

AGENDA
Council on Postsecondary Education
May 19, 2003
8:30 a.m.
Ballroom I
Radisson Plaza Hotel, Lexington, Kentucky

Exec Summary Attachment
Page # Page #

Roll Call		
Approval of Minutes		1
Focus on Reform: Statewide Engineering Strategy		19
Cross-Cutting Issues		
Executive Summary		25
1. Development of 2004-2006 Operating and Capital Recommendations	25	29
2. Action: 2004-2006 Tuition Guidelines	25	33
3. Progress Report on Key Indicators: Educational Attainment, Graduation Rates, and Research and Development	26	45
4. Conference Update		26
Question 2 – Are more students enrolling?		
Question 3 – Are more students advancing through the system?		
Executive Summary		53
5. Action: Key Indicators of Progress Toward Postsecondary Reform, Revised Six-Year Graduation Rate Definition	53	55
6. Action: Kentucky and Ohio 2003-2005 Tuition Reciprocity Agreements	53	57
Question 4 – Are we preparing Kentuckians for life and work?		
Question 5 – Are Kentucky’s communities and economy benefiting?		
Executive Summary		83
7. Action: 2002-2004 Capital Projects Agency Bond Pool Authority	83	87
8. Action: CPE 2004-2010 Six-Year Capital Plan	83	93
<i>NEW ITEM</i> – Action: UofL Installation of Artificial Turf at Papa John’s Cardinal Stadium		
9. Program Productivity Review	84	97
10. Research Challenge Trust Fund and Programs of Distinction Becoming National Centers of Excellence	84	101
The Council Business		
Executive Summary		113
11. Action: 2003-2004 Agency Budget	113	115
12. Election of Chair and Vice Chair		113
Discussion with University and KCTCS Board Chairs and Vice Chairs		117
Other Business		
Next Meeting – July 28, 2003		
Adjournment		

MINUTES
Council on Postsecondary Education
March 24, 2003

The Council on Postsecondary Education met March 24, 2003, at 8:30 a.m. at the council offices in Frankfort, Kentucky. Chair Adams presided.

Ms. Adams welcomed everyone to the meeting and thanked Tom Layzell for attending. Mr. Layzell will join the staff full-time April 16.

ROLL CALL

The following members were present: Norma Adams, Steve Barger, Walter Baker, Peggy Bertelsman, Bart Darrell, Ron Greenberg, Susan Guess, John Hall, Esther Jansing, Charlie Owen, Joan Taylor, Lois Combs Weinberg, Charles Whitehead, and Gene Wilhoit. Richard Freed and Chris Pace did not attend.

**APPROVAL OF
MINUTES**

The minutes from the February meeting were approved as distributed.

**COMMISSIONER OF
EDUCATION REPORT**

Commissioner Wilhoit spoke about the activities of the Kentucky Department of Education. He said that the 2003 General Assembly passed no major legislation affecting the department. Like other agencies of state government, the staff is dealing with the budget cuts to elementary and secondary education.

**FOCUS ON REFORM:
ECONOMIC
DEVELOPMENT AND
WORKFORCE TRAINING
MATCHING PROGRAM**

The meeting began by showcasing the good work that is being done by the Workforce Alliance, a collaborative committee representing the council, the Department for Adult Education and Literacy, the Cabinet for Workforce Development, the Kentucky Community and Technical College System, and the Economic Development Cabinet. The alliance leverages funds from several different sources into an integrated, coherent approach to workplace education and training. Cheryl King with the council staff, J. R. Wilhite (commissioner of the Department of Community Development with the Workforce Development Cabinet), and Keith Bird (KCTCS chancellor) discussed the alliance.

Dr. King said that the Cabinet for Workforce Development has offered excellent workplace education for a number of years. But this alliance is an opportunity to expand and leverage resources and to provide better coordination with other agencies. Enrollment in workplace education programs has increased from 11,000 adults in 2001 to 22,000 employees participating in 2002 when the alliance was created, with more than 600 Kentucky participating employers. Information was included in the agenda book on four projects, the Russell County Prehire, American Woodwork, Owensboro Mercy Health Systems, and the Nelson County Training Consortium, showing alliance activities and outcomes.

