2,000,000	Bonds	98/2000
017	NKU	Landrum Structural Safety Repairs	MR/LS	650,000	State	98/2000
018	UKUS	Deferred Maint. and Roof Replacement Pool	PP/PI	9,297,000	Bonds	98/2000
019	WKU	Academic Complex Roof Replacement	MM/PI	400,000	State	98/2000
020	WKU	Roof Repair/Replacement Deferred Maint. Proj.	PP/PI	877,000	State	98/2000
021	WKU	Grise Hall/Tate Page Roof Replacement	PP/PI	808,000	State	98/2000
022	UKCC	Lexington - Oswald Building Roof Replacement	MM/PI	900,000	State	98/2000

PRI-ORITY	INST.	PROJECT DESCRIPTION/TITLE	CODE	PROJECT SCOPE	FUNDING SOURCE	REQUEST YEAR
023	WKU	Bldg. Envelope/Ext. Door Deferred Maint. Projects	PP/PI	444,000	State	98/2000
024	NKU	New Natural Science Building	NC/ES	38,000,000	Bonds	98/2000
025	UKUS	Mechanical Engineering Building	NC/ES	4,000,000	Agency	
				19,600,000	Bonds	98/2000
026	UKUS	Steam and Condensate Pipe Repair	MR/UT	2,100,000	Bonds	98/2000
027	UofL	Chlorofluorocarbon Project, Phase II	PP/GM	1,325,000	Bonds	98/2000
028	NKU	Chiller Replacements/CFC	MR/GM	7,100,000	Bonds	98/2000
029	MoSU	1990 Clean Air Act Amendment Compliance	PP/GM	2,200,000	Bonds	98/2000
030	MuSU	CFC Compliance: E & G Chillers Replacement	PP/GM	897,000	State	98/2000
031	KSU	Chiller Additions	MM/PI	2,168,000	Bonds	98/2000
032	WKU	Ivan Wilson Center Chiller(s) Replacement	MM/PI	500,000	State	98/2000
033	UKUS	Chiller Replacement - Cooling #3	MR/UT	1,000,000	Bonds	98/2000
034	WKU	Cooling Towers and Chiller Renovations	PP/PI	574,000	State	98/2000
035	WKU	Chiller Conversion (R-12 to R-123)	PP/PI	569,000	State	98/2000
036	UKUS	Cooling Secondary Pumping	MR/UT	2,000,000	Bonds	98/2000
037	EKU	Student Service/Classroom Building	NC/ES	20,000,000	Bonds	98/2000
038	UKCC	Somerset - Classroom/Student Center	NC/ES	5,500,000	Bonds	
				1,000,000	Agency	98/2000
039	UofL	Research Building (Belknap)	NC/ES	32,040,000	Bonds	98/2000
040	UKUS	4KV to 12KV Electrical Conversion	MR/UT	400,000	State	98/2000
041	UKUS	Substation #2 Renovation	MR/UT	2,000,000	Bonds	98/2000
042	WKU	Primary Electrical Service (Stage II)	MR/PI	1,500,000	Bonds	98/2000
043	WKU	Electrical Deferred Maintenance Projects	PP/PI	764,000	State	98/2000
044	UKUS	Steam Line Expansion - Rose Street	MR/UT	700,000	State	98/2000
045	WKU	Postsecondary Educ. Impr. Act '97 Facility	NC/NS	18,500,000	Bonds	98/2000
046	KSU	Teacher Education/ Technology Center	NC/ES	10,125,000	Bonds	98/2000
047	WKU	Cherry Hall Window Replacement	MM/PI	635,000	State	98/2000
048	WKU	Window Repair and Replacement	PP/PI	596,000	State	98/2000
049	WKU	Repair/Replacement of Walks and Lots	PP/PI	746,000	State	98/2000
050	KSU	Road and Walkway Improvements	MA/PI	622,000	State	98/2000

<u>PRI-ORITY</u>	<u>INST.</u>	<u>PROJECT DESCRIPTION/TITLE</u>	<u>CODE</u>	<u>PROJECT SCOPE</u>	<u>FUNDING SOURCE</u>	<u>REQUEST YEAR</u>
<u>LIFE-SAFETY</u>						
051	UofL	Chemistry Fume Hood Redesign	MR/LS	5,240,000	Bonds	98/2000
052	MoSU	Life Safety : Claypool -Young Air Quality, H & S	MM/LS	400,000	State	98/2000
053	UofL	Life Sciences Lab Ventilation Renovation	MA/LS	3,515,000	Bonds	98/2000
054	MuSU	Life Safety: E & G Pool < \$400,000	PP/GM	1,078,000	State	98/2000
055	EKU	Auxiliary Life Safety	PP/GM	3,395,000	Bonds	98/2000
<u>CODE IMPROVEMENTS AND GOVERNMENT MANDATES</u>						
056	UKUS	Student Center Sprinkler System	NC/LS	700,000	State	98/2000
057	NKU	Fire Safety: E & G Sprinklers	PP/GM	400,000	State	98/2000
058	UKCC	Life Safety/Environmental Health Project Pool	PP/LS	2,450,000	Bonds	98/2000
059	UofL	Code Improvements - Fire Safety Pool	PP/LS	2,588,000	Bonds	98/2000
060	UKUS	Life Safety Project Pool	PP/LS	11,400,000	Bonds	98/2000
061	WKU	Life Safety Fire Alarm Improvements	PP/GM	476,000	State	98/2000
062	UofL	Environmental Health and Safety Projects	PP/GM	1,224,000	Bonds	98/2000
063	WKU	E & G Life Safety Deferred Maintenance Projects	PP/GM	522,000	State	98/2000
064	MuSU	Asbestos Abatement: E & G Pool < \$400,000	PP/GM	58,000	State	98/2000
065	EKU	American Disabilities Act	MM/GM	2,560,000	Bonds	98/2000
066	UofL	Americans Disabilities Act (ADA) Project Pool	PP/GM	6,279,000	Bonds	98/2000
067	WKU	ADA Accessibility Projects	PP/GM	816,000	State	98/2000
068	UKUS	Handicapped Access Pool	PP/GM	2,425,000	Bonds	98/2000
069	MuSU	ADA Compliance:Arch. Barrier E & G Pool < \$400,000	PP/GM	2,341,000	Bonds	
				80,000	Agency	98/2000
070	MoSU	Americans with Disabilities Act Compliance - E & G	PP/GM	2,025,000	Bonds	98/2000
071	NKU	ADA Compliance	PP/GM	400,000	State	98/2000
072	KSU	ADA Projects Pool	PP/GM	650,000	Bonds	98/2000

<u>PRI-ORITY</u>	<u>INST.</u>	<u>PROJECT DESCRIPTION/TITLE</u>	<u>CODE</u>	<u>PROJECT SCOPE</u>	<u>FUNDING SOURCE</u>	<u>REQUEST YEAR</u>
073	MuSU	ADA Compliance: Architectural Barriers E & G Blackburn	MM/GM	1,367,000	Bonds	98/2000

OTHER MAJOR RENOVATIONS

074	MuSU	Blackburn Science Renovation	MR/PI	13,263,000	Bonds	98/2000
075	UKUS	Erickson Hall Renovation	MR/PI	2,250,000	Bonds	98/2000
076	EKU	Cammack Building	MR/PI	5,000,000	Bonds	98/2000
077	NKU	Instructional Technology Project	MR/OT	2,200,000	Bonds	98/2000
078	UKCC	Jefferson/DT - JF Bldg. Renovation Phase I	MR/RR	2,000,000	Bonds	98/2000
079	WKU	Renovation of Grise Hall	MR/PI	6,000,000	Bonds	98/2000
080	MuSU	Crisp Regional Education Center Renovation	MR/RR	700,000	State	98/2000
081	EKU	Gibson Building Complex	ME/ES	5,000,000	Bonds	98/2000
082	UKUS	Renovation of Funkhouser - Phase IV	MR/RR	700,000	State	98/2000
083	UKUS	Bowman Hall Renovation	MR/RR	4,300,000	Bonds	98/2000
084	NKU	Nunn Hall Mechanical Upgrade	MM/PI	430,000	State	98/2000
085	UKUS	Slone Building Renovation	MR/RR	3,900,000	Bonds	98/2000
086	WKU	Renovation of Van Meter Hall	MR/PI	1,850,000	Bonds	98/2000
087	UKUS	Chemistry Laboratory Renovation	MR/ES	1,050,000	Bonds	98/2000
088	EKU	Convert Residence Hall to E & G Space	MR/RR	2,000,000	Bonds	98/2000
089	KSU	Hillcrest Renovation and Landscaping	MR/PI	382,000	State	98/2000
090	UKUS	King South Renovation	MR/RR	10,365,000	Bonds	98/2000
091	UKUS	Kastle Hall Renovation	MR/LS	7,400,000	Bonds	98/2000
092	MuSU	Expo Center Renovation	MM/PI	943,000	State	98/2000
093	MuSU	Pogue Library Renovation	MR/PI	2,000,000	Bonds	98/2000
094	WKU	Classrooms of the Future Project, Phase I	MR/RR	590,000	State	98/2000
095	UKUS	Agriculture North Renovation	MM/LS	3,150,000	Bonds	98/2000
096	UofL	Reynolds Building Renovation - Offices	MA/RR	14,914,000	Bonds	98/2000
097	WKU	Air Conditioning for Academic-Athletic No.1	MR/PI	1,700,000	Bonds	98/2000

<u>PRI-ORITY</u>	<u>INST.</u>	<u>PROJECT DESCRIPTION/TITLE</u>	<u>CODE</u>	<u>PROJECT SCOPE</u>	<u>FUNDING SOURCE</u>	<u>REQUEST YEAR</u>
098	UKUS	Agr. Sci. South-Animal Care Fac. (ACF) Upgrade	MR/PI	900,000	State	98/2000
099	UKUS	Singletary Cntr. Renov. of Auditoria and Public Sp.	MR/PI	1,850,000	Bonds	98/2000
100	MuSU	Projects Less Than \$400,000 E & G	PP/PI	2,368,000	Bonds	98/2000
101	MuSU	Electrical Distribution System Upgrade	MR/UT	4,471,000	Bonds	98/2000
102	WKU	Academic-Athletic #2 Renovation	MR/PI	2,200,000	Bonds	98/2000
103	UKUS	Renov. of Biological Sciences Research Space	MA/ES	1,300,000	Bonds	98/2000
104	WKU	Renovation of A. A. #1	MR/PI	14,700,000	Bonds	98/2000
105	MuSU	Business Renovation	MA/RR	5,400,000	Bonds	98/2000
106	WKU	Renovation of Snell Hall	MR/PI	2,300,000	Bonds	98/2000
107	MuSU	Church of Christ Building Renovation	MA/PI	1,300,000	Bonds	98/2000
108	WKU	University Farms Improvements	MR/ES	750,000	State	98/2000
109	WKU	Renov. of Former Science Library in TCCW	MR/PI	639,000	State	98/2000

MAJOR EXPANSIONS, ADDITIONS AND IMPROVEMENTS

110	UKUS	Bio-Medical Research Wing Addition	ME/ES	21,300,000	Bonds	98/2000
111	UKCC	Prestonsburg - Classroom/Health Education Phase II	ME/ES	9,800,000	Bonds	98/2000
				500,000	Agency	98/2000
112	KSU	Betty White Nursing Bldg. Addition	ME/ES	2,172,000	Bonds	98/2000
113	EKU	E & G Life Safety Begley Elevator	MA/GM	750,000	State	98/2000
114	MuSU	Waterfield Library Addition	ME/ES	5,000,000	Bonds	98/2000
115	WKU	Renovation and Expansion of Ky. Building	ME/ES	13,304,000	Bonds	98/2000
116	UofL	Utility Distribution Improvements - South	ME/UT	6,541,000	Bonds	98/2000
117	UKUS	Cooling #3 to Lime Chilled Water Pipe	ME/UT	1,800,000	Bonds	98/2000
118	WKU	TCNW Renovation and Expansion	ME/ES	3,779,000	Bonds	98/2000
119	KSU	Bradford Hall Business Wing Addition	ME/ES	2,697,000	Bonds	98/2000
120	UKUS	KGS Well Sample and Core Repository Bldg.	ME/ES	2,313,000	Bonds	98/2000
121	MoSU	Central Campus Reconstruction	MA/OT	650,000	State	98/2000
122	WKU	Ivan Wilson Fine Arts Center Addition	ME/ES	1,209,000	Bonds	98/2000

<u>PRI-ORITY</u>	<u>INST.</u>	<u>PROJECT DESCRIPTION/TITLE</u>	<u>CODE</u>	<u>PROJECT SCOPE</u>	<u>FUNDING SOURCE</u>	<u>REQUEST YEAR</u>
123	UKUS	Addition to Erikson Hall	ME/PI	5,000,000	Bonds	98/2000
124	KSU	Jordan Maintenance Addition and Renovation	ME/ES	1,666,000	Bonds	98/2000
<u>LAND ACQUISITIONS/CAMPUS SITE IMPROVEMENTS</u>						
125	NKU	Land Acquisition (1998/2000)	AQ/ES	2,000,000	Bonds	98/2000
126	MoSU	Land Acquisitions Related to Campus Master Plan	AQ/ES	1,337,000	Bonds	98/2000
127	WKU	Property Acquisition	AQ/ES	370,000	State	98/2000
<u>ADDITIONAL RENOVATIONS AND MAJOR MAINTENANCE PROJECTS</u>						
128	UKCC	Jefferson - LV Building Roof Replacement	MM/PI	650,000	State	98/2000
129	NKU	Energy Conservation/Management Pool	PP/PI	400,000	State	98/2000
130	UofL	Chlorofluorocarbon Project, Phase III	PP/GM	1,851,000	Bonds	98/2000
131	WKU	E & G Building Interior Projects	PP/PI	487,000	State	98/2000
132	WKU	Western Ky. University Clock and Bell System	MM/PI	820,000	State	98/2000
133	EKU	Residence Hall Major Renovation	MR/RR	10,000,000	Bonds	98/2000
134	WKU	Renovation of Glasgow Campus	MR/PI	5,500,000	Bonds	98/2000
<u>ADDITIONAL NEW CONSTRUCTION PROJECTS</u>						
135	UKUS	Aging/Allied Health Building - Phase II	NC/ES	11,000,000	Agency	
				22,000,000	Bonds	98/2000
136	UofL	Multi-Cultural Center Building	NC/ES	4,809,000	Bonds	98/2000
137	NKU	New University Center	NC/ES	18,000,000	Bonds	98/2000
138	UKCC	Hazard - Classroom Building - Phase II	NC/ES	6,500,000	Bonds	98/2000
139	EKU	Bureau of Training Housing/Educational Complex	NC/ES	20,000,000	Bonds	98/2000

<u>PRI-ORITY</u>	<u>INST.</u>	<u>PROJECT DESCRIPTION/TITLE</u>	<u>CODE</u>	<u>PROJECT SCOPE</u>	<u>FUNDING SOURCE</u>	<u>REQUEST YEAR</u>
140	UKUS	Agricultural Plant Science Facility	NC/ES	18,365,000	Agency	
				5,285,000	Bonds	98/2000
141	WKU	Library Expansion and Renovation	NC/ES	16,874,000	Bonds	98/2000
142	MoSU	Community & Economic Development Center & Hardwood Institute	NC/NS	12,000,000	Bonds	98/2000
143	UKCC	Lexington - Campus Expansion - Phase I	NC/ES	18,800,000	Bonds	98/2000
144	UKUS	Biological Sciences Building - Phase I	NC/ES	15,000,000	Bonds	98/2000
145	UKCC	Madisonville - Science/Tech. Classroom Bldg.	NC/ES	2,900,000	Bonds	
				2,000,000	Agency	
				500,000	Federal	98/2000
146	EKU	Extended Campus Corbin	NC/ES	10,000,000	Bonds	98/2000
147	MoSU	Plant Facilities Construction	NC/ES	2,000,000	Bonds	98/2000
148	UofL	Entrepreneurship Center - Training & Business Development (Shelby)	NC/ES	19,033,000	Bonds	98/2000
149	UKUS	Storm Sewer Improvements - Funkhouser	NC/UT	800,000	State	98/2000
150	UKUS	Chilled Water Additions	NC/UT	700,000	State	98/2000
151	WKU	Regional Performing Arts Center	NC/ES	22,437,000	Bonds	98/2000
152	EKU	Fire Science Building Phase II	NC/ES	5,000,000	Bonds	98/2000
153	UKUS	Rural Health Education Care Center	NC/ES	24,000,000	Bonds	98/2000
154	UKCC	London/Corbin Community College - Phase I	NC/NS	7,500,000	Bonds	98/2000
155	KSU	Center of Excellence for Study of Kentucky African-Americans	NC/ES	9,915,000	Bonds	98/2000
156	NKU	Safety Lighting	NC/LS	870,000	State	98/2000
157	UKCC	Southeast - Whitesburg Academic/Tech. Bldg.	NC/ES	5,100,000	Bonds	98/2000
158	UKCC	Paducah - Classroom/Services Building	NC/ES	4,600,000	Bonds	
159	UKUS	Medical Center Chilled Water Loop	NC/UT	500,000	State	98/2000
160	UKUS	Electrical Substation #1 and #2 Connections	NC/UT	1,500,000	Bonds	98/2000
161	EKU	Dept. of Juvenile Justice Training Academy	NC/ES	10,000,000	Bonds	98/2000
162	WKU	Replacement of Science and Technology Hall	NC/ES	13,000,000	Bonds	98/2000
163	UKCC	Jefferson - Science/Allied Health	NC/ES	15,500,000	Bonds	98/2000

<u>PRI-ORITY</u>	<u>INST.</u>	<u>PROJECT DESCRIPTION/TITLE</u>	<u>CODE</u>	<u>PROJECT SCOPE</u>	<u>FUNDING SOURCE</u>	<u>REQUEST YEAR</u>
164	UKCC	Owensboro - Academic/Classroom Building	NC/ES	4,600,000	Bonds	98/2000
165	UKCC	Elizabethtown - Technical Education Center	NC/ES	4,700,000	Bonds	
				500,000	Agency	98/2000
166	UKUS	High Security Isolation Facility	NC/ES	4,900,000	Bonds	
				4,900,000	Agency	98/2000
167	MuSU	Pedestrian Mall	NC/OT	692,000	State	98/2000
168	UKUS	Kentucky Policy Research Center	NC/ES	2,800,000	Bonds	
				500,000	Agency	98/2000
169	UKUS	Center for Graduate Studies and Research Support Services	NC/ES	8,250,000	Bonds	98/2000
170	UKUS	Specialized Greenhouses	NC/ES	3,550,000	Bonds	98/2000
171	UKUS	Anthropology Building	NC/SC	3,550,000	Bonds	98/2000

END OF PRIORITY LIST

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**ABBREVIATED PROJECT DESCRIPTIONS BY PRIORITY
CAPITAL CONSTRUCTION INSTITUTIONAL REQUESTS
FOR THE 1998/2000 STATE BIENNIAL BUDGET**

001 EKV - MINOR PROJECTS MAINTENANCE - \$12,000,000

A group of projects all of which are estimated to cost less than \$400,000 are included in this project and fall into general categories of deferred maintenance, minor physical plant modifications, building structural improvements, HVAC improvements and resurfacing campus streets and parking lots.

002 UKCC - DEFERRED MAINTENANCE - \$6,125,000

This pool includes deferred maintenance projects throughout the Community College System. They have become deferred because of a lack of internal funds and a growing list of needed repairs as buildings age. Included are HVAC and lighting replacements or improvements, roof replacements, concourse replacements, chiller replacements and primary electrical service renovation.

003 UofL - MAJOR MAINTENANCE POOL, PHASE I - \$6,142,000

This pool includes projects in five general categories: roof replacements, elevator upgrades, electrical distribution, replacement of steam and chilled water distribution lines and improvements to the air quality and mechanical systems. Leaking roofs in fourteen campus buildings are causing deterioration of the interior finishes; elevators in nine office and classroom buildings require major overhaul for safety and efficient operation; defective underground high voltage electrical cable and switchgear has lasted beyond the normal replacement schedule; and 40 year old steam and chilled water distribution lines located in service tunnels have outlived the normal life cycle for these materials. HVAC systems in twenty-one office and classroom buildings require major improvements. All must be brought up to standards to avoid costly and untimely failures.

004 - MoSU - LIFE SAFETY: ELEVATOR REPAIRS - \$850,000

Cab cabling, door openers, controllers and fixtures will be replaced and upgraded for elevators in the following residence halls: East Mignon, Mignon, Mignon Tower, Reed Hall and West Mignon, Adron Doran University Center, Camdem-Carroll Library and Lloyd Cassity. ADA requirements will be met from the funding of an ADA pool request. This project is essential for continued safe use of these elevators.

005 NKU - MINOR PROJECTS POOL - \$1,095,000

Projects to be completed under this pool of minor improvements includes facade dampproofing or repairs to Nunn Hall, Administrative Center and University Center. Roof replacements are included for the University Center, Landrum Hall, Science Building and

West Building on the Covington campus. These roofs are generally over twenty years old and are causing leaks of increasing significance. Facade leaks are resulting in serious damage to interior wall support systems.

006 MuSU - DEFERRED MAINTENANCE: E & G POOL < \$400,000 - \$5,032,000

Included are projects for improvements to 48 educational and general facilities such as roof replacement, window replacement, exterior painting, utilities repair, boiler repair, HVAC control upgrade and electrical improvements. These projects are all major maintenance and deferred maintenance projects.

007 WKU - HVAC/PLUMBING DEFERRED MAINTENANCE PROJECTS - \$544,000

Minor problems with various building HVAC and plumbing systems will be addressed in this project. Some examples include A.A.#1 correction of humidity problems and replacement of swimming pool filter system and pump. Gordon Wilson, Jones-Jaggers, Grise Hall and Wetherby Administration buildings all have problems with heating or air conditioning operation or controls. They range in cost from \$2,300.00 to \$44,000.00. Parking Structure/Physical Plant Building and Academic Complex both need a new water heating system which involves very large heaters and storage tanks. The first is estimated to cost \$6,500.00 to replace and the second is estimated at \$18,500.00.

008 MoSU - PROTECT INVESTMENT IN E & G FACILITIES - \$3,300,000

Numerous projects are planned within this general project. They include items such as chiller replacements, heat exchanger or boiler replacement, HVAC control or unit replacements, energy management systems, cooling tower replacement, plumbing improvements, roof repairs or replacement, miscellaneous structural repairs, etc.

009 KSU - GENERAL MAINTENANCE PROJECTS - \$1,150,000

Existing facilities which have sustained deterioration will be repaired and upgraded to protect the state investment in facilities. Included are parking lot and driveway repaving, concrete steps and walks, replacement of major HVAC equipment, campus lighting, roof repairs, ceramic tile repairs, painting, electric and plumbing improvements and proper humidity control for the library.

010 MoSU - BRECKINRIDGE HALL RENOVATION - \$14,000,000

The project will completely refurbish the interior of the facility, remodel classrooms, handicapped access, HVAC repairs, safety, mechanical and electrical deficiencies. The renovation will provide state-of-the-art classrooms, laboratories, and faculty offices. The facility will house theater, public radio, and student television production programs. In addition, the journalism and speech programs will continue to be housed in this facility and

an interactive television classroom/studio will be included for distance learning.

011 MuSU - CARR HEALTH/CUTCHIN FIELD HOUSE RENOVATION - \$10,184,000

The Carr Health building serves as the primary instructional facility for physical education programs and youth agency administration. Cutchin Field House has served as the intercollegiate athletics facility as well as an instructional facility. Since a new arena is now being constructed, the university proposes to renovate these two facilities to provide modernized instructional and student, faculty and staff recreational space. The existing swimming pool will be completely renovated and will be air conditioned and the space realigned.

012 UKCC - ELIZABETHTOWN - SCIENCE BUILDING RENOVATION - \$2,000,000

Renovation of this facility includes improvements to the HVAC system to improve air quality in the building, enhance accessibility under ADA requirements, upgrade the life safety provisions and general renewal of existing instructional space, especially the laboratories which are very dated and in declining condition.

013 KSU - HILL STUDENT CENTER RENOVATION/ADDITION - \$8,250,000

This project will provide a complete renovation of the Carl M. Hill Student Center Building. The proposed project will upgrade the architectural finishes, new furnishings, and replace the HVAC units that service all spaces within the building. Some spaces within the building will be realigned for other uses. The project will provide a state of the art communications center, central post office, and space for a university radio station. A 25,000 square foot expansion is included in the project to further increase the level of services to students.

014 UKUS - POLLUTION CONTROLS, MEDICAL CENTER HEATING PLANT - \$1,333,000

Coal-fired boilers in the central heating plants must have pollution control equipment which will replace existing equipment installed in the late 1950's. Coal is currently the primary source of heating for Lexington campus buildings. This equipment will permit the operation of these boilers within permit levels of emissions well into the next century.

015 MoSU - LIFE SAFETY -DAM REPAIR - \$800,000

The University-owned dam on Triplett Creek was constructed in 1935 to provide a water source for the University. During the life of the dam, there has been no major funding allocated for repairs or restoration; thus, it is now in need of major repair or replacement. Failure of the dam would cause a disruption in water supply for the campus and would present a hazard for anyone located below the dam.

016 MuSU - STEWART STADIUM STRUCTURAL REPAIRS - \$2,000,000

This concrete stadium structure has extensive spalling of the concrete surfaces exposed to the weather as a result of water penetration and freezing actions. Some of the interior reinforcing steel bars have now become exposed to the weather causing rusting of the steel. This project will include an engineering analysis and condition report to include recommendations for repairs and the completion of those repairs to prevent serious structural problems.

017 NKU - LANDRUM STRUCTURAL SAFETY REPAIRS - \$490,000

The first floor slab resting on grade has been heaving for about fifteen years. Earlier attempts to correct the situation have not succeeded. Over 8,000 square feet of primarily classroom space is involved and many locations create walking or stepping hazards to building occupants. More serious consequences resulting in closure of the building are possible if the problem is not remedied.

018 UKUS - DEFERRED MAINTENANCE AND ROOF REPLACEMENT POOL - \$9,297,000

This project is a request for a pool of roof repair and replacements which each are estimated to cost less than \$400,000. The University has provided a list of each roof to be included and identified those needing attention in the immediate future. Not only will the project reduce damage to buildings from water leaks, but the roof insulation will also be protected from water which will render it useless as an insulator with a resulting increase in heating costs. Deferred maintenance projects on this list located on both the Lexington campus and the Medical Center campus include roof repair projects, window replacements, painting, caulking, brick repairs, concrete and blacktop repair, landscaping, etc. The requested amount will compete all of the projects on this list.

019 WKU - ACADEMIC COMPLEX ROOF REPLACEMENT - \$400,000

Several locations in this roof are leaking and causing damage to the interior of this major classroom facility. Ceiling tiles are being stained and some collapse from the excessive water. There are some signs that the structure of the building is being effected also. Small leaks in numerous locations such as on this roof cause large areas of roof insulation to become completely useless, increasing the cost to heat and cool the building.

020 WKU - ROOF REPAIR/REPLACEMENT DEFERRED MAINTENANCE PROJECTS - \$877,000

Thompson Complex Center Wing, Ag Exposition Center and Craig Alumni Center all are in need of roof replacements. A.A. #1 has a leaking roof over the auxiliary gym and A.A. #2 needs the press box roof replaced. The Heating Plant east roof section and Ivan Wilson

Center metal roofs also need complete replacement rather than repair.

021 WKU - GRISE HALL/TATE PAGE ROOF REPLACEMENT - \$808,000

Grise Hall must have the roof replaced and Tate Page requires not only a new roof, but also new through wall flashing to keep water from entering parapet walls and locations where the roof level changes.

022 UKCC - LEXINGTON - OSWALD BUILDING ROOF REPLACEMENT - \$900,000

The existing roof is a tar and gravel system with interior drains. The asphalt has migrated toward the drains and leaks have developed in some areas causing damage to the building interior. A new metal standing seam roof is proposed with appropriate insulation to prolong the expected life of the next roof. The project will also include some repairs of the interior damage.

023 WKU - BUILDING ENVELOPE/EXTERIOR DOOR DEFERRED MAINTENANCE PROJECTS - \$444,000

Deferred maintenance items are included in this project to be completed on several campus buildings. Items include caulking and tuckpointing of brick, repairing exterior doors, exterior painting, cleaning of stains, sealing and waterproofing of exterior surfaces.

024 NKU - NEW NATURAL SCIENCE BUILDING - \$38,000,000

The Natural Science Center, constructed in 1974, has critical space limitations as well as inadequate mechanical and electrical systems and no longer meets many of OSHA's safety requirements. Most laboratories lack proper ventilation, fume hoods, emergency showers, and eyewash facilities. No storage exists for toxic waste and chemical storage facilities are inadequate. Humidity and mechanical vibration problems plague the building causing damage to lab equipment and limiting the type of lab work that can be performed. Most of these problems are a result of the building not being originally constructed to house science laboratories. The new facility will provide adequate classroom, class lab, research lab, and faculty office space.

025 UKUS - MECHANICAL ENGINEERING BUILDING - \$23,600,000

Current space for teaching, laboratories, and research is inadequate and predates current technology. The program is currently located in the Civil Engineering Building and Robotics Center in space belonging to other departments. Portions of the old M.E. Quadrangle have been demolished. A new facility is needed to allow for increasing enrollments, additional research, new technology, and space custom designed for changing engineering programs.

026 UKUS - STEAM AND CONDENSATE PIPE REPAIR \$1,000,000

These twenty year-old lines have deteriorated and are no longer capable of being repaired by normal patching. Efficiency of the steam plant drops off significantly when condensate is lost from the system as is the case now. Replacement is needed to return this system to its designed operational efficiency.

027 UofL - CHLOROFLUOROCARBON PROJECT - PHASE II - \$1,325,000

Central chilled water plant equipment will be replaced to meet the requirements of the Clean Air Act of 1990 and eliminating the need for equipment utilizing banned refrigerants. The replacement will be for Chillers "E" which will be larger in capacity to meet expansion of the campus including the new Research Building and will be much more efficient in operation.

028 NKU - CHILLER REPLACEMENTS/CFC - \$7,100,000

Due to federal mandates covering refrigerants and inefficient operation primarily due to age, three existing chillers in the central plant must be replaced. Larger sized chillers will be installed to accommodate current and projected loads and one chiller will be retrofitted with R-123 refrigerant. Also in the project will be the installation of a new 500 HP boiler to meet the projected increase in heating load. The new Natural Science Center and the University Center Expansion cannot be heated and cooled without additional capacity from the central plant or independent units installed in the buildings. Projected savings are estimated to be \$50 - \$100,000 per year as a result of the increased efficiency of these newer chillers and boiler.

029 MoSU - 1990 CLEAN AIR ACT AMENDMENT COMPLIANCE \$2,200,000

Title VI of the 1990 Clean Air Act requires the phasing out of CFC refrigerants by the year 2000. They cannot be recharged after production of these materials ceases at the end of 1995 except with reclaimed refrigerants from other chillers. Eleven centrifugal chillers on campus must be retrofitted or replaced. Third party financing is to be considered if state funding is not available.

030 MuSU - CFC COMPLIANCE: E & G CHILLERS REPLACEMENT - \$897,000

CFC compliance requires the replacement of some existing chillers located in the BSA Museum, Mason Hall, Sparks Hall, Doyle Fine Arts, Stewart Stadium, Special Education, General Services Building, Breathitt Veterinary Center and Hancock Bio-Station. It is more economical to replace these chillers than to retrofit them and continue operating them. Where feasible, some machines will continue in service with refrigerant replacement and the addition of required monitoring systems in two buildings. The project includes a monitoring system for the Central Power Plant and retrofitting of the central plant chillers.

031 KSU - CHILLER ADDITIONS - \$2,168,000

One existing chiller will be replaced and another one added to the central plant to carry the increasing load by new construction on campus. The chiller to be replaced will resolve a problem of R-11 refrigerants and at the same time provide chilled water at a more efficient rate. The new chiller will provide additional backup capacity for the central plant.

032 WKU - IVAN WILSON CENTER CHILLER(S) REPLACEMENT - \$500,000

The chiller to be replaced is a large piece of equipment that produces the chilled water circulating through the building heating and cooling system to provide air conditioning to the interior spaces. These chillers typically require replacement every twenty-five years under normal use. Usually, replacement has the advantages of additional energy efficiency and the elimination of hazardous compounds in the form of R-11 refrigerants.

033 UKUS - CHILLER REPLACEMENT - COOLING PLANT #3 \$1,000,000

This is a 1500 ton steam-driven turbine chiller which is now 35 years old, is no longer efficient in operation and which utilizes Freon 12 that should have been replaced by January, 1996. It serves a major portion of the Medical Center including the Critical Care Unit. Replacement will assure the continued availability of low cost cooling for medical center buildings. Continued operation of this chiller is costly due to the need to operate steam boilers at the same time and the high cost of replacement refrigerant which is no longer manufactured and general maintenance costs for a unit which has out lived its normal life cycle.

034 WKU - COOLING TOWERS AND CHILLER RENOVATIONS - \$574,000

Large air conditioning systems such as those to be replaced in this project have several components. One is the chiller itself, one is the fan system to move air through the duct system and one is the cooling tower where heat from the building is rejected to the atmosphere. Cherry Hall and Tate Page both require the replacement of the cooling tower while Environmental Sciences and Helm Library both require new chillers to replace those which are wearing out from use and years of service.

035 WKU - CHILLER CONVERSION (R-12 TO R-123) - \$569,000

Environmental protection laws have required the monitoring and control of emissions from large air conditioning systems. These systems typically loose hundreds of pounds of refrigerating gas each year which must be replaced to maintain the system in operation. Those gases known as CFC's are banned and continued use requires tight control and expensive replacement materials. Six campus buildings will be upgraded to meet these regulations and allow the chillers to continue in service for several more years before age and service costs indicate they need replacement with new ones. When a unit has at least

ten more years of expected life, this is the more practical route for the university to take.

036 UKUS - COOLING, SECONDARY PUMPING - \$2,000,000

Secondary pumping of chilled water has been provided for new buildings connected to the central chilled water plants leaving many existing buildings without adequate pumping to meet cooling loads. This pumping will meet those demands for additional chilled water.

037 EKU - STUDENT SERVICE/CLASSROOM BUILDING - \$20,000,000

This project will house approximately 20,000 square feet of general purpose classroom and 95,000 square feet of faculty and administrative offices. It will continue to move the university in the direction of providing private offices to all full-time faculty. Campus classroom space is being reduced as the Library takes space in the University Building and other general purpose classrooms are converted into special purpose classroom/laboratories. These instructional needs must be met with new classrooms.

The Student Services Center will house such programs as academic advising and counseling, as well as the computer registration capability, at its core. Related services which rely most heavily upon this "core" would be in close proximity. Undergraduate admissions, most functions of the registrar, testing functions of the Office of Institutional Research, Foreign Student Advising, Student Special Services, Financial Assistance, and the Billings and Collections Office all perform functions which, if organized physically and possibly administratively in closer proximity, could enhance the services rendered and their efficiency.