Mr. Greenberg asked for a list of manpower shortage areas. This information will help direct postsecondary education resources to train

people to fill jobs to help move Kentucky's economy forward and to retrain employees in areas where there is a surplus of workers.

2002-04
BUDGET UPDATE

A summary of House Bill 269, the final version of the budget bill for the 2002-04 biennium, was included in the agenda book. The bill was agreed to by both the House and the Senate and was sent to Governor Patton March 11. The Governor may sign the bill, let it become law without his signature, or veto the entire bill or parts of the bill.

The 2002-04 budget bill includes state General Fund appropriations as follows:

For the institutions:

- A 2.6 percent (\$24.4 million) recurring budget reduction in FY 2002-03. House Bill 269 includes \$962.9 million in operating funds for the institutions. The Executive Spending Plan funded the institutions at \$987.3 million in FY 02-03. The council recommended \$1.05 billion in operating funds for the institutions, which included a request for \$34.6 million in benchmark funding.
- A funding increase of \$18.9 million to the institutions' base budgets in FY 2003-04 for benchmark funding, bringing the total institutional base budgets to \$982.1 million. The council's recommendation included an increase of \$34.8 million, bringing the total institutional base budget recommendation to \$1.08 billion.
- Agency bond pool authority of \$155 million, allowing an institution to address campus-based fire/life safety, infrastructure, renovations, and new construction needs with its own money. The council's 2002-04 recommendation of agency bond authority was \$100 million.

For the trust funds:

- Debt service in FY 2003-04 to issue \$120 million in taxable bonds for the Endowment Match Program (Bucks for Brains).
- \$1.3 million in FY 2002-03 for the Technology Trust Fund (the level of funding in 2001-02) - \$1.2 million for network infrastructure and \$100,000 for faculty development. In FY 2003-04 the budget includes \$450,000 for network infrastructure and \$50,000 for faculty development. The budget cuts \$800,000 in the Technology Trust Fund for the public communications campaign, which actually results in cutting funds associated with the Kentucky Postsecondary Education Network and faculty development.
- \$60.4 million in FY 2002-03 and \$63.0 million in FY 2003-04 for the KEES program. Additional funds will be available to the program from the unclaimed lottery prize fund. Revised estimates indicate that the KEES program will be able to meet obligations for 2003-04.
- \$11.8 million in FY 2002-03 and \$11.0 million in FY 2003-04 for Adult Education and Literacy Incentive Funding Program. This

program was cut by \$750,000 in an attempt to eliminate the public communications campaign; however, the cut will actually affect basic adult education services.

- \$6.8 million in FY 2002-03 and \$8.8 million in FY 2003-04 for programs in the Science and Technology Trust Fund. This includes restricted (one-time) funds of \$1.0 million in each of the year of the biennium for the Rural Innovation Fund, \$1.0 million in each year for the Kentucky-Based Economy Academic Programs (engineering education), and \$2.0 million in FY 2002-03 for the Experimental Program to Stimulate Competitive Research (EPSCoR). In FY 2003-04 the \$2.0 million restricted funds for EPSCoR are replaced with recurring General Fund dollars.

For the Council on Postsecondary Education:

- The budget for agency operations is \$3,958,000 both in FY 2002-03 and FY 2003-04, a reduction of 2.6 percent in 2002-03 when compared to the 2003 Governor's Executive Spending Plan.
- The KYVU/KYVL operating budget was reduced by 2.6 percent to \$4.5 million in FY 2002-03 and then straight-lined at the same level for FY 2003-04.
- Pass-through programs are budgeted at \$10,407,800 in FY 2002-03, a reduction of \$150,000. House Bill 269 instructs the council to fund the Early Mathematics Testing Program and the local P-16 councils at \$100,000 for each program for FY 2002-03 and FY 2003-04. Sufficient funds are not provided to fund all the other activities contained in the list of pass-through programs.

The budget is about \$100 million less than what the council recommended in November 2001 for the institutions and for the postsecondary system as a whole about \$150 million short.