038 UKCC - SOMERSET CC - CLASSROOM/STUDENT CENTER - \$6,500,000

The community college does not have adequate space for student lounges, cafeteria, and activity areas. The current space was constructed in 1965 as a multipurpose room to accommodate 200-300 students. Enrollment has now grown to 2,255 students and there is need for space to house food service, general purpose classrooms, and additional faculty offices. This project will provide space for a student cafeteria, game room, counseling center, student affairs offices, student government offices, lounges and bookstore, classrooms, and faculty and secretarial staff offices. Additional parking would also be included in this project.

039 UofL - RESEARCH BUILDING (BELKNAP) - \$32,040,000

This request is for a new construction project to house graduate research for various programs on the Belknap Campus. Research awards are increasing in number and quality space is not available to conduct much of this research. The Postsecondary Education Improvement Act of 1997 has emphasized the need for this area of excellency for the university.

040 UKUS - 4KV TO 12KV ELECTRICAL CONVERSION - \$400,000

Replacement of the existing 4KV high voltage system with a more economical and dependable 12 KV high voltage system. This project will complete the conversion process which began some years ago as part of a 1973 agreement with Kentucky Utilities. It will help prevent power outages such as the one which occurred in the fall of 1996.

041 UKUS - SUBSTATION #2 RENOVATION - \$2,000,000

New breakers will be installed in this substation to provide overcurrent protection and prevention of a complete shutdown of entire substation when a fault occurs on any one of the eleven circuits. Additional switching options will also provide backup power to the University Hospital and the Lexington campus.

042 WKU - PRIMARY ELECTRICAL SERVICE (STAGE II) - \$1,500,000

This campus has experienced several power outages in recent years from inadequate power distribution services. Work is underway to correct these deficiencies and this project is the second stage of those improvements. This project will connect the Jonesville and Mimosa electrical substations to enable the University to route power around a point of failure and continue power to areas of the campus that otherwise would be without power in the event of a component failure.

043 WKU - ELECTRICAL DEFERRED MAINTENANCE PROJECTS - \$764,000

Safety control systems for electrical power include panel boards and switchgear which are designed for pre-determined loads and automatic interruption of power when there is a problem. Each major building has several of these devices and they wear out in time or don't function as designed. This is especially significant with the increased power requirements of the typical campus building today with air conditioning and computer technology causing more demands for power through systems that were not originally designed for these loadings. Several campus buildings will have these systems upgraded or replaced with newer and safer equipment. Electrical code requirements have also changed with the passing of years and therefore, these requirements will be addressed.

044 UKUS - STEAM LINE EXPANSION - ROSE STREET - \$700,000

Installation of 600 lineal feet of 12" diameter high pressure steam lines under Rose Street at the College of Nursing/Health Science Learning Center along with condensate return lines and an extension of the lines from the main mechanical room in the Chandler Medical Center to the new Critical Care Center will provide a connection between Central Heating Plant #1 and Central Heating Plant #2, a goal of the University for many years and a recommendation in the long range utility plan. Completion will provide flexibility and

economy in operation of the steam plants as well as provide a reliable backup at both ends of the campus. As the campus continues to add new buildings, especially in the Rose Street triangle area, this project will become even more critical to the University development.

045 WKU - POSTSECONDARY EDUCATION IMPROVEMENT ACT 1997 FACILITY - \$18,500,000

This project directly addresses WKU responsibilities under HB1, The Postsecondary Education Improvement Act of 1997. A new wing to be attached to the Academic Complex will house the Commonwealth Center for Instructional Technology and Western's "Program of Distinction" the Journalism program. The proposed Commonwealth Center for Instructional Technology will comprise one wing of this new facility and will serve as a statewide and national resource for training and development in the innovative and effective use of information technology in student learning in the form of computing, video and distance learning. The Journalism program is already nationally recognized and will be brought from two campus locations into a new wing in this center and be provided with the best learning and training facilities of this type. Technology is important in this major program as it is in most expanding career programs. Therefore, it is logical to share space in a center designed to disseminate technology into the learning and working environment.

046 KSU - TEACHER EDUCATION/TECHNOLOGY CENTER - \$10,125,000

This facility will combine educational technology and a center to train or retrain the teaching profession. University Teacher Education faculty will use the facility to conduct teacher training activities. The technology center will provide the latest in personal computer hardware and software to supplement the Computer Science department and other departments providing computer based instruction. Teachers will be trained to utilize the latest computer technology in the classroom in fulfilling the goals of KERA and the needs of the job marketplace.

047 WKU - CHERRY HALL WINDOW REPLACEMENT - \$635,000

The windows in this building are 60 years old, are steel sash type and are rusting and becoming unsightly and even inoperable. As a focal point at the main entrance to the University, this problem needs to be resolved and the interior finishes protected from damage as a result of leaking windows. The new windows will be of a similar style, but will be of an energy efficient design which will result in additional savings in energy usage and maintenance costs.

048 WKU - WINDOW REPAIR AND REPLACEMENT - \$596,000

Deferred maintenance projects include the replacement of windows in Grise Hall and repairs to windows in Cravens Graduate Center. Windows must be maintained in order to

protect the building envelope and the interior finishes from weather damage.

049 WKU - REPAIR/REPLACEMENT OF WALKS AND LOTS - \$746.00

Several buildings require entrance steps to be repaired while other tasks include parking area sealing, restripping, curbs, and improved drainage. Big Red Way pavement needs to be milled to eliminate the uneven traffic surface. Sidewalks throughout the campus are in need of repair or improvement.

050 KSU - ROAD AND WALKWAY IMPROVEMENTS - \$622.000

This project will complete the landscaping plan developed by the university in 1981. Included in this project is the completion of the perimeter road of the north campus, north campus parking lots around the Library, Bell Gym, and Bradford Hall. Additionally, pedestrian malls and walks to the parking areas will be provided. South campus areas will be included for lighting and other landscaping activity as needed (i.e., life/safety and handicapped access renovations).

051 UofL - CHEMISTRY FUME HOOD REDESIGN - \$5,240,000

The intake and exhaust system of the building HVAC requires modification to prevent air contamination within the building. The exhaust fan system will be replaced with high plume centrifugal blower exhaust fans to address the entrainment of exhaust air to HVAC outside air intake. Each building penthouse HVAC air handling unit and fume hood supply air fans/coils will be removed and replaced with a combined HVAC/fume hood supply air system. The combined system will provide variable volume of 100 percent outside air to offset fume hood exhaust air load and provide building fresh air for distribution.

052 MoSU - LIFE SAFETY: CLAYPOOL - YOUNG AIR QUALITY, HEALTH & SAFETY - \$400,000

Air supply and exhaust systems throughout the studio classrooms are insufficient for the fresh air requirements of current codes and for the organic chemicals sometimes used in the studios. The building was constructed in 1968 when air conditioning requirements were quite different and aging equipment does not operate efficiently or safely for maintenance of human health.

053 UofL - LIFE SCIENCES LAB VENTILATION RENOVATION - \$3,515,000

This project will convert existing substandard lab space and classroom space to much needed research laboratory space for the Biology Department which is located in the Life Sciences Building. In addition, some of the Psychology lab space will also be updated. The ventilation (fume hood) system for both Biology and Psychology will be renovated to correct deficiencies. Further, new lighting, new ceilings and other repairs will be completed.

054 MuSU - LIFE SAFETY: E & G POOL < \$400,000 - \$1,078,000

This pool project includes smoke detectors and automatic fire sprinklers to be installed in several buildings during 1998 and additional buildings in 1999. All improvements are in keeping with State Fire Marshall recommendations.

055 EKV - AUXILIARY LIFE SAFETY - \$3,395,000

Inspections by the state fire marshal's office have listed several deficiencies in fire safety equipment for auxiliary services, especially dormitories. They include the provision of automatic fire suppression sprinklers, smoke detectors, self-closing hardware for doors, fire alarm system improvements, and fire stopping of vertical and horizontal wall openings. It also includes some minor asbestos abatement in these facilities.

056 UKUS - STUDENT CENTER SPRINKLER SYSTEM - \$700,000

The entire Student Center building will have automatic fire suppression sprinklers added as has been recommended by the University Fire Safety office. This additional protection should reduce the risk of fire damage and death in the event of a fire and reduce the cost of insuring the building and contents. This building is heavily used by the University community.

057 NKU - FIRE SAFETY: E & G SPRINKLERS - \$400,000

Nunn Hall and the Natural Science Building will have automatic fire sprinklers installed for greater fire protection. Both are five-story office and classroom buildings and are now considered high rise structures with increasing code restrictions. They house large numbers of persons on a daily basis.

058 UKCC - LIFE/SAFETY/ENVIRONMENTAL HEALTH PROJECT POOL - \$2,450,000

This project will involve removal and replacement of asbestos floor and ceiling tile, insulation, and transite board; installation of automatic sprinkler systems; and handicapped access projects and elevator improvements throughout the community college system. Institutions receiving priority are Elizabethtown, Jefferson, Hazard, Ashland, Maysville, Prestonsburg, Southeast and Paducah.

059 UofL - CODE IMPROVEMENTS - FIRE SAFETY POOL - \$2,588,000

Problems to be resolved in this project include replacement or upgrading of fire alarm systems, automatic fire sprinklers, building entrances and approach barriers or hazards, asbestos abatement and code deficiencies or replacement of passenger elevators. Also included in the cleaning of ducts in ventilation systems where dust has accumulated and

become a hazard. The Physical Plant ten year maintenance plan was used to compile the list of buildings and specific problems to be addressed.

060 UKUS - LIFE SAFETY PROJECT POOL - 11,400,000

Included in this request is an extensive list of safety-related, environmental, and related problems experienced in buildings located on main campus. A majority of the problems cited fall into the categories of asbestos, PCB, underground storage tanks, lead based paint remediation, radon, laboratory safety (fume hoods), fire safety, and handicapped access. A similar project was authorized by the 1996 General Assembly. Other requests included in this project are additional building exits, emergency lighting, smoke detectors, fire sprinklers and alarm systems, emergency eye wash stations and showers, ventilation improvements in chemical and dust prone areas, air duct system cleaning and reduction of mercury contaminants in effluent.

061 WKU - LIFE SAFETY FIRE ALARM IMPROVEMENTS - \$476,000

Recent building code compliance inspections continue to list fire safety deficiencies. This project will address the need to upgrade the fire alarm systems in A.A. #1 and Tate Page. Other related deficiencies include emergency lighting, emergency exit signs, wall repairs or stair enclosures, electrical wiring and automatic HVAC shutdown.

062 UofL - ENVIRONMENTAL HEALTH AND SAFETY PROJECTS - \$1,224,000

Two categories of projects are included in this request: 1) underground storage tank removal and site remediation to include replacement of tanks with above ground fuel tanks for emergency generators and heating fuel oil, and 2) hazardous waste management which involves primarily the proper recycling and/or disposal of fluorescent light bulbs and ballasts. This is in response to new enforcement priorities from regulatory agencies and will prevent serious cleanup problems in the future if these problems are not addressed soon.

063 WKU - E & G LIFE SAFETY DEFERRED MAINTENANCE PROJECTS - \$522,000

Many of these small projects relate to code compliance and environmental issues such as replacement of handrails and guards at stairs and ramps, abatement of asbestos in buildings and mechanical rooms, upgrading underground gasoline storage tanks, adding or replacing emergency electrical power supplies, fire, heat and smoke detectors and a survey for radon gas.

064 MuSU - ASBESTOS ABATEMENT: E & G POOL < \$400,000 - \$58,000

Abatement of friable asbestos is planned for Applied Science, Blackburn Science Building and Carr Health Gymnasium exterior. The Carr Health Gymnasium must be done if that

building is renovated, but must be done even without it for safety reasons.

065 EKV - AMERICANS DISABILITIES ACT - \$2,560,000

In order to comply with A.D.A. requirements for access to all campus buildings, the University conducted a survey of buildings and listed barriers to free access. This project is broken into five parts: architectural barriers for all buildings (\$1,159,700), elevator improvements in listed buildings (\$470,000), fire alarm system enhancements for numerous buildings (\$374,400) signage (\$68,500), and other barriers such as drinking fountains in many buildings (\$387,400).

066 UofL - AMERICANS DISABILITIES ACT (ADA) PROJECT POOL - \$6,279,000

Classroom and support spaces will be brought into compliance with the Americans with Disabilities Act through the removal of barriers such as entrance doors, drinking fountains, toilet facilities, alarm and communication systems, sidewalks, curbs, ramps, elevators and signage. While this project will not bring all buildings into compliance, it does include projects on the Belknap Campus, Health Sciences Campus and Shelby Campus.

067 WKU - ADA ACCESSIBILITY PROJECTS - \$816,000

This project will meet ADA accessibility requirements in the form of campus signage, the installation of visual alarms, improvements to restrooms and adding an elevator to the Kentucky Building.

068 UKUS - HANDICAPPED ACCESS POOL - \$2,425,000

ADA requirements will be met in several campus buildings both inside and on the approaches to buildings. Projects planned generally include modifications to doors, restrooms, drinking fountains, handrails, ramps, sidewalks, telephones, signage and elevators.

069 MuSU - ADA COMPLIANCE: ARCHITECTURAL BARRIERS - E & G POOL <\$400,000 - \$2,421,000

Classroom and support spaces will be brought into compliance with the Americans with Disabilities Act through the removal of barriers such as entrance door assists, drinking fountains, toilet facilities, alarm systems, wheel chair lifts, laboratory student stations, spectator seating, sidewalks, curbs, ramps, elevators, parking and signage. Forty-two facilities are included in this project and have been listed by the University staff on CB-02 forms with a breakdown of estimated costs. One of the buildings, the Boy Scout Museum, will be funded from private funds.

070 MoSU - AMERICANS WITH DISABILITIES ACT COMPLIANCE - E & G - \$2,025,000

Classroom and support spaces will be brought into compliance with the Americans with Disabilities Act through the removal of barriers such as entrance doors, drinking fountains, toilet facilities, alarm systems, sidewalks, curbs, ramps, elevators and signage. The University has submitted a listing of the buildings proposed for accessibility improvements in the next biennium and referenced each one to the Facilities Maintenance Plan.

071 NKU - ADA COMPLIANCE - \$400,000

Classroom and support spaces will be brought into compliance with the Americans with Disabilities Act through the removal of barriers such as drinking fountains, toilet facilities, alarm systems, sidewalks, curbs, ramps, elevators and signage. Projects are proposed for both the Covington and Highland Heights campuses.

072 KSU - ADA PROJECTS POOL - \$650,000

E. & G. Building spaces will be brought into compliance with the Americans with Disabilities Act through the removal of barriers such as entrance doors, drinking fountains, toilet facilities, alarm systems, sidewalks, curbs, ramps, elevators and signage. Elevators will be upgraded in Bradford Hall, Bell Gymnasium, Hathaway Hall and Blazer Library. All E & G buildings except those recently constructed are included in this project.

073 MuSU - ADA COMPLIANCE: ARCHITECTURAL BARRIERS E & G BLACKBURN - \$1,367,000

Classroom and support spaces will be brought into compliance with the Americans with Disabilities Act through the removal of barriers such as entrance doors, drinking fountains, toilet facilities, alarms, sidewalks, curbs, ramps, elevators and signage. This request is for reauthorization of the project with a change in funding to state funds.

074 MuSU - BLACKBURN SCIENCE BLDG. RENOVATION - \$13,263,000

This building houses the major disciplines of biology, chemistry, physics, and astronomy including faculty offices, laboratories, resources center, and animal holding rooms. The project will modernize all spaces within this 46 year old facility as well as upgrade the mechanical and HVAC systems in the facility. Additionally, an exterior court would be enclosed to provide an additional 4,000 square feet of new space on each of four levels.

075 UKUS - ERICKSON HALL RENOVATION - \$2,250,000

Constructed in 1939, this building has developed some structural problems that need to be corrected and the entire building is due for a renovation. A new roof, resolution of basement flooding, upgrading of the heating, cooling and lighting systems, provision of new

fume hoods, abatement of asbestos, replacement of loose and damaged plaster, and repair of the porch soffit are all included in the project.

076 EKV - CAMMACK BUILDING - \$5,000,000

Moore, Memorial Science, Roark and Cammack Buildings will make up the science complex for the University. Cammack Building will undergo a renovation to upgrade the facility since the last renovation was completed in 1961. In conjunction with the new Academic Building, the project will complete the Science Complex upgrading.

077 NKU - INSTRUCTIONAL TECHNOLOGY PROJECT - \$2,200,000

The University recently completed a communications network on campus and technology and information transfer should be available in classrooms and auditoriums as well as provide for distance learning. These advances in technology transfer and learning will include installation of state-of-the-art data/audio/video presentation systems, upgrading of the campus cable television system and extension of the system into three academic buildings, installation of satellite dishes and related cable infrastructure, and other required support equipment. The project will greatly increase the teaching effectiveness and will allow the University to access a broader audience through distance learning opportunities.

078 UKCC - JEFFERSON/DT - JF BLDG. RENO. PHASE I - \$2,000,000

Renovation of the first and second floors of the west wing of the old seminary building will convert small classrooms into faculty offices and improve the life safety code provisions of this building. Improved classroom space will be provided in future renovation projects. The building is over 80 years old and this renovation was approved in the previous biennium, but was not constructed because of lack of funding. The cost continues to increase as does the need to improve the space for more suitable uses.