Mr. Whitehead said that while we are pleased with the funding for postsecondary education as compared to other agencies, without additional resources he is concerned that postsecondary education will be unable to keep up the momentum for reform.

Ms. Adams said that postsecondary education has taken on a much broader role since 1997 and we must continue to think about all areas of education – from pre-school to adult education and literacy programs. She said that the 2004 legislative session will be the most important legislative session since 1997 as it affects reform of postsecondary education. She urged every Kentuckian, particularly the college and university presidents, the governing boards, faculty, staff, students, and alumni, to be aware of how important the 2004 legislative session will be to postsecondary reform and to begin now building a positive program to show accountability.

Ms. Weinberg said that postsecondary education must be accountable and must keep this reform moving forward. Kentucky has achieved real successes since this reform began and these successes must be made aware

of in order to build the momentum to sustain reform. Every governing board member of every university in Kentucky needs to be engaged in the process. Postsecondary education leaders must begin now putting together success stories and telling how postsecondary education is making a difference in the lives of Kentuckians.

Ms. Adams urged the governing board members to attend council meetings to observe the total picture of what is going on in the policymaking arena of postsecondary education.

Sue Hodges Moore said that the presidents will have discussions about sustaining reform at their monthly meetings. The Partners for Kentucky's Future is planning a campaign to advocate for postsecondary education over the next several months. This topic will be discussed with the governing board members at the Institute for Effective Governance Spring Seminar May 19-20.

LEGISLATIVE UPDATE

Bill Swinford discussed legislation impacting postsecondary education passed by the 2003 Kentucky General Assembly. The legislation included:

- House Bill 233 made various changes to the Kentucky Postsecondary Education Improvement Act of 1997 regarding the structure and governance of the Kentucky Community and Technical College System.
- House Concurrent Resolution 141 directed the Interim Joint Committee on Education to study the KEES program and suggest changes to the program before the 2004 session of the General Assembly.

A summary of other legislation was included in the agenda book.

DEVELOPMENT OF 2004-06 OPERATING AND CAPITAL RECOMMENDATIONS AND TUITION GUIDELINES

An update on the development of the 2004-06 operating and capital recommendations and tuition guidelines was included in the agenda book. Over the coming months, the council and institutional staffs will begin work. The council staff will bring several discussion items to the council at its May meeting. There also will be a discussion at the June 2 SCOPE meeting to engage that group in this process as well.

CONFERENCE UPDATE

A summary of conferences and other activities that staff has coordinated or been involved with over the past few months was included in the agenda book.

REVISIONS TO KEES REGULATION

RECOMMENDATION: The staff recommends that the council approve the proposed amendments to the administrative regulation titled, 13 KAR 2:090. Kentucky Educational Excellence Scholarship Program and file the administrative regulation with the Legislative Research Commission in accordance with the statutory requirements in KRS Chapter 13A.

MOTION: Ms. Bertelsman moved that the recommendation be approved. Ms. Weinberg seconded the motion.

Barbara Cook of the council staff explained the changes to the regulation:

- Add the five-year engineering programs in which Kentucky residents enroll through the Academic Common Market and remove the University of Kentucky's undergraduate architecture program since it is now a four-year program.
- Add additional equivalent undergraduate programs that allow students to be classified as graduate students prior to receiving a bachelor's degree. This allows the student to be eligible for the full eight semesters of KEES awards even though they are enrolled in a graduate program.
- Change the form used by children of military parents to submit high school grade information.
- Modify the definition of the KEES curriculum to allow students engaged in a block scheduling situation and graduate from high school at the end of the fall semester to earn KEES awards when they complete three or more courses of study during their last semester of high school.

VOTE: The motion passed.

P-16 COUNCIL UPDATE

Dianne Bazell of the council staff gave a report on the activities of the P-16 Council. She said the group met March 13 with business, labor, and other education stakeholders to review the research conducted during the first year of The American Diploma Project. The goal of the ADP is to make the high school diploma more meaningful to students, postsecondary institutions, and employers by securing an agreement to use high school accountability measures in admissions, placement, and hiring decisions. The March 13 discussion with important Kentucky stakeholders helped to determine which short- and long-term recommendations to make to Kentucky's various policy-making bodies so that Kentucky's high school standards and assessments can be linked to postsecondary and workforce expectations. Recommendations will be developed and brought back to the P-16 Council for consideration.