079 WKU - RENOVATION OF GRISE HALL - \$6,000,000

Grise Hall has not been renovated since its construction in 1966. It is a major classroom building and is due for improvements in the form of code compliance, interior finishes and lighting, mechanical system repair or replacement. The project is needed to extend the service life of this important facility.

080 MuSU - CRISP REGIONAL EDUCATION CENTER RENOVATION - \$700,000

Murray State University proposes to purchase this building, the former Pepsi Cola distribution center in Paducah and continue renovation of the facility which was begun by the University of Kentucky. UK, Paducah Community College and Murray State University all share the current facilities for instructional use. MuSU proposes to complete more of the warehouse type space for use as classrooms and the proposed project includes the

installation of several more interactive television classrooms for conducting live remote classes from the Murray campus.

081 EKU - GIBSON BUILDING COMPLEX - \$5,000,000

Built in 1962, this instructional building does not provide access to handicapped students or faculty and has several life safety code issues that must be addressed. 9,356 square feet of existing space will be renovated, providing better access and a more code compliant structure. An addition of 8,800 SF. will be constructed to the rear of the building to house the construction program. It will be two stories in height and will provide two new classrooms, two construction labs, faculty offices and material storage spaces.

082 UKUS - RENOV. FUNKHOUSER - PHASE IV - \$700,000

Student Affairs offices and Minority Affairs offices will be moved out of Patterson Office Tower into the second floor and basement floor of Funkhouser after a renovation to create acceptable office space. This would allow Student Affairs and Minority Affairs to be located in close proximity to Student Financial Aid, the Housing Office, the Registrar, and Admissions, making Funkhouser a true student services building.

083 UKUS - BOWMAN HALL RENOVATION - \$4,300,000

Space vacated by Department of Geology will be improved and reassigned. Included in the project are basic life safety and environmental improvements such as an elevator, heating/cooling and ventilation requirements and general refurbishing of the interiors.

084 NKU - NUNN HALL MECHANICAL UPGRADE - \$430,000

Nunn Hall was the first building on the NKU Highland Heights campus in 1972. This 113,000 gross square foot facility now houses the College of Law, the Law Library and general classrooms. The original HVAC system is a constant air volume system which has proven to be very expensive to operate and is now at the end of its life expectancy curve. The air quality inside the building is poor and it is proposed to replace the entire system with current technology utilizing a variable air volume (VAV) system which is expected to result in an energy cost savings of \$40,000.00 per year. In addition, the existing pneumatic control system will be replaced with a Direct Digital Control (DDC) system which will reduce maintenance costs significantly and increase the comfort level as well as improve the air quality within the spaces.

085 UKUS - SLONE BUILDING RENOVATION - \$3,900,000

The existing building does not meet life safety, handicapped or HVAC codes and is in need of a complete renovation. The interior space arrangement will be revised, the window walls will be replaced with more energy efficient windows, interior finishes will be upgraded,

mechanical and electrical systems will be replaced or improved, elevator will be modified and the building will have an automatic fire sprinkler system install. Four teaching laboratories for advanced undergraduate and graduate students will be provided. The Department of Geological Sciences will use the building for offices and laboratories. Architectural planning has been completed and the project is ready to proceed into construction and full occupancy of this needed facility.

086 WKU - RENOVATION OF VAN METER HALL - \$1.850.000

Built in 1911, Van Meter is the only building left from the original Western campus. The building is on the National Register of Historic Buildings and must be completely refurbished on the interior for it to continue in use. Included are renovating the mechanical, plumbing and electrical systems and complete interior refinishing to include carpet, tile, plaster, paint, seating, restrooms, means of egress, skylights and existing stained glass.

087 UKUS - CHEMISTRY LABORATORY RENOVATION - \$1.050.000

In this project, cabinets, hoods, ductwork, hardware and lighting will be replaced in organic and general chemistry laboratories. These research laboratories have not been modernized since the building was constructed in 1963 and safety hazards need to be addressed.

088 ECU - CONVERT RESIDENCE HALL TO E & G SPACE - \$2.000.000

The University proposes to convert an existing dormitory, O'Donnell Hall, to faculty and administrative offices. This location is near the center of the student population on campus and will provide greater access of these faculty and staff to the students. Student demand for university housing has declined in recent years, allowing this change in function for this structure.

089 KSU - HILLCREST RENOVATION AND LANDSCAPING - \$382.000

The President's home will be a recruitment tool as the University seeks a new president. Due to the age of the home, it requires upkeep, improvements and landscaping to present an acceptable image for the institution. The incoming president will also require some renovation to accommodate his or her living style and family requirements.

090 UKUS - KING SOUTH RENOVATION - \$10.365.000

In 1963, an addition was added to the Maragret I. King Library and consisted primarily of book stacks for rare and hard to find collections. The stack units were created to be a part of the building structural system and therefore, it is not practical to renovate this building for another function. The University proposes instead to create a physical sciences and engineering library which will consolidate the extensive map collection and the Geological

Sciences, Mathematical Sciences, Chemistry/Physics and Engineering Libraries, including their collections and staff.

091 UKUS - KASTLE HALL RENOVATION - \$7,400,000

Psychology now occupies this 1910 building which is in need of complete renovation. Due to the age of this facility and former use as a chemistry building, it is not well suited to current Psychology faculty which is research oriented. The interior will receive all new finishes, doors and hardware, new partitions, stairway improvements, mechanical and electrical system replacements, refurbishing the existing elevator, new fire sprinklers, new animal quarters and fire alarm system.

092 MUSU - EXPO CENTER RENOVATION - \$943,000

This facility supports the agricultural programs and public service needs of the region. The exterior of the building is deteriorating because of the use of untreated wood behind the exterior aluminum finish. Further, the spectator seating in this heavily used facility is not accessible under ADA requirements. Restrooms will also be modified to comply with ADA.

093 MuSU - POGUE LIBRARY RENOVATION - \$2,000,000

Renovation will restore this building to its original condition plus bring it into compliance with ADA and current building codes. Mechanical and electrical systems, elevator, roofing, interior finishes and repair of the exterior facade will all be included in the project. The building will then be used to house the special collections and the law libraries. A project request to renovate only the HVAC and electrical systems would not be needed if this complete renovation is funded.

094 WKU - CLASSROOMS OF THE FUTURE PROJECT, PHASE I - \$590,000

With this project, Western proposes to upgrade the interior finishes of many existing classrooms to improve the learning environment. Included are the replacement of ceilings and lighting with the installation of electronic ballasts and new fixture lenses, and painting. All will create an atmosphere to encourage learning on the university level.

095 UKUS - AGRICULTURE NORTH RENOVATION - \$3,150,000

The existing masonry solar screen around the perimeter of this building is deteriorating both in the masonry units and in the supporting system. The old screen must be removed for safety and aesthetic reasons and be replaced with a new facade which will be attractive and functional.

096 UofL - REYNOLDS BUILDING RENOVATION - OFFICES - \$14,914,000

This historical building has been unused for nearly two decades and is needed to provide offices for a business incubator program, faculty offices and a limited number of research labs. All four floors will be gutted and renovated to meet space needs of various selected programs and disciplines. Included are site work, demolition, infrastructure improvements, elevator upgrades and replacement, hazardous material remediation and exterior facade and roof repairs.

097 WKU - AIR CONDITIONING FOR ACADEMIC - ATHLETIC NO. 1 - \$1,700,000

This facility was constructed in 1962 and was not provided with central air conditioning. It serves as a major assembly building with many scheduled internal and external events. It is very uncomfortable when used for large gatherings during the summer months. Therefore, the addition of air conditioning will make it more useable and better able to compete with similar assembly buildings in other cities. Humidity control will be an added advantage with the installation of air conditioning.

098 UKUS - AGR. SCI. SOUTH - ANIMAL CARE FACILITY (ACF) UPGRADE - \$900,000

Accreditation by the American Association of Accreditation of Laboratory Animal Care and federal requirements impose strict guidelines on the care of research animals. Repair and improvement to existing animal care facilities is required in order to continue with research projects and the training of graduate level students with respect to animal nutrition and physiology and in the securing of future research grants.

099 UKUS - SINGLETARY CENTER RENOVATION OF AUDITORIA AND PUBLIC SPACE - \$1,850,000

This project will upgrade the auditoria and public spaces to comply with new technology, life safety and code features and ADA requirements. The public spaces will become more readily accessible and safer to all building occupants. New winches and rigging will improve the control of acoustical panels and sets in the auditoria, fire sprinklers will be added above the Concert and Recital Hall stages, lightning will be enhanced, a new sound system will be installed and the Lobby will be expanded to create additional restrooms for women. The courtyard will be made more accessible and usable with the addition of more doors.

100 MuSU - PROJECTS LESS THAN \$400,000 E & G - \$2,368,000

This multiple projects pool includes a variety of maintenance and improvement items which has not been deferred. They include small renovations, utility upgrades, facility replacement in the form of a Milk House and Greenhouse, and general repairs all of which individually will cost less than \$400,000. A list by each year of the biennium has been furnished by the University.

101 MuSU - ELECTRICAL DISTRIBUTION SYSTEM UPGRADE - \$4,471,000

Electrical distribution system in the Quadrangle and Winslow areas is below grade and needs to be improved to eliminate patching which has resulted from the need to make emergency repairs. Major electrical outages have already occurred. The overall capacity of this system is also inadequate. This is a reauthorization request to change the source of funding to State General Fund.

102 WKU - ACADEMIC-ATHLETIC #2 RENOVATION - \$2,200,000

Classrooms and support spaces located underneath this stadium structure have long endured excessive moisture levels from water penetration common to this multi-use type facility. Some spaces are unusable because of the dampness and mold. This project will correct these chronic problems of moisture and also install an elevator which will make the building ADA accessible. With completion of this project, the facility should be restored to full use and an extended service life.

103 UKUS - RENOVATION OF BIOLOGICAL SCIENCES RESEARCH SPACE - \$1,300,000

With completion of the new W. T. Young Library, the third floor of the T.H. Morgan Biological Sciences Building will become available for reassignment. This renovation and conversion project will permit the space to be utilized as group-use research laboratories and faculty offices. This new research suite will include laboratory benches with sinks and cabinetry, accessible utilities, two large research quality fume hoods, a microscope room and three faculty offices. The school has gained national recognition for fungal genetics research and this will permit the research efforts to expand as well as involve more graduate, post doctoral, technicians, undergraduate researchers and visiting collaborators.

104 WKU - RENOVATION OF A.A. #1 - \$14,700,000

Academic-Athletic Building No. 1 was constructed in 1963 and has never been completely renovated since that time. As a result, it has become obsolescent in building systems and non compliant with respect to building and life safety codes. The project will upgrade all mechanical, electrical and communication systems in the facility and correct the life safety and ADA accessibility deficiencies.

105 MuSU - BUSINESS RENOVATION: - \$5,400,000

Since the College of Business, Public Affairs Dean's Office, and Computing Center have moved to the new Industry and Technology Building, this former computer center space will be remodeled and realigned to house the Center for Economic Education, a mainframe computer terminal room, a high technology class/seminar room, a conference room and additional Dean's office space.

106 WKU - RENOVATION OF SNELL HALL - \$2,300,000

Snell Hall was built in 1926 and is the last original building of the Ogden College campus. It is one of the campus buildings listed on the National Register of Historical Places. It has aged and now needs major improvements, including structural reinforcing. In addition to renovation, it will also receive new mechanical and electrical systems and improvements which will meet current life safety and accessibility code requirements.

107 MuSU - CHURCH OF CHRIST BUILDING RENOVATION - \$1,300,000

This former church building which is now owned by the University has not been remodeled since becoming a part of the campus. Renovation is now required to permit the best use of the building as office space for the Development and Alumni Affairs Office and to serve as a Welcome Center for visitors, new students, prospective students and families of students.

108 WKU - UNIVERSITY FARMS IMPROVEMENTS - \$750,000

The University plans for the farm operation to become self-sufficient. To accomplish that it will be necessary to construct additions and renovations to the grain storage and handling facilities including a new feed processing facility to control animal ration mixtures and costs, and to renovate the existing swine facilities to create a facility meeting the industry standard for efficiency. Also, the plan is to construct an eight cow automatic milking parlor with support equipment to reduce labor and maintenance costs.

109 WKU - RENOVATION OF FORMER SCIENCE LIBRARY IN TCCW - \$639,000

A renovation of space formerly occupied by the Science Library which has been moved to the Helm-Cravens Library will provide classrooms, laboratories, faculty office and student study areas for the Ogden College program which has experienced increased enrollment without sufficient space. The space will require upgrading of the mechanical, plumbing and electrical systems.

110 UKUS - BIO-MEDICAL RESEARCH WING ADDITION - \$21,300,000

A new wing is proposed for addition to the existing research building, using a similar floor plan and building design. This wing was anticipated when the original building was planned and it was placed in a location considered beneficial to research programs. Funding for research has increased significantly in the past few years with the increase in grants outdistancing the increase in suitable research space. This is expected to continue growing as UK has been designated a premier research institute under the Programs of Excellence in HB 1. The construction of this new wing will also permit the Bio-Medical Engineering program to relocate to the Medical Center for greater interaction with other medical research. It will also permit the eventual demotion of the Multi Disciplinary Research facility

(MDR #3) which was intended to serve only a short time as a research facility and has since become non compliant with air quality standards both inside the building and on the exterior.

111 UKCC - PRESTONSBURG - CLASSROOM/HEALTH EDUCATION PHASE II - \$10,300,000

The Regional Center for Health Education & Wellness will serve as a national model for rural health, wellness and prevention. The center addresses major health reform issues of 1.) increasing primary and mid-level health care providers in rural areas, and 2.) prevention of illnesses through health education and wellness programs. The center will be a multi-use and multi-purpose facility that will serve as a resource center for the University of Kentucky medical community outreach programs and also provide a permanent location for Morehead State University's Big Sandy Extended Campus Center. The first phase has been authorized for this project and planning for both phases is underway. Phase I includes between 25,000 and 30,000 gross square feet and the renovation of the Martin Student Center into a college store, student lounge with food service and faculty/staff/research offices. Authorization of this second phase will allow completion of this major project.

112 KSU - BETTY WHITE NURSING BUILDING ADDITION - \$2,172,000

Originally constructed to house the student infirmary, the building is now used for the nursing program. Current space is inadequate and not well adapted for this expanding program. KSU has plans to offer a four-year nursing program if authorized and space will be needed for instructional and administrative space. New program space will be developed by a new addition and existing space will be renovated for administrative functions.

113 EKU - E & G LIFE SAFETY BEGLEY ELEVATOR - \$750,000

This high rise combination classroom/athletic building currently has ramps which are too steep to qualify for handicapped accessibility and there is no elevator. The installation of an elevator complying with ADA is the only feasible way to make these classrooms accessible to the disabled. Due to the unusual configuration of the structure, installation of an elevator is unusually expensive. Better access will be provided to Physical Education, Recreation, Military Science, and Geography.

114 MuSU - WATERFIELD LIBRARY ADDITION - \$5,000,000

Changes in use and delivery of service in the library have created a need to expand this facility. The existing library was constructed prior to electronic intra library transfer of materials and the establishment of the Internet/WEB site, etc., thus, the space layout and size are inadequate to provide the types of library service the current students demand and must have to function in the world of business today.

115 WKU - RENOVATION AND EXPANSION OF KENTUCKY BUILDING - \$13,304,000

This museum building requires an addition and improvements to house the Kentucky Library, manuscripts, folklife archives and University Archives. Existing space will be renovated to provide museum galleries for permanent exhibits. Sophisticated and sensitive environmental controls are required to insure that items stored and displayed in the facility are properly protected. A new security system will also be included allowing the center to acquire many other valuable collections.

116 UofL - UTILITY DISTRIBUTION IMPROVEMENTS - SOUTH - \$6,541,000

Heating, ventilating and air conditioning systems in the existing engineering buildings are beyond their feasible life cycle and need to be replaced. Instead of replacing these systems with new stand-alone equipment, it is more cost effective to connect these buildings and the new Research Building and Multi-Cultural Center to the central steam and chilled water plant. The necessary distribution lines will be extended within this project to accomplish this and at the same time extend electrical and communication conduits across Eastern Parkway.

117 UKUS - COOLING #3 TO LIME CHILLED WATER PIPE - \$1,800,000

In order to meet the cooling demand from new facilities proposed for the Limestone Street area, new interconnects between existing central plants is needed. This part of the interconnects will add dependability and flexibility to the campus distribution system and prepare the way for development of this important real estate for the future of the university.

118 WKU - TCNW RENOVATION AND EXPANSION - \$3,779,000

The Thompson Complex North Wing now houses the Biology Department and Chemistry on three levels. It was constructed in 1967 and therefore does not easily accommodate the requirements of these departments today. The Chemistry Department space was renovated in 1986, but the Biology space still has classrooms and laboratories that are no longer being used in the most efficient manner since their usage is not the same as when it was originally occupied. The closing of Snell Hall has caused a further impact on the Biology space since faculty offices had been located in that building. The project will reconfigure the overall space and provide efficiency in use of the space.

119 KSU - BRADFORD HALL BUSINESS WING ADDITION - \$2,697,000

KSU proposes to expand and renovate the Fine Arts Building including the main theater and auditorium area. The Business Program is also expanding and thus should be moved to a new wing of the Bradford Hall to accommodate their special space needs and to free existing space for other assignments. General improvements to the existing interior finishes is also included in the project.

120 UKUS - KGS WELL SAMPLE AND CORE REPOSITORY BUILDING - \$2,313,000

The Kentucky Geological Survey is the official agency for carrying out geological and mineralogical studies throughout the state. In 1960, KGS was designated as the repository for oil and gas drilling records and well samples; and in 1990 KRS 151:035 mandated the KGS establish a repository for all ground-water data gathered in the State. The major objective of the KGS Well Sample and Core Repository is to provide central storage of all samples and cores obtained from exploratory drilling for gas, oil, coal, lignite, tar sand, oil shale, lead, zinc, fluorspar, and limestone in Kentucky. Since 1985, these samples have been stored in the American Building, a former tobacco warehouse located on campus. In 1992, the building flooded causing more than \$400,000 in damage to the samples and making them unavailable to the public for an extended period. The samples are now located at the site of a new facility near the Kentucky Center for Energy Research on Ironworks Pike in Fayette County. However, the current facility was not designed to house the entire collection or the increase in core samples that are collected each year. As a result, the collection is now being catalogued and placed in the current building with the overflow being stored in other facilities and some are stored outside the building, exposed to the weather. The new addition will provide space for the expanding collection and provide badly needed laboratory space for visitors using the samples.

121 MoSU - CENTRAL CAMPUS RECONSTRUCTION - \$650,000

Four plazas on descending levels will be built in the center of campus to replace the trees, benches and other landscaping destroyed by a severe windstorm in 1995. Two levels will include personalized paving stones to memorialize deceased faculty, staff and students. An amphitheater would also be constructed below the University Boulevard. The proposed plaza is included in the Campus Master Plan and will be an important focal point to pedestrian traffic.

122 WKU - IVAN WILSON FINE ARTS CENTER ADDITION - \$1,209,000

Enrollment increases in the Music Department have created a shortage of space for instrumental and choral music practice. A recital hall is also needed. An addition to the current facility should enable WKU to meet this educational demand for more space.

123 UKUS - ADDITION TO ERIKSON HALL - \$5,000,000

This college is currently housed in Erickson Hall, Funkhouser Building and a building on Washington Street. Construction of this wing will permit all faculty, staff and instruction to be located in one facility. The new facility will include space for instructional and research laboratories, design studios, textile laboratories, food science and basic science laboratories, media rooms, display space for student work and faculty and staff offices. It will also permit space in Funkhouser to be assigned to student services, the primary

function of that facility.

124 KSU - JORDAN MAINTENANCE COMPLEX ADDITION/RENOVATION - \$1,666,000

This project will modernize the current facility (constructed 1939) and provide additional space for offices and shops required to keep pace with the increased demands of the university campus. The project will renovate and equip the trade and service shops. Welding shop and vehicle body repair and painting shops will provide complete service for campus vehicles, tractors and heavy equipment.

125 NKU - LAND ACQUISITION (1998/2000) - \$2,000,000

Land suitable for campus development is limited adjacent to the NKU campus. The campus is bounded by I-275, U.S. 27 and adjacent residential neighborhoods. Topographical conditions make much of the university's 328 acres unsuitable or undesirable for development of academic buildings, parking, or recreations fields. Short term as well as long-term growth in the surrounding communities makes property acquisition an immediate concern for the university. Use of some of this land for the new Convocation Center and the proposed development of Greater Cincinnati's largest commercial mall in nearby Wilder will impact the attempts of the University to acquire additional parcels as the market will certainly become a seller's market. This project will allow acquisition of additional property located in areas proposed for future expansion during the 1998/2000 biennium. Parcels within these areas would be purchased as they are placed on the market.

126 MoSU - LAND ACQUISITION RELATED TO CAMPUS MASTER PLAN - \$1,337,000

This project will allow acquisition of additional property located in areas proposed for future expansion. Parcels within these areas would be purchased as they are placed on the market. The MoSU land use plan includes acquisition of properties in these areas. The additional property will support construction sites for student housing, academic, and service facilities, and provide new parking areas and entrances to the University as well as providing additional open space for pedestrians.

127 WKU - PROPERTY ACQUISITION - \$370,000

The Campus Master Plan identifies land to the south and east of the main campus as areas to be acquired for additional parking, green space, fraternity and sorority housing and religious centers. Property to be purchased is included in these areas and some parcels will be used to improve traffic flow on and through the campus.

128 UKCC - JEFFERSON - LV BUILDING ROOF REPLACEMENT - \$650,000

The original roof dating back to the early 1970's is still in service, but is deteriorating and leaking in numerous places. The Community College System proposes to replace it by

installing a low slope standing seam metal roof over the existing flat roof, leaving the current roof and insulation in place. This technique has been successfully tried in other locations such as at Prestonsburg Community College.

129 NKU - ENERGY CONSERVATION/MGMT. POOL - \$400,000

Pneumatic controls on HVAC systems will be replaced with digital controls in Landrum Hall, Health Center, BEP Center, Administrative Center, and Nunn Hall. These improvements will provide comfort improvements to the occupants and at the same time greatly improve the energy efficiency of the mechanical air conditioning in these buildings. Utility savings of 22% are predicted by the University which will offset much of the cost of replacement.

130 UofL - CHLOROFLUOROCARBON PROJECT, PHASE III - \$1,851,000

This a continuation of the project to replace chillers in the central power plant and at the same time eliminate the use of banned refrigerant gases. In this portion of the change out, two older and relatively small chillers (labeled as chiller "C" and "D") will be replaced with larger, more energy efficient chillers to support the construction of new facilities and building expansions on the Belknap Campus. This move will also allow the university to comply with the requirements of the Clean Air Act Amendments of 1990. The banned refrigerants are no longer manufactured and will become more expensive to acquire as the existing stock dwindles. Some replacement refrigerant is need each cooling season and the university wishes to use only permitted types.

131 WKU - E & G BUILDING INTERIOR PROJECTS - \$487,000

A list of deferred maintenance projects is submitted with this request and includes painting, door lock key core changes, floor finish replacement in several buildings, replacement of ceiling tile, sound control equipment in Ivan Wilson Center, upgrade an elevator, correct transoms over doorways to comply with building code and other miscellaneous improvements.

132 WKU - WESTERN KY. UNIVERSITY CLOCK AND BELL SYSTEM - \$820,000

The central clock and bell time mechanisms have malfunctioned and signals to some buildings have been lost. This request is for a project to make the necessary repairs and upgrade the system to correct these problems.

133 ECU - RESIDENCE HALL MAJOR RENOVATION - \$10,000,000

The university residential student of today is demanding different housing conditions from those traditionally provided. They expect living suites as opposed to individual rooms sleeping two to four students, and they also expect private or semi-private bathrooms. To ignore these demands is to take a risk of empty campus housing. This project will renovate

some of the existing housing stock on campus providing suites, newer restrooms and baths, repairs and replacement of plumbing systems, upgrading of electrical service, repair of floors and ceilings, new carpeting and replacement of furniture.

134 WKU - RENOVATION OF GLASGOW CAMPUS - \$5,500,000

Glasgow campus houses a significant portion of Western's extended campus programs which are housed in a former school building. Actually, five buildings are connected and three were built in 1926 and two others were built in 1962. None have central air conditioning and window units are employed to cool some of the classrooms and offices. The buildings are not ADA compliant and are lacking in life safety codes and energy usage guidelines. The buildings have experienced some serious roof leaks in recent years, causing damage to refurbished interior finishes. All finishes, mechanical systems and building structures will require extensive improvements to provide a modern and comfortable as well as safe teaching facility,

135 UKUS - AGING/ALLIED HEALTH BUILDING - PHASE II - \$33,000,000

This new facility will allow consolidation of 14 undergraduate and graduate programs consisting of Clinical Lab Sciences, Clinical Nutrition, Physical Therapy, Physician Assistant Studies, Radiation Sciences, Communication Disorders, Health Administration, and Health Science Education. These programs exist in approximately ten locations around the campus. Program consolidation would benefit from better management, information technology, and sharing of clinics and labs for teaching, research, and service. The combination of these two programs in one facility will provide opportunities to study subjects such as administration of nursing homes, ethical issues related to aging, nutrition, avoiding institutionalization, and common concerns about access to health care, especially advances in national health care.

136 UofL - MULTI-CULTURAL CENTER BUILDING - \$4,809,000

This building will be located on the Belknap Campus and will house office space and meeting rooms for the newly-established Multi-Cultural Center. This will support student services and public service programs. The "University-wide Strategic Directions" identifies this facility as one of the university's top priorities to "promote racial and ethnic diversity." This building will help the university meet that goal. Approximately 22,500 students, 1,700 faculty and 2,900 staff will be accommodated by this facility.

137 NKU - NEW UNIVERSITY CENTER - \$18,000,000

Because the NKU campus is essentially a commuter campus, there are great demands for student activity space for time between or following classes. The existing building, constructed in 1976 to serve 5,637 students, lacks adequate space for building functions and occupants and will be converted under a separate request into a Student Services

building. The construction of a new University Center on a site next to the present building will alleviate the inadequate space problems for all programs and activities associated with the facility and a greatly expanded student body since that building was constructed. Included will be a grill, cafeteria, multiple dining rooms, a ballroom, lounges and recreational spaces, meeting spaces, and office space.

138 UKCC - HAZARD - CLASSROOM BUILDING PHASE II - \$6,500,000

The second phase of the Hazard Community College Classroom Building will consist of approximately 42,000 gross square feet and will include specialized classrooms for science, math and technology, the East Kentucky Challenger Learning Center and a small science/technology museum. All of these functions will be designed to support KERA related activities in the region. Additionally, the facility will include a child care and family life training center with the purpose of providing a center for the transition of welfare participants into the workforce. A family life and wellness center will be housed in the facility as well as several general classrooms and faculty offices. Another feature of the facility will be interconnectivity to other centers in the region via telecommunications. Additional parking will be included in the project.

139 EKV - BUREAU OF TRAINING HOUSING/EDUCATIONAL COMPLEX - \$20,000,000

A dormitory housing complex will be constructed for use by participants in the Bureau of Training program. The facility will be erected on the site of the current training facilities. Formerly, these students were housed off-campus in a former motel which was not adequate housing for this level of student. The motel has since been sold by the University so that this project could be developed and result in these students being housed on campus.

140 UKUS - AGRICULTURAL PLANT SCIENCE FACILITY - \$23,650,000

This new facility will provide necessary space to allow further development of the programs in the Departments of Agronomy, Plant Pathology, Entomology, and Horticulture. All office and laboratory space in the Agriculture Science North Building is fully utilized. This facility will be designed to provide space that is biotechnically up-to-date for the conduct of research. Ten-thousand square feet of environmentally controlled plant growth space will be included for research in the development of Kentucky agriculture's potential. Faculty, staff and administrative offices and laboratory classroom space is also included in the project. The 1990 General Assembly authorized a similar project at \$8,701,000 from agency funds.

141 WKU - LIBRARY EXPANSION AND RENOVATION - \$16,874,000

Currently, the library occupies the Helm Library (originally built in 1931 as a basketball arena) and the upper floors of the Cravens Graduate Center which was built in 1971. The

expanding collection and heavy student usage has created a need for additional space for both stacks and seating. Technology in the form of computers has also increased space requirements. In order to address these needs, an addition in the form of a high rise tower will be constructed adjacent to the Cravens Library. Additional space will permit the complex to be reorganized in a manner to allow the most efficient use of space and increase operational efficiency.

142 MoSU - COMMUNITY & ECONOMIC DEVELOPMENT CENTER & HARDWOOD INSTITUTE - \$12,000,000

This center will provide training, continuing education activities and economic development for the 22 county service area of MoSU in eastern Kentucky. The latest technology will be available to assist primary and secondary hardwood industries as well as be the center for economic development and training for current or potential small business development. Distance learning instruction could be utilized in basic education, undergraduate and graduate instruction. Teacher training and other programs to support the initiatives of KERA would also be offered via distance learning at this facility.

143 UKCC - LEXINGTON - CAMPUS EXPANSION - PHASE I - \$18,800,000

This project will involve the development of a second campus for the Lexington Community College. Enrollment has increased 80 percent since 1986 and has greatly outgrown the existing campus. An enrollment of over 5,000 students required LCC to lease space on Winchester Road and in 1993 to open a third campus to accommodate the growth. Enrollment is expected to grow to approximately 8,000 students by 1998 and to 10,000 by the year 2002. Land to expand and accommodate the expected growth is not available at the present location. Development of a second campus will include space for general academic course offerings, office space for faculty and staff, student areas/lounges, engineering and manufacturing technologies, and community service/education programs. The first phase will include site development and preparation to include access roads and parking. Construction of the first facility will provide space for general academic course offerings, office space for faculty and staff, student areas and lounges, engineering and manufacturing technologies and community service/education programs. Expansion plans may include a multi-campus concept including sites in downtown Lexington and/or on Lexington's north and south sides.

144 UKUS - BIOLOGICAL SCIENCES BUILDING PHASE I - \$15,000,000

Additional teaching and research laboratories are needed and they should be state-of-the-art including modern fume hoods which meet the very stringent current standards. The School of Biological Sciences has begun research and teaching in the area of Molecular Biology and current space is not available or suited for work in these areas. Research funding on the Lexington campus continues to expand and this project supports the policy of improving the university standing among national research universities and is in keeping

with the Center for Excellence required under HB 1.

145 UKCC - MADISONVILLE - SCIENCE/TECH. CLASSROOM BUILDING - \$5,400,000

This new facility will house general classrooms, laboratories and office support space for the Physical and Biological Sciences divisions. Included will be space for general studies courses such as biology and chemistry plus related technical programs including engineering technology, CAD and other allied health programs.

146 ECU - EXTENDED CAMPUS - CORBIN - \$10,000,000

Leased space for this extended campus is inadequate and appropriate space is not available without construction of specifically tailored space. The facility will include both classrooms and administrative space while permitting the termination of leases for this center.

147 MoSU - PLANT FACILITIES CONSTRUCTION - \$2,000,000

Physical Plant operations are located in a nearly central campus location with little space to expand and this location is more valuable as campus expansion space. A more suitable site for Physical Plant and the central receiving facility is adjacent to the central power plant, releasing the current campus area for other uses requiring a central location. The new facility will provide office, motor pool, carpentry, locksmith, recycling and related shops.

148 UofL - ENTREPRENEURSHIP CENTER - TRAINING & BUSINESS DEVELOPMENT (SHELBY) - \$19,033,000

This facility will focus on university/industry relationships in support of technology based economic development; a business incubator expansion program; conference facility with state-of-the-art instructional technology; distance learning capabilities; and research park activities. In using these facilities, the university will offer continuing professional education, contract meeting management, technical programs, short courses, seminars, conferences, and workshops covering the breadth of the University's degree programs. An additional part of this request is the construction of a new access road into the Shelby Campus from Hurstbourne Lane. Previously, this was a stand alone capital request.

149 UKUS - STORM SEWER IMPROVEMENTS - FUNKHOUSER - \$800,000

Inadequate drainage in the area of Funkhouser Building has resulted in periodic flooding of five major campus buildings. Construction of new buildings in this area of the campus has aggravated the situation. New storm lines, manholes, basins culverts and/or tunnels will alleviate this flooding with new drainage toward Limestone Street.

150 UKUS - CHILLED WATER ADDITIONS \$700,000

These improvements will relieve an inadequate chilled water flow created by the addition of new buildings without upgrading the chilled water pumping and piping design. New and existing buildings on the North Campus loop will be connected to the central system and a 24" chilled water main will be extended from the Research #3 building into the Rose Street/Limestone triangle.

151 WKU - REGIONAL PERFORMING ARTS CENTER - \$22,437,000

This building is proposed for the WKU Visual and Performing Arts programs and will be a collaborative effort with the Bowling Green and Warren County public agencies to provide quality space for performing arts, concerts, dance recitals, theatrical productions and other art displays or performances. This new Center is planned to include a large auditorium for major performances, four rehearsal halls, classrooms, computer labs related to computer-in-the-arts programs and space for art displays and exhibits.

152 EKV - FIRE SCIENCE BUILDING PHASE II - \$5,000,000

This new facility is proposed to contain 30,036 square feet of laboratory, classroom, and office space. It will include computer, chemistry of fire, and hazardous materials laboratories; emergency services training area; fully-functional fire detection and suppression systems; fire extinguisher service laboratory; general classrooms; and faculty offices. It will offer hands-on experience in the design, construction, and operation of fire protection and safety systems. In addition, the facility will help meet critical training needs of private industry and public fire service personnel and relieve overcrowded conditions in the Stratton Building.

153 UKUS - RURAL HEALTH EDUCATION CARE CENTER - \$24,000,000

This project is in response to the Health Care Reform Act of 1990 which calls for the UK Medical Center to develop a Center of Excellence in Rural Health care providing research, instruction, and service for all rural Kentuckians. This request will provide an academic and clinical services building for the Rural Health Center and the Allied Health programs which will be located in Hazard as a part of the community college. The facility will support programs in rural health services research, graduate education in nursing, baccalaureate programs in physical therapy and medical technology and medical residency training in family practice, emergency medicine, radiography and clinical lab technology. Continuing health care education and technical assistance programs serving all of Southeastern Kentucky will also be housed in the facility. Included will be clinical exam rooms, diagnostic facilities, various class labs requiring specialized teaching equipment, a small auditorium, computer lab, interactive classrooms and offices.

154 UKCC - LONDON/CORBIN COMMUNITY COLLEGE - PHASE 1 - \$7,500,000

This project will provide for the first phase of construction of a new community college campus in the London/Corbin area. The site to construct this campus will be donated to the University by local governmental agencies. This first phase is proposed to include a Science/Classroom Building, a Learning Resource Center and parking for 350 vehicles. In addition to the typical library services, the LRC will also house a Distance Learning Center, Computer Labs with Internet access and a Tutoring/Remedial Instruction Center.

155 KSU - CENTER OF EXCELLENCE FOR STUDY OF KENTUCKY AFRICAN-AMERICANS - \$9,915,000

The project will provide a facility to support the history of Kentucky African-Americans. It will cover diverse programs such as art, artifacts, music, sculpture, rare documents and photographs and spaces for the study of those cultural aspects. It will be equipped for the periodic development of new program exhibits and study functions in order to derive the most educational benefits from continual visits.

156 NKU - SAFETY LIGHTING - \$870,000

The primary access routes into the campus are from U.S. 27, Johns Hill Road and Three Mile Road. These access roads do not have development and therefore have no street lighting. Since the evening instructional program is nearly as large as the daytime, darkness presents a safety hazard for students and faculty. Addition of this street lighting will help prevent accidents and improve the security of all campus visitors.

157 UKCC - SOUTHEAST CC - WHITESBURG ACADEMIC/TECHNICAL BUILDING - \$5,100,000

This multi-purpose facility will address the college's need for specialized laboratories and general classrooms in Whitesburg. Presently, the college occupies a 14,500 square foot facility which contains six classrooms, limited administration space and a small library plus a new laboratory building addition provided by the city. This project will equip 38,500 gross square feet of new space for use as general classrooms, science and technology labs, faculty and administrative offices all of which are now in short supply. With enrollment expected to grow to 800 within a short period of time, this is an essential addition to the Whitesburg campus.

158 UKCC - PADUCAH - CLASSROOM/SERVICES BUILDING - \$4,600,000

The college has tripled in enrollment during a period when the number of classrooms has increased by only seven, and six of these are shared equally with the area vocational/technical school. This new building will provide general classrooms, computer laboratories, faculty support services and student and administrative support services which

are now located in very cramped quarters on the second floor of Carson Hall which is not handicapped accessible. Admissions, registration, counseling and financial aid will be provided adequate space which is accessible to the student body. The new facility will also include space for community education, business and industry training, and distance learning.

159 UKUS - MEDICAL CENTER CHILLED WATER LOOP \$500,000

This project is necessary to reduce the connected load on Cooling Plant #3, and provide backup cooling for the Primary Medical Center Building from the Cooling #1 and #2 system. This loop is needed to properly satisfy the cooling needs of existing Medical Center buildings. In addition, the planned connection of Cooling plant #1 to the Medical Center system cannot be fully utilized until this project is complete.

160 UKUS - ELECTRICAL SUBSTATION #1 & #2 CONNECTIONS \$1,500,000

Two new transmission interconnect circuits complete with all switches, relays, disconnects, structures and monitoring equipment, etc. will be installed between Substation #1 and Substation #2 to provide relief for an inadequate underground transmission and distribution system. The system is currently fully loaded and subject to overloads and blackouts.

161 EKU - DEPARTMENT OF JUVENILE JUSTICE TRAINING ACADEMY - \$10,000,000

The 1996 Regular Session of the Kentucky General Assembly enacted HB 117 which created for the first time in the Commonwealth a unified juvenile justice agency responsible for probation, residential care, day treatment, aftercare and detention services. The new Department of Juvenile Justice (DJJ), within the Kentucky Justice Cabinet, assumed responsibility for a full range of youth services in December, 1996. One of the major initiatives of the DJJ has been in the area of staff training and this request would create on the EKU campus a consolidated residential, classroom, and administrative Training Academy in one multi-purpose facility. It is proposed that the facility house 60 trainees for overnight accommodations while in training at this facility.

162 WKU - REPLACEMENT OF SCIENCE AND TECHNOLOGY HALL - \$13,000,000

The existing Science and Technology Hall will be demolished and a replacement structure built in its place. The present structure is structurally deficient, in poor condition due to age and weathering, and is not a very useable layout for the departments of Engineering Technology, Public Health, and Computer Science. The new building will be built on the same site as the present building and will be designed to work efficiently for these departments as well as meet all current codes and energy efficiency standards.

163 UKCC - JEFFERSON - SCIENCE /ALLIED HEALTH - \$15,500,000

General classroom space, science labs, study areas, and faculty and administrative offices are included in this new project for the science and allied health departments. Improvements in the delivery of science, technology and allied health will be accommodated in this facility which is proposed to be located on Broadway in downtown Louisville. Because this site is now used for critically needed parking, a multi-level parking structure must be a part of the design package in order to not lose any parking which cannot be provided anywhere else.

164 UKCC - OWENSBORO - ACADEMIC/CLASSROOM BUILDING - \$4,600,000

The primary programmatic need for this facility is to provide general classroom and office space to serve current instructional programs experiencing the greatest enrollment increases. These include English, Mathematics, Communications. Other programmatic needs are for biology labs, theater instructional labs and telecommunications facilities. Office space will be provided for student service functions also. Parking and site development are included in the project.

165 UKCC - ELIZABETHTOWN - TECHNICAL EDUCATION CENTER - \$5,200,000

This new construction project on the existing community college campus will provide space for seminars and training for business and industry, laboratory space for quality process technology, short-term technical training, mobile allied health programs, computer laboratory space for business technology, storage space, faculty and staff offices, classrooms and additional space for maintenance and operations. Site development and parking are to be included in the project.

166 UKUS - HIGH SECURITY ISOLATION FACILITY - \$9,800,000

Horses with contagious and infectious diseases will be housed in this facility for research projects and safety of employees and animals. Thirty isolation rooms housing up to 60 horses will be provided along with all necessary support spaces and isolation equipment. The building will be located on Main Chance Farm. All supply and exhaust air will be HEPA filtered for safety and integrity of the research.

167 MuSU - PEDESTRIAN MALL - \$692,000

This project will complete the north end of the pedestrian mall and create a safe traffic route for students walking from the dormitories to the main classroom areas. Vehicular traffic will be eliminated from this area of heavy student traffic.

168 UKUS - KENTUCKY POLICY RESEARCH CENTER - \$3,300,000

Construction of this new facility will provide new and expanded office space for existing RGS multidisciplinary research units including the Appalachian Center, the Survey Research Center and the Kentucky Water Resources Research Institute which conduct policy research and render technical support to state, area and local governments.

169 UKUS - CENTER FOR GRADUATE STUDIES AND RESEARCH SUPPORT SERVICES - \$8,250,000

This project will house and consolidate operations of the Graduate School and the research administration support services units which are currently located in very limited space in Kinkead Hall. It will also bring back to a central campus location several social and behavioral centers and institutes now occupying rented or leases space off campus. Both the graduate program enrollment and grant administration for research have experienced rapid growth at UK and facilities to house the functions are no longer adequate. An added benefit of this new structure will be accessibility under ADA which is impractical in the present location.

170 UKUS - SPECIALIZED GREENHOUSES - \$3,550,000

The departments of Agronomy, Plant Pathology, Entomology and Horticulture require uncontaminated and environmentally stable greenhouse space for conducting research free of atmospheric contaminants. These greenhouses will provide controlled conditions for this research. The building is to be located in the Agriculture Science area on the south campus off South Limestone .

171 UKUS - ANTHROPOLOGY BUILDING - \$3,550,000

The Department of Anthropology is now located in Lafferty Hall. The new facility location has not been determined but will include approximately 31,000 square feet of space to house all of the Department of Anthropology, Office of State Archaeology, the Museum, the Program for Cultural Resource Assessment and the academic component in one location. The Museum, Program for Cultural Resource Assessment, Office of State Archaeology, laboratory and classroom space are all located in leased space at an off campus site. The lease may not be extended when it expires in two years and the focus of this project is to consolidate all these related functions in one location on the Lexington campus.

END OF PROJECT DESCRIPTIONS

CAPITAL PROJECTS REFERENCE TABLES AND DEFINITIONS

<u>TABLE DESCRIPTION</u>	<u>TABLE NUMBER</u>	<u>PAGE</u>
Capital Construction Project Type	TABLE A	1
Equipment Type	TABLE B	3
Information Technology Equipment Type	TABLE C	5
Real Property Lease Type	TABLE D	7
Need Addressed	TABLE E	8
Equipment Utilization	TABLE F	11
Program Purpose	TABLE G	12

TABLE A
CAPITAL CONSTRUCTION PROJECT TYPE

GL Capital Grant/Loan Program

A special purpose funding project that provides financial assistance to non-state agencies or entities, including development and public infrastructure projects, even if the individual projects cannot be identified at this time and if the individual project scopes might exceed \$400,000:

- Economic and community development grant and loan projects.
- State and federally-supported drinking water and wastewater loan and grant projects and local government agency infrastructure projects.
- Public school facilities in local school districts.
- Flood control projects.

DE Demolition

A project to raze a building because it is considered unsafe or structurally unsound and for which it is considered cost prohibitive to make the repairs necessary for occupancy. If the "Demolition" project is separate from, but related to, a "New Construction" project, the agency must make clear reference to the planned "New Construction" project in the description of the "Demolition" project.

MA Major Alteration

A project which may or may not enlarge an existing structure, but which will prepare the facility for a new and different purpose or function.

ME Major Expansion/Addition

A project which will enlarge an existing structure, but the current use is retained.

MM Major Maintenance

A non-routine improvement which will maintain a facility's condition and use, the cost of which equals or exceeds \$400,000.

MR Major Renovation

A project which will not enlarge an existing structure, and the current use is retained.

PP Multiple Projects Pool

A pool of funds to finance multiple projects, including:

- Multiple minor capital construction projects - projects estimated to cost less than \$400,000 each. These minor projects may be similar to the major projects categories outlined above in the type of work performed; however, they qualify as minor projects by virtue of their limited costs. (Any individual project costing \$400,000 or more may not be included in a pool, but must be submitted as a separate project.)
- Multiple environmental projects (such as hazardous waste cleanup and underground storage tank projects), even if the individual projects cannot be identified at this time and if the individual scopes might exceed \$400,000.

NC New Construction

A new, free standing facility. If a "New Construction" project requires the demolition of an existing structure, and the "Demolition" project is planned as a project separate from the "New Construction" project, the agency must make clear reference to the separate "Demolition" project in its description of the "New Construction" project.

AQ Property/Structure Acquisition

The purchase or lease-purchase of land or a facility or other structure for the benefit of the agency's use in its operation.

TABLE B
EQUIPMENT TYPE
(other than information technology)

AD Administrative

Includes printing, duplicating, and any other major equipment necessary to accomplish administrative functions.

AR Aircraft/Aircraft Parts

Acquisition and/or major maintenance of fixed-wing aircraft and helicopters, including time-life replacement parts.

AE Arts/Educational

Equipment needed for arts facilities and activities, and educational and technical training programs.

LB Forensic or Regulatory Lab

This category should be used to identify forensic, regulatory, and other program laboratory equipment. It does not include educational, scientific, medical, or research equipment, nor items required to be submitted to KIRM as part of information resources planning.

MV Major Vehicles

Transportation vehicles (excluding aircraft), such as buses and trucks, estimated to cost \$100,000 or more each.

PC Patient Care

Equipment used primarily for the examination, diagnosis, treatment and care of patients in a clinical setting.

SR Scientific/Medical/Research

This category refers to scientific equipment to be used in instruction, medical, or research laboratories or settings.

OT Other (specify)

This category should be used to identify an equipment type which is not reflected in the preceding categories. If this category is used, the agency should make a special effort to describe the equipment type clearly and completely.

This category may be used to identify pools containing multiple items of different types (not identical). If so, it should be specified as a "pool."

TABLE C
INFORMATION TECHNOLOGY EQUIPMENT TYPE

DC Departmental/Distributed Computing

Systems in multi-locations throughout an organization working in a cooperative manner. Distributed computing is based on the client-server model which provides a wide range of computer services and applications regardless of the location of the user or required resources.

BR Interactive/Broadcast Radio

Projects for the transmission of radio signals.

BV Interactive/Broadcast Video

Projects for land-based or satellite transmission of video.

GI Geographic Information System

A computer system capable of assembling, storing, manipulating, and displaying data identified by its location. This includes the acquisition of digital spatial data products.

IM Imaging

The use of information technology systems to record "human-readable" images (e.g. pictures, images, motion, text, etc.) into "machine-readable" formats (e.g., microfilm, computer data, videotape, OCR output, ASCII codes, etc.). This includes the capabilities to create, scan, analyze, enhance, interpret, and display images, including back-file conversion of existing hardcopy records.

LN Local Area Network

User owned/operated data transmission facility connecting several devices within a single building or a collection of buildings.

MC Mainframe Computing

A large data center computer configuration which houses multiple departmental and cross-departmental, statewide systems.

PE Private Branch Exchange

A telephone switch on customer premises that connects users to the public switched network, provides switching within a customer area, plus enhanced features.

SM Scientific/Medical/Research

Computing or communications equipment used primarily for science, medicine, or research, as opposed to primarily information management.

WN Wide Area Network

A voice/video/data transmission facility connecting dispersed sites via long haul networking facilities.

OT Other (specify)

This category should be used to identify an equipment or system type which is not reflected in the preceding categories. If this category is used, the agency should make a special effort to describe the equipment or system type clearly and completely.

Source: Kentucky Information Resources Management (KIRM) Commission.

TABLE D
REAL PROPERTY LEASE TYPE

ES Existing

A lease for a location housing agency offices/activities under a lease agreement in effect as of July 1, 1996.

EX Existing/Expansion

A lease to increase the square footage in a location housing agency offices/activities under a lease agreement in effect as of July 1, 1996.

NE New

A lease for space which the agency did not occupy as of July 1, 1996. This lease will not replace an existing lease.

NR New/Replacement

A lease, for space which the agency did not occupy as of July 1, 1996, which will replace a single existing lease. The lease may or may not involve an increase in square footage over that occupied under the existing lease.

NC New/Consolidation

A lease, for space which the agency did not occupy as of July 1, 1996, which will replace multiple existing leases in order to consolidate offices/activities of the agency currently housed in multiple locations. The lease may or may not involve an increase in square footage over that occupied under the existing leases.

TABLE E

NEED ADDRESSED

*(Italics indicate options available for information technology equipment, only. *)*

DA Decision Support and Analysis

The use of system tools, such as expert systems, data warehouses, visualization and predictive modeling, that concentrate on providing users with analytical capabilities to enable better decision-making.

DS Direct Service

The use of information technologies to provide and/or enhance the delivery of program and client services.

DL Distance Learning

Use of video and supporting information technologies to supplement, enhance, and improve access to instruction by the transmission of instruction from one location to one or more remote locations.

ES Expanding Current Service Level

Projects that will alleviate existing overcrowding and/or accommodate an increasing demand for existing programs.

GM Government Mandate

Projects that are required to meet mandates of state and/or federal legislation, courts, or regulatory agencies including those to meet requirements of the Americans with Disabilities Act, underground storage tank removal, and the Clean Air Act Amendments of 1990 (fluorocarbon emission control). This category is also to be used for projects to address improvements/upgrades to meet codes and for other modifications to facilities such as asbestos abatement and radon control.

(NOTE: When this category is used, the project description must clearly and specifically reference the mandate/requirement being addressed.)

IA Information Access and Dissemination

The use of information technologies to provide and/or enhance electronic access and dissemination to information.

LS Life Safety

Projects to address conditions which can or do impose an immediate threat to the life, safety, or health of building occupants or the general public.

(Projects for handicapped access related to the Americans with Disabilities Act (ADA) should be identified under the Government Mandate category.)

NI Network Infrastructure

The use of information and communication technology systems and/or equipment for the provision and/or access to interoperable communications avenues for the transmission of data, video, image, and voice in the Commonwealth.

PI Protect Investment in Plant

Projects to preserve or extend the useful life of a facility (e.g., roof replacement/repair, HVAC system repair, upgrading mechanical system, refurbishing interior, and repair of building envelope).

NS Providing New Service

Projects to meet the requirements for new programs that will be initiated during the planning period, and are not for the modification or expansion of existing programs.

SC Space Consolidation

Projects to consolidate existing programs and agencies that are housed at multiple locations, including such projects that identify the need for additional space.

RR Space Realignment/Remodeling

Projects that transform the interior space arrangement and other physical characteristics of an existing facility or structure, for more effective space utilization in its current function, or to meet the needs of another function.

SP Special Purpose

Projects of the following agencies:

- Economic Development Cabinet - line-item and pool funding for economic development loans and grants, as well as community development grants;
- Kentucky Infrastructure Authority - pools or projects, including federally-supported wastewater projects, state-supported drinking water and wastewater loan and grant projects, local government agency infrastructure projects, short-term financing for

infrastructure projects approved for federal funding, solid waste management projects, and other public infrastructure projects;

- School Facilities Construction Commission - financial support to assist local school districts with the debt service costs associated with bond financing of public school facilities; and
- Department for Local Government - flood control projects.

UT Utilities

Requirements for a new system, including major expansions to serve newly-constructed facilities; or major (\$400,000 or more) repairs or improvements to existing systems for chilled water, steam, electrical distribution, natural gas, and storm and sewer systems.

OT Other (specify)

This category should be used to identify a need addressed which is not reflected in the preceding categories. If this category is used, the agency should make a special effort to describe the need addressed clearly and completely.

*Source: Kentucky Information Resources Management (KIRM) Commission.

TABLE F
EQUIPMENT UTILIZATION

NE New

The item is new and would provide capabilities not currently available to the agency. This category should also be used if the equipment being obtained is additional units of items currently being used by the agency; it will increase capacity, not replace the existing equipment.

RD Replacement/Dispose of Existing

This item will replace existing equipment; the equipment being replaced will be disposed of (not retained and used elsewhere within the agency or made available to other agencies).

RR Replacement/Retain Existing

The item will replace existing equipment; the equipment being replaced will be retained and used elsewhere within the agency.

RS Replacement/Surplus Existing

The item will replace existing equipment; the equipment being replaced will be made available to other agencies.

UG Upgrade

The item will enable existing equipment to be retained in its current use with enhanced capabilities.

OT Other (specify)

This category should be used to identify an equipment utilization category which is not reflected in the preceding categories. If this category is used, the agency should make a special effort to provide a clear and complete description.

TABLE G
PROGRAM PURPOSE
(universities only)

CM Combination (specify)

Includes equipment that cannot be specifically included in any of the categories below because of its broad use to support activities in two or more categories (the categories must be specified).

IN Instruction

Includes all equipment used specifically for credit and non-credit instruction for academic, vocational, and remedial purposes in regular, special, and extension sessions (includes general academic instruction, occupational/technical instruction, community education and preparatory/adult basic education).

HS Public Service (Hospital)

Includes equipment associated with the patient-care operations of a university-operated hospital (includes direct patient care, health care supportive services, administration of hospitals, and physical plant operations). Excludes equipment that is more appropriately classified as instruction or research.

PS Public Service (Other)

Includes equipment for activities established primarily to provide non-instructional services beneficial to individuals outside the institution (includes community service, cooperative extension services, and public broadcasting services).

RE Research

Includes equipment specifically intended to produce research outcomes whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution (includes individual and/or project research, departmental research, institutes and research centers).

SP Support (Academic/Institutional)

Includes equipment for those activities carried out to provide for both day-to-day functioning and the long-range viability of the institution as an operating entity (includes executive management, fiscal operations, general administration and logistical services, administrative computing support, library support, public relations/development, financial aid administration, student admission, student records, course and curriculum development, student health services, audio-visual services, academic computing support,

academic administration, museums and galleries, ancillary support, and intercollegiate athletics).

OT Other (specify)

Includes acquisition of equipment such as transportation vehicles (excluding aircraft), trucks, buses, dozers, graders, garbage trucks, etc., estimated to cost \$100,000 or more each.

Source: Kentucky Council on Higher Education.

1996/98 AGENCY BOND POOL DISTRIBUTION

November 3, 1997

Recommendation:

That CPE approve the authorization of \$1.0 million to the University of Kentucky from the residual agency bond authority for 1996/98. The project authorized to be completed is the Clinical Teaching/Support Labs renovation. (Attachment A summarizes the recommendation and Attachment B provides a description of the project.)

Rationale:

- The 1996 General Assembly established a \$35.0 million agency bond pool for universities to fund projects as recommended by CPE.
- At its July 15, 1996 meeting, CPE approved an allocation of \$24,321,000 and directed that the agency bond authority of \$10,679,000 be held in reserve for possible allocation later in the biennium using the same criteria as that prescribed in the original process.
- The recommended project is included in the list of bond projects recommended by CPE in November 1995 for authorization and funding in the 1996/98 biennium.
- Agency bond projects represent only the revised priority projects of institutions that will be issued during the current biennium and have a specifically identifiable revenue source for payment of debt service. The total amount of bonding recommended for the project (\$1,000,000) is well within the scope of the residual authority (\$10,679,000).
- The source of debt service is Dental Clinic revenue and there are no additional costs for operations and maintenance.

Background:

In November 1995, CHE recommended to the Governor and the General Assembly that agency bonding authority of \$35.0 million be authorized and that projects to be completed from the pool be recommended by CHE to the Secretary for the Finance and Administration Cabinet.

Language in the 1996/98 appropriations act directed CHE to recommend to the Secretary of the Finance and Administration Cabinet the distribution of the \$35.0 million pool to the institutions. Authorized projects are to be from either the list of agency bond projects recommended by CHE in November 1995 or the one additional project specifically included in the 1996/98 appropriations act.

The process employed for the allocation of the pool is the same process developed by CHE and institutional staffs for allocation of bond pools in the 1992/94 and 1994/96 biennia. The allocation system is designed to maximize the impact on capital needs while ensuring equitable treatment among the institutions.

Allocation Methodology

In September 1997, each institution was requested to review its remaining list of eligible projects and identify any additional projects, which have a specific revenue source in 1996/98 to cover the associated debt service requirements. Following review of the project list, only the University of Kentucky requested CPE consideration for agency bond authority. This recommendation advances to CPE a single project, which totals \$1,000,000.

Following CPE action at the November 3 meeting, staff will forward the CPE recommendation to the Secretary of the Finance and Administration Cabinet for necessary action.

**1996/98 Agency Bond Pool Authorization
Recommendation for Residual Pool Allocation**

<u>Institution/Project</u>	<u>Agency Bonds</u>
Eastern Kentucky University	None Requested
Kentucky State University	None Requested
Morehead State University	None Requested
Murray State University	None Requested
Northern Kentucky University	None Requested
University of Kentucky Clinical Teaching/Support Labs Renovation*	\$1,000,000
University of Louisville	None Requested
Western Kentucky University	None Requested
System Total	\$ 1,000,000

Note:

*UK Clinical Teaching/Support Labs Renovation total project scope is \$2,000,000.

**AGENCY BOND POOL RECOMMENDATION
PROJECT DESCRIPTION**

University of Kentucky - University System:

Clinical Teaching/Support Labs Renovation (College of Dentistry)

The total project scope is \$2,000,000; the difference will be made up with agency funds. This project will allow renovation of approximately 12,000 gross square feet of clinical teaching laboratory space in the College of Dentistry to improve operational efficiency of the clinics, enhance the instructional training of dental students, and improve patient care. The renovation will correct functional deficiencies, improve the aesthetic quality of the clinics, and replace outdated equipment that is nearly 20 years old and no longer meets the new training methods being taught in the dental college.

The dental clinical laboratories directly support the teaching and patient care programs of the College of Dentistry. Areas of the dental clinic need to be renovated to improve efficiency, improve infection control and enhance patient care.

October 2, 1997

Dr. Gary S. Cox
Acting President
Council on Postsecondary Education
1024 Capital Center Drive
Suite 320
Frankfort, KY 40601-8204

Dear Gary:

In response to your recent letter regarding the 1996-98 agency bond authority, we have reviewed the eligible projects for the University of Kentucky 1996-98 agency bond pool. Based on this review, we are requesting additional agency bond authority from that pool of \$1,000,000 for the Clinical Teaching/Support Labs Renovation (a College of Dentistry renovation to improve the operational efficiency of the clinics, enhance the instructional training of dental students, and improve patient care). We anticipate that we would sell these bonds in Spring 1998. Please let us know if any additional information is needed for approval of this request.

Sincerely,



Charles T. Wethington, Jr.
President

CTW:bmr

c: Edward A. Carter
George DeBin
James W. Holsinger, Jr.
Henry Clay Owen
Joan E. McCauley

RECEIVED
OCT 13 2 37 PM '97

1996-1998 KENTUCKY BRANCH BUDGET
CAPITAL BUDGET REQUEST: CAPITAL PROJECT RECORD
(All dollars rounded to next \$1,000)

09/11/1995
14:17:12

CAPITAL BUDGET FORM CB-02

Capital Budget Request Priority: Cabinet Agency 5

Branch 3 EXECUTIVE BRANCH
Cabinet/Function 45 CABINET FOR UNIVERSITIES
Agency/Institution 455 UNIVERSITY OF KENTUCKY
Service Unit 7000 MEDICAL CENTER
Sub Unit A000 DENTISTRY

PROJECT DOCUMENTATION

Project Title: UK-US - Clinical Teaching & Support Labs Renovation
Item Number:

Six-Year Capital Plan Priority Number 1996-1998: Cabinet 35 Agency 5
1998-2000: Cabinet Agency

Location: 034 Fayette

Reauthorization - Is this a currently authorized project which is being requested for reauthorization and/or additional funding? N/A

Capital Project Type: MR Major Renovation
Primary Need Addressed: LS Life/Safety
Other Needs Addressed: PI Protect Investment in Plant
RR Space Realignment/Remodeling

Universities Only: Type of Space to be Addressed by this Project
EG Educational and General

Project Description

This project calls for renovation of approximately 12,000 g.s.f. of clinical teaching laboratory space in the College of Dentistry to improve operational efficiency of the clinics, enhance the instructional training of dental students, and improve patient care. The renovation will involve correction of functional deficiencies, improvement in the aesthetic quality of the clinics and replacement of outdated equipment that is nearly 20 years old and no longer meets the new training methods being taught in the Dental College.

Project Purpose

These dental clinical laboratories directly support the teaching and patient care programs of the College of Dentistry. Thus, the dental clinics' areas need to be renovated to improve efficiency, improve infection control and enhance patient care. Existing facilities and equipment are increasingly difficult to repair and maintain and, in many instances, no longer meet the new training methods being taught in the Dental College. In addition, the existing clinics make it difficult to maintain the increasingly high standards of housekeeping and infection control that are so important in today's dental facilities.

UK-US - Clinical Teaching & Support Labs Renovation Page 1

Operating Budget Relationship

No additional operating budget funds will be required by this project. This \$4 M project was originally requested in the 1992-94 biennium, but was only approved for \$1.5 M dollars as part of the agency bond pool. Therefore, additional authority to complete the project is needed.

Universities Only: Basis In/Reference to Campus Master Plan

This project improves space inside an existing building and is in compliance with the Campus Master Plan.

Universities Only: Basis In/Reference to Institution Plan

The University will strengthen the development and stewardship of its human, fiscal, and physical resources by:

1. Ensuring the University's land, buildings, and equipment are utilized effectively, well maintained, improved, and managed in an environmentally conscious manner.
2. Creating service-oriented campus environments responsive to the University community and the public.
3. Enhancing its public service efforts.
4. Creating an environment and ensuring the safety and health of every Kentuckian.

Universities Only: Basis In/Reference to Statewide Strategic Plan

Has this item been requested in a prior biennial budget request? Yes

If yes, identify the biennia and the project name

1992-94 Budget, Clinical Teaching Lab Renovation

PROJECT BUDGET

Has this project been reviewed by the Dept. for Facilities Management? N/A

Current Requested Requested Requested Total
Authorization FY 1995-1996 FY 1996-1997 FY 1997-1998 Requested

Fund Source

General Fund

General Fund Surplus

Restricted Funds

Federal Funds

Bond Funds

Road Fund

Agency Bonds 1,500,000

2,000,000

2,000,000

Capital Construction Surplus

Investment Income

Other (Specify)

Total Funds 1,500,000

2,000,000

2,000,000

Cost Elements

Land Acquisition

Site Survey/Preparation

Project Design 139,000

184,800

184,800

Construction Cost 1,080,000

1,436,700

1,436,700

Utilities

Roadway

Movable Equipment/Furniture 169,000

225,000

225,000

Contingency Expense 112,000

153,500

153,500

Lease

Other (Specify)

Total Cost Elements 1,500,000

2,000,000

2,000,000

Method of Procurement:**Method for Cost Determination: AE Agency estimates**

PROJECT FEATURES**Timetable****Design Date: 07/1996 Construction Date: 01/1997 Completion Date: 07/1997**

Space Summary

Use	Current	New	Exp/Add/Alter	Renov
Classroom (100)				
Class Lab (200-229)	5,500			5,500
Research (230-299)				
Office Fac/Admin (300)				
Study (400)				
Special Use (500)				
General Use (600)				
Support Facilities (700)				
Hospital/Medical Center (800)	5,400			5,400
Residential (900)				
Nonassignable (WWW/XXX/YYY/ZZZ)	1,100			1,100
Other (Specify)				
Total Gross Square Footage	12,000			12,000

Acres (land acquisition):

Is the site presently owned or must it be acquired? OW Own

Necessary Land Acquisition and/or Site Development
Not applicable.

Proposed Heat/Air Conditioning Fuel Type
Remains same; no change.

Specialized Project Requirements

Expertise in healthcare facilities with emphasis on dental operatories and the associated codes and regulations.

Information Technology Assessment

The programs in this renovated space will maintain their connections to the Medical Center integrated network system of communications.

Relationship to Existing Space

Renovation of existing space without a change in use.

IMPACT ON OPERATING BUDGET

	FY 1996-1997	FY 1997-1998	FY 1998-1999	FY 1999-2000
Personnel Expenses				
Operating Expenses				
Moving Expenses				
Maintenance Expenses				
New Debt Service Costs		350,000		
Transfer Restricted to Cap Const Fund				
Transfer Federal to Cap Const Fund				
Total		350,000		

Other (narrative, if appropriate)

No additional impact. Cleaning, utilities, etc., are currently provided.
This project is an upgrade of existing facilities.

OPERATING BUDGET PRIORITY

Agency Priority Rank Number, Additional Budget Request (Form B-1)

Cabinet/Branch Priority Rank Number, Operating Budget Request (Form P)

MINUTES¹

Quality and Effectiveness Committee (QEC)

November 3, 1997

The Quality and Effectiveness Committee met at 9:05 a.m. (ET) in the Department for Local Government Conference Room, 1024 Capital Center Drive, Frankfort, Kentucky. Chair Bertelsman presided.

ROLL CALL

The following members were present: Ms. Bertelsman, Ms. Adams, Mr. Barger, Ms. Helm, and Ms. Weinberg.

APPROVAL OF MINUTES

A motion was made by Mr. Barger and seconded by Ms. Adams to approve the minutes of October 20, 1997. The minutes were approved as distributed.

POLICY STUDY ON MINIMUM ADMISSION REQUIREMENTS

RECOMMENDATIONS: That CPE staff be directed to undertake a policy study on minimum admission requirements for all sectors of the postsecondary education system, including an evaluation of the effectiveness of the Pre-College Curriculum (PCC)—those courses high school students must currently complete to meet minimum college admission requirements at Kentucky's public universities.

That this study involve discussions with institutional chief academic officers, admissions directors, and remedial education administrators; Kentucky Department of Education staff; high school administrators, teachers, and students; policy makers in other states; and national experts in college admissions criteria.

That, as a first step in this redesign effort, CPE staff be directed to inform Kentucky Department of Education (KDE) staff of the nature of this study and its possible impact on current minimum admission requirements for Kentucky's postsecondary institutions, in particular the Pre-College Curriculum.

DISCUSSION: Ms. Moore presented a brief overview of the policy study reminding committee members that the reason it was on the transition agenda was because of the new minimum high school graduation requirements and the need to consider the technical institutions in the admission requirements when they come on board in July. Ms. Weinberg suggested that the committee examine the feasibility of including the 11th or 12th grade portfolio as part of the PCC requirements. Ms. Moore stated that staff is aware that the portfolio needs to be taken into consideration, referring to a discussion item from the last meeting.

¹All attachments are kept with the original minutes in CPE offices. A verbatim transcript of the meeting is also available.

Ms. Moore proposed that staff come back to the January meeting with a workplan outlining a schedule. Ms. Bertelsman stated that committee members may have some input in the process and asked that they be kept informed as to the progress.

MOTION: Ms. Helm moved that the recommendations be accepted and Mr. Barger seconded the motion.

VOTE: The motion passed.

*INTERIM POLICY
FOR NEW AND
POSTPONED
ACADEMIC
PROGRAM
PROPOSALS*

RECOMMENDATIONS: That CPE staff be directed to commence a comprehensive study of statewide academic program policies, to serve as a basis for developing new academic program policies that reflect the content and spirit of the Kentucky Postsecondary Education Improvement Act of 1997.

That the study outlined above include consultation with institutional chief academic officers, nationally recognized experts on systemwide academic program-related issues, policymakers in other states, and representatives of Kentucky's independent institutions.

That institutions be informed that until such time as new academic program policies are established, CPE will consider new academic program proposals only when an institution can document an immediate, critical need for implementing a program.

That any institution wishing to submit a new program proposal for CPE consideration prior to the establishment of new, long-term academic program policies be required to follow the procedures outlined in Attachment A.

That until formal and legal KCTCS governance is in effect, proposals for new academic programs at community colleges and new technical-vocational programs at postsecondary technical institutions be shared with the KCTCS Board of Regents for its review and comment.

DISCUSSION: Ms. Moore presented the background stating that the recommendations were a consensus which came out of the October 20, 1997, QEC meeting. She pointed out that if the institutions felt they had met the compelling need requirements, they should restate their desire to submit their program proposal(s), accompanied by a supportive letter from their board chair. Ms. Adams asked if the community colleges' proposals should come from KCTCS. Ms. Moore stated that once the proposals are received by CPE, they would be referred to KCTCS for review and comment. Ms. Weinberg asked if there should be a differentiation between the compelling need for KCTCS programs and the research/

regional universities. Ms. Bertelsman stated that KCTCS will be the chief advisor on the compelling need requirement for those program proposals.

MOTION: Ms. Weinberg moved that the recommendations be accepted. Mr. Barger seconded the motion.

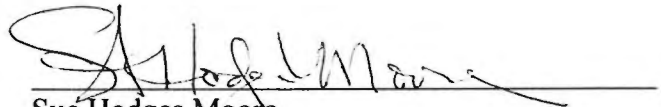
VOTE: The motion passed.

*OTHER
BUSINESS*

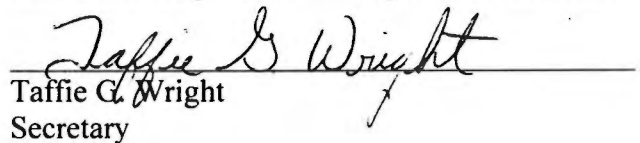
Ms. Moore pointed out that as many as 12 program proposals could come before the QEC at the January 1998 meeting. Ms. Bertelsman stated that the committee would continue to consider the proposals on a bi-monthly basis until the new program policy is put into effect. Ms. Weinberg asked about the projected date in terms of the academic program policy. Ms. Moore stated that it would take the better part of the calendar year.

Ms. Moore stated that there would be a presentation on the Remedial Education Study at the January meeting. Mr. Barger requested that staff keep the QEC informed of communication with Representative Rasche and his committee.

ADJOURNMENT The meeting adjourned at 9:30 a.m. (ET).



Sue Hodges Moore
Deputy Executive Director
Academic Programs, Planning, and Accountability



Taffie G. Wright
Secretary

POLICY STUDY ON MINIMUM ADMISSION REQUIREMENTS

**ACTION ITEM
CPE (J-1) QEC (C)
November 3, 1997**

Recommendations:

- That CPE staff be directed to undertake a policy study on minimum admission requirements for all sectors of the postsecondary education system, including an evaluation of the effectiveness of the Pre-College Curriculum (PCC)—those courses high school students must currently complete to meet minimum college admission requirements at Kentucky's public universities.
- That this study involve discussions with institution chief academic officers, admissions directors, and remedial education administrators; Kentucky Department of Education staff; high school administrators, teachers, and students; policy makers in other states; and national experts in college admissions criteria.
- That, as a first step in this redesign effort, CPE staff be directed to inform Kentucky Department of Education (KDE) staff of the nature of this study and its possible impact on current minimum admission requirements for Kentucky's postsecondary institutions, in particular the Pre-College Curriculum.

Rationale:

- The Kentucky Postsecondary Education Improvement Act of 1997 authorizes CPE to establish "minimum qualifications for admission to the state postsecondary system" (KRS 164.020(8)). In addition, this legislation charges CPE with creation of a "seamless, integrated system of postsecondary education" and stipulates that achieving this goal involves, in part, "increased educational attainment at all levels." A complete analysis of current minimum admission requirements and their effectiveness must be conducted before CPE can develop minimum admission requirements that support these aspects of the reform agenda.
- Since the Kentucky Postsecondary Education Improvement Act of 1997 adds Kentucky's postsecondary technical institutions to the postsecondary education system, CPE must now set minimum admission requirements for students entering those institutions; these requirements should be developed with input from the KCTCS, which becomes the governing board for these institutions on July 1, 1998. The policy study described in this agenda item will inform and facilitate development of minimum admission requirements for the postsecondary technical institutions.
- Recently approved changes in the minimum high school graduation requirements have produced a misalignment between those requirements and current minimum college

admission requirements [the Pre-College Curriculum or PCC (see Attachment A)], beginning with the high school graduation class of 2002; in effect, the new, more stringent minimum high school graduation requirements create a situation in which it will be more difficult to graduate from high school than to enter college.

Background:

The establishment of minimum admission requirements for postsecondary education institutions, whether by a statewide coordinating agency or an individual institution, serves to communicate to prospective students the importance of being adequately prepared for the rigors of college coursework and defines for them the specifics of those requirements (i.e., coursework, grades, class rank, standardized test scores, etc.). Minimum admission requirements send a strong message to high school students about what they need to do *before* entering college in order to achieve success there. In Kentucky, this message takes the form of the Pre-College Curriculum (PCC), which identifies those courses high school students must complete [approved by the CHE in 1983 and revised in 1990 (see Attachment A)] to be admitted as university freshmen.

Several recent developments related to the status of postsecondary education in Kentucky point to the need to conduct a study of all policies related to minimum admission requirements. These developments include the mandates in the Kentucky Postsecondary Education Improvement Act of 1997, the *Postsecondary Education in Kentucky: An Assessment* report produced for the Governor's task force, the findings of the draft study of remedial education conducted by CPE staff, the efforts underway at postsecondary institutions and high schools to enhance transition from high school to college, and the new minimum high school graduation requirements.

At its October 20 meeting, the CPE Quality & Effectiveness Committee (QEC) discussed minimum college admission requirements in light of both the imminent misalignment between the current PCC and the new minimum high school graduation requirements as well as CPE's new responsibility to set minimum admission requirements for Kentucky's postsecondary technical education institutions (see pp. 83-89 in the October 19-20 CPE Agenda Book). Committee members agreed that aligning the current PCC with the new minimum high school graduation requirements on an interim basis would have many advantages, in particular the positive message such an action would send to students, their parents, and other postsecondary education stakeholders about CPE's commitment to ensuring a seamless transition from high school to college. However, they also concluded that no long-term, permanent decisions about minimum college admission requirements (or the PCC) could be made before CPE staff had completed a policy study and determined the effectiveness of the current PCC.

Subsequent to the October 20 meeting, CPE staff determined that since the PCC is contained in Kentucky administrative regulation 13 KAR 2:020, any change in the current PCC, even on an interim basis, would involve legislative committee action that would take several months to complete. It is anticipated that the recommended policy study will provide the basis for an overall redesign of minimum college admission requirements; therefore, it would be expeditious to complete that study and then take steps to amend 13 KAR 2:020 by incorporating all revisions to existing minimum college admission requirements.

The QEC recommendation to initiate this policy study on minimum admission requirements and to communicate this decision to the KDE accomplishes the goals of the transition agenda and facilitates reform by taking the first step toward developing minimum postsecondary education institution admission requirements that truly maximize a student's potential for success.

**COMPARISON OF CURRENT PRECOLLEGE CURRICULUM (PCC) AND
NEW MINIMUM HIGH SCHOOL GRADUATION REQUIREMENTS**

Current Required Courses (Basic PCC)	New Minimum High School Graduation Requirements
English – 4 courses required English I (2301) and English II (2302) and English III (2302) and English IV (2304 or AP English 2307/2308)	Language Arts – 4 credits required English I and English II and English III and English IV
Mathematics – 3 courses required Algebra I (2710/2722/2751) and Algebra II (2711/2723) and Geometry (2712/2732/2735) or Integrated Math I (2756) and Integrated Math II (2757) and Integrated Math III (2758)	Mathematics – 3 credits required Algebra I, Geometry, and Elective (one)
Science – 2 courses required Biology I (2517) and Chemistry I (2521) or Physics (2532) or Principles of Technology (5159/2515)	Science 3 credits required Credits to include life science, physical science, and earth and space science
Social Studies – 2 courses required World Civilization (2246) and United States History (2243) or AP American History (2244)	Social Studies – 3 credits required Credits to incorporate U.S. History, Economics, Government, World Geography and World Civilization
Health (1/2 unit)	Health (1/2 credit)
Physical Education (1/2 unit)	Physical Education (1/2 credit)
	History & Appreciation of Visual and Performing Arts – 1 credit required History and appreciation of visual and performing arts or another arts course which incorporates such content
Electives – 8 courses required	Electives 7 credits required
TOTAL 12 Required credits 8 Elective credits 20 Total credits	TOTAL 15 Required credits 7 Elective credits 22 Total credits

**INTERIM POLICY FOR NEW
AND POSTPONED ACADEMIC
PROGRAM PROPOSALS**

**ACTION ITEM
CPE (J-2) QEC (D)
November 3, 1997**

Recommendations:

- That CPE staff be directed to commence a comprehensive study of statewide academic program policies, to serve as a basis for developing new academic program policies that reflect the content and spirit of the Kentucky Postsecondary Education Improvement Act of 1997.
- That the study outlined above include consultation with institutional chief academic officers, nationally recognized experts on systemwide academic program-related issues, policymakers in other states, and representatives of Kentucky's independent institutions.
- That institutions be informed that until such time as new academic program policies are established, CPE will consider new academic program proposals only when an institution can document an immediate, critical need for implementing a program.
- That any institution wishing to submit a new program proposal for CPE consideration prior to the establishment of new, long-term academic program policies be required to follow the procedures outlined in Attachment A.
- That until formal and legal KCTCS governance is in effect, proposals for new academic programs at community colleges and new technical-vocational programs at postsecondary technical institutions be shared with the KCTCS Board of Regents for its review and comment.

Rationale:

The approach outlined above has the following advantages:

- It communicates both CPE's commitment to adhering to the contents and spirit of the Kentucky Postsecondary Education Improvement Act of 1997 and its sensitivity to compelling student, workforce, and employer needs to advance certain programs during a transition stage;
- It allows for orderly continuation of CPE coordinating responsibilities to the extent possible during a transition stage—until the strategic agenda and implementation plan are in place;
- It provides a process for acting upon those postponed program proposals that reflect the requirements and goals of the recent legislation;

- It postpones action on long-term, permanent program approval processes until the strategic agenda and implementation plan are in place;
- It provides ample time for examining existing academic program policies and seeking input from nationally recognized experts, Kentucky's postsecondary institutions, and other postsecondary stakeholders prior to acting upon long-term policies;
- It allows those institutions whose EEO status for calendar year 1998 makes them automatically eligible to submit new academic program proposals (or eligible for a waiver) to move forward with submission of program proposals if they meet the requirements outlined in this recommendation (Attachment A);
- It provides ample time for CPE to work with KCTCS to develop a program approval process for the postsecondary technical education institutions and the community colleges; and
- It allows KCTCS to move forward with program proposals that meet the requirements outlined in Attachment A of this recommendation.

Background:

CPE has responsibility for establishing systemwide academic program policies that address this question: "What programs should be offered by which institutions and at what locations in order to provide appropriate access to quality programs for the citizens of the Commonwealth in the most efficient manner possible?" Embedded in this policy question are myriad issues on the reform agenda, many of which CPE already has begun addressing. These issues include the statewide strategic agenda and implementation plans, incentive trust funds criteria, the Commonwealth Virtual University, extended campus policies, and institutional mission statements.

Various CPE workgroups and committees have been assigned responsibility for undertaking many of these initiatives. As this agenda item indicates, preliminary work must be done as well to lay the groundwork for redesigning systemwide academic program policies. By beginning this work now, CPE will then be in a position over the next year to "dovetail" this analysis of academic program policies with initiatives related to the virtual university, strategic agenda, programs of distinction, and so on. Thus, while separate and discrete processes are taking place on parallel tracks, it is critical that the resulting policy actions be appropriately timed so that they can be fully integrated at critical junctures in the reform implementation process. When complete, CPE will have a comprehensive set of complementary policies that are mutually supporting and conceptually sound.

CPE currently has academic program policies that encompass a wide range of activities related to the life cycle of a postsecondary education institution's program offerings. For example, separate policies define kinds of degrees, credentials, and programs as well as processes and policies for developing, approving, reviewing, eliminating, or de-activating those programs. One of the critical messages of the Kentucky Postsecondary Education Improvement Act of 1997 is that the development and delivery of the postsecondary system's program offerings be handled in a different way—that it be strongly tied to the state's economic vitality and development and that it reflect academic and fiscal responsibility, efficiency, and creativity, for example. Fundamental to this "different way" is the strategic agenda, which will direct CPE action as it reviews existing programs, eliminates duplicative programs, considers new programs of excellence and standardized degree programs, and provides leadership in the area of inter-institutional cooperation. New or revised policies and procedures will be needed to create this different way, to coordinate new provisions with current practices, and to formalize administrative processes.

The policy study recommended in this agenda item will provide a foundation for achieving the reform agenda goals related to academic program development and delivery. Therefore, it seems prudent to consider no new program proposals until this study is completed. At the same time, however, the Kentucky Postsecondary Education Improvement Act of 1997 authorizes CPE to "define and approve the offering of all postsecondary education technical, associate, baccalaureate, graduate, and professional degree, certificate, or diploma programs in the public postsecondary education institutions" (KRS 164.020[14]). This legislation also requires CPE to "expedite wherever possible the approval of requests from the Kentucky Community and Technical College System board of regents relating to new certificate, diploma, technical, or associate degree programs of a vocational-technical and occupational nature" (KRS 164.020[14]). Moreover, members of the Quality and Effectiveness Committee recognize that

certain new programs may be urgently needed by particular postsecondary education institutions, students, and communities *at this particular time*. Thus, a process that allows for consideration and approval of *only those new academic programs that fulfill the mandates of the recent legislation* is needed now--until such time as the strategic agenda and the study of all academic program-related policies are completed and long-term, permanent policies may be developed.

Historically, the process of moving a proposal for a new academic program from the development stage to the CPE approval stage has been a bottom-up, institutionally-driven process. At its meeting on October 20, 1997, CPE's Quality and Effectiveness Committee (QEC) discussed thoroughly how it might facilitate the approval of urgently needed new academic programs during this transition stage (see pp. 91-98 in the October 19-20 CPE Agenda Book).

In light of this need, the QEC rejected two possible courses of action: to consider no new academic program proposals at this time and to return to the program approval process in place prior to passage of the Kentucky Postsecondary Education Improvement Act of 1997.

The QEC concluded that considering no new academic program proposals at this time would prolong approval of those programs for which an urgent need could be documented and would reflect neither the contents nor the spirit of the recent legislation. In addition, this course of action would work against developing the kind of "partnership" relationship between CPE and institutions and among institutions to which CPE is committed.

At the same time, the QEC believes that returning to the new academic program approval process in place prior to passage of the Kentucky Postsecondary Education Improvement Act of 1997 would be ill advised. The Committee feels that such an action would increase the likelihood that some academic programs might be approved that would serve neither the statewide strategic agenda (once completed) nor individual institutional missions (once revised). In addition, returning to a "business as usual" approach to approving new academic programs would fail to communicate CPE's "reform era" approach to fulfilling its new roles and responsibilities.

The recommendation to approve an interim new academic program approval process (as outlined in Attachment A) allows CPE to fulfill its legislative responsibility and advances the goals of the reform effort. It allows for approval of those new academic programs urgently needed at some of the state's postsecondary education institutions and provides a process for developing long-term academic program processes and policies that will achieve the goals for 2020 outlined in the Kentucky Postsecondary Education Improvement Act of 1997.

Addition to CPE New Academic Program Approval Process - Effective 11/ 3/97

1. Any institution seeking consideration of a new (or postponed) academic program proposal must submit to CPE, along with the program proposal, a statement outlining and thoroughly documenting the circumstances necessitating CPE approval of the program *at this institution at this time*.
2. This statement should take the form of a letter (with attachments, as appropriate and necessary) from the institution's Board Chair to the Chair of the Quality and Effectiveness Committee.
3. This letter must respond to the questions listed below, must cite any other circumstances warranting immediate CPE consideration of the program, and must include other documentation by way of letters of support, quantitative analysis, or other evidence:
 - Why must this program be initiated *at this time*? (To respond to this question, outline and document the negative effect of delaying initiation of this program for at least a year.)
 - To what extent will the absence of this proposed program have an adverse effect on students and prospective employers of the program's graduates? (To respond to this question, include current and projected supply/demand data and address the possibility of this program being mobile in nature.)
 - Why must this program be delivered by your institution? (To respond to this question, provide evidence that the demand for this program cannot be met by other institutions—either public or private—currently offering the program or by out-of-state institutions through distance learning. Include documentation to this effect from other Kentucky institutions or a statement explaining why these approaches are not feasible from the proposing institution's standpoint.)
 - How does this program fit into your institution's mission and strategic plan and how will it be funded? (To respond to this question, reference your institution's mission and strategic plan and the Kentucky Postsecondary Improvement Act of 1997. In addition, if the program will be funded through reallocation, provide details about the specific source(s) of reallocation.)
 - To what extent do external mandates (i.e., professional licensure requirements, legislative mandates) or external funding opportunities contribute to your institution's need to initiate this program now?

4. Letters, along with the program proposals, must be postmarked (or faxed) on or before November 10, 1997, for consideration in January 1998; January 1 for consideration in March; March 1 for consideration in May; May 1 in July; or September 1 for consideration in November.
5. CPE staff, with advice from the chair and another member of the Quality and Effectiveness Committee, will evaluate each statement's contents in terms of the mandates contained in the Kentucky Postsecondary Education Improvement Act of 1997 and the argument made for initiating the program immediately, will determine whether the proposal shall proceed through the regular new program proposal process, and will notify the institution accordingly.

1998 MEETING DATES

**CPE (K)
November 3, 1997**

Information:

The 1998 CPE meeting dates are as follows:

January 11-12

March 8-9

May 17-18

July 12-13

September 13-14 (annual trusteeship conference)

November 8-9



A RESOLUTION HONORING AND COMMENDING GARY S. COX

for his service to the Council on Postsecondary Education.

WHEREAS, Gary S. Cox resigned from the Council on Postsecondary Education as of October 31, 1997 to assume a new position as President of the Association of the Independent Kentucky Colleges and Universities and as Executive Director of the Council of Independent Kentucky Colleges and Universities; and

WHEREAS, Gary S. Cox has had a long and distinguished career in public higher education, beginning with his own education at Morehead State University where he earned a Bachelor of Arts degree in Political Science and at the University of Kentucky where he earned both a Master of Science degree and a Doctor of Philosophy degree in Political Science; and

WHEREAS, Gary S. Cox has ably served the Council on Higher Education and the Council on Postsecondary Education for eighteen years, the last ten as Executive Director; and

WHEREAS, Gary S. Cox has earned the respect and goodwill of his colleagues around the state and nation through his dedication and knowledge of higher education issues; and

WHEREAS, Gary S. Cox worked tirelessly and selflessly in behalf of the Postsecondary Education Improvement Act of 1997; and

WHEREAS, Gary S. Cox is an able administrator who inspired the loyalty, dedication, and genuine affection of his staff; and

WHEREAS, the Council on Postsecondary Education extends to Gary S. Cox its heartfelt appreciation along with its best wishes for success in his new position;

NOW, THEREFORE, BE IT RESOLVED that the Council on Postsecondary Education does hereby adopt this resolution on November 3, 1997 in honor of Gary S. Cox.

Leonard V. Hardin, Chair