Ms. Bertelsman said that the implementation of these recommendations should significantly improve postsecondary education's retention and graduation rates. A number of changes are expected at the K-12 level, and these changes could take a significant amount of time to implement. The postsecondary education institutions should be willing to use the assessment tools from high schools for placement purposes. If this is

done, this will increase the value of a high school diploma, which is the purpose of the American Diploma Project.

In other P-16 Council activities, representatives from Kentucky's local P-16 councils and Go Higher communities met in February and formed the Kentucky P-16 Local/Regional Network. The group plans to convene regularly prior to the quarterly meetings of the state P-16 Council and will report on key issues and activities of local and regional councils at the state P-16 Council meetings.

CEO REPORT

Mr. Barger gave a report on the March 18 meeting of the Committee on Equal Opportunities. The partnership agreement with the U.S. Office for Civil Rights ended December 31, 2002, and a final determination of Kentucky's status will be provided to staff March 31. Based on recent conversations with OCR, the reporting requirements in the agreement are expected to be reduced to cover the ongoing commitments of renovating KSU's Hathaway Hall and Young Hall dormitories, improving the KSU teacher education program, and ensuring that the UofL Pathways to Success Program does not diminish access for African American applicants.

KSU COMPREHENSIVE ASSESSMENT

Mr. Barger reported that the Committee on Equal Opportunities saw a draft report of the comprehensive assessment of Kentucky State University prepared by Baker & Hostetler of Cleveland, Ohio. A timeline has been developed to finish the review process. A joint meeting of the council and the KSU board of regents will be held April 25 to receive this report.

ENDOWMENT MATCH PROGRAM STATUS REPORT

The trust fund report that was presented to the council at its February 3 meeting contained a report on the investment and incentive trust funds established through House Bill 1. The report examined the sources and uses of matching program funds for FY 2001-02. The council members asked for additional information regarding audit compliance, diversity, and pledge collection. A summary of the information collected from the institutions was included in the agenda book. Dr. Moore said that the budget bill passed by the 2003 General Assembly calls for the universities to develop and implement strategies for achieving reasonable diversity in the recruitment and retention of women, African Americans, and other underrepresented minorities for positions funded by the Endowment Match Program.

PROGRESS REPORT ON KEY INDICATORS: RESEARCH AND DEVELOPMENT

A progress report was provided on two performance indicators under Question 5: "Are Kentucky's communities and economy benefiting?" Results for Indicator 5.8, endowments in the research priority areas of the knowledge-based economy, are mixed. Results for Indicator 5.9, expenditures from endowments and gifts in the research priority areas, show significant progress. Over the next several months, the council staff will work with UK and UofL to revise goals for these indicators.

IMPROVING EDUCATOR QUALITY STATE GRANT PROGRAM

RECOMMENDATION: The staff recommends that the council award federal *No Child Left Behind*, Title II, Part A funds in the amount of \$1,082,500 for April 1, 2003-July 31, 2004, to support four projects.

MOTION: Ms. Bertelsman moved that the recommendation be approved. Mr. Barger seconded the motion.

Jim Applegate of the council staff said that this program replaces the Dwight D. Eisenhower Higher Education Grant Program, which funded professional development workshops for K-12 math and science teachers. This new program gives states increased flexibility to fund research-based training for teachers and administrators in content areas other than math and science. The council staff, with input from the Kentucky Department of Education, the Education Professional Standards Board, and the state P-16 Council, established four priorities for IEQ funds: mathematics and science, reading, school leadership, and foreign language. In addition, institutions were encouraged to form more extensive partnerships across traditional service area boundaries to reach teachers in schools with significant achievement gaps. The four projects to receive funding this fiscal year are:

1. *Using High Quality and Award-Winning Literature to Support Reading Comprehension in Mathematics and Science*, Eastern Kentucky University, \$300,000
2. *Modeling Watershed Studies Across the Commonwealth of Kentucky*, Murray State University, \$300,000
3. *Planting Seeds, Cultivating Clusters: Strengthening Middle Grade Mathematics and Science in Northern Kentucky*, Northern Kentucky University, \$228,500
4. *A Multidisciplinary Literacy Approach to Closing the Achievement Gap for Urban Middle School Students*, University of Louisville, \$254,000

Ms. Bertelsman asked that counseling services be included in school leadership projects submitted for funding for next year. Such services will help guide students toward postsecondary education beginning in the middle school years.

VOTE: The motion passed.

CHANGES IN
INSTITUTIONAL
NEW PROGRAM
APPROVAL PROCESS

An update on the institutional new program approval processes was included in the agenda book. In spring 2002 the council staff visited each university and the KCTCS to review campus policies and procedures put in place to approve new programs. The report summarizes the institutions' responses to staff recommendations as a result of those visits.

KSU and MuSU
COLLABORATIVE
AGREEMENT IN PUBLIC
ADMINISTRATION

Dr. Applegate reported that Kentucky State University and Murray State University have a collaborative agreement to offer programs leading to degrees in public administration at both institutions. They are putting common programs on-line, sharing faculty resources, and combining their internship capacities to enrich internship opportunities for the students. This collaboration will increase the productivity of the undergraduate

public administration program at KSU and also will ensure that the students from Murray have the expertise of the KSU faculty in an established program and the reverse for KSU students. The students at Murray will have internship opportunities in Frankfort they might not otherwise have had. KSU and MuSU also have created a partnership in the English and philosophy areas primarily connecting the undergraduate program in English and Philosophy at KSU with the graduate master's program at MuSU. There is exchange of faculty and an encouragement for KSU students to continue their education to the master's level.

CAPITAL PROJECTS

The council members agreed to act on two recommendations dealing with capital projects as a consent agenda.

RECOMMENDATION: The staff recommends that the council approve the UK request to renovate the Urology Clinic of the Wright Medical Plaza facility on the main campus with \$550,000 of private funds.

RECOMMENDATION: The staff recommends that the council approve the UK request to renovate the Pediatrics Hematology and Oncology Clinic of the Kentucky Clinic Building with \$850,000 of private funds.

MOTION: Mr. Greenberg moved that the two projects be approved. Mr. Barger seconded the motion.

VOTE: The motion passed.

COUNCIL BYLAWS

RECOMMENDATION: The staff recommends that the council approve changes to the council bylaws.

MOTION: Mr. Barger moved that the recommendation be approved. Mr. Baker seconded the motion.

VOTE: The motion passed.

WHITEHEAD

Ms. Adams recognized Mr. Whitehead upon his retirement the end of March from Ashland Oil after 40 years of service.

NOMINATING COMMITTEE

Ms. Adams appointed Ms. Bertelsman (chair), Mr. Freed, Ms. Taylor, and Ms. Jansing to the nominating committee to present recommendations for council chair and vice chair for the coming year at the May meeting.

COUNCIL STAFF

Dr. Moore said that Dr. Jacqueline Korengel joined the council staff March 1 as senior associate for adult education and literacy. Dr. Sandra K. Woodley has accepted the position of vice president for finance and will join the staff in mid-April. She thanked Sherron Jackson for serving as interim vice president for finance for the last eight months.

Dr. Moore thanked the council for the privilege of serving as interim president. She said she enjoyed working with the presidents and the council members. She felt that everyone worked well together during the transition period to advance the postsecondary reform agenda. She

thanked the council staff for their advice and counsel during this time.

NEXT MEETING

The next meeting of the council is May 19 at the Radisson Plaza Hotel in Lexington. The Institute for Effective Governance Spring Seminar will begin after the council meeting and will conclude at noon May 20.

EXECUTIVE
SESSION

MOTION: Mr. Baker moved that the council go into executive session to discuss a matter pending litigation. Mr. Barger seconded the motion.

VOTE: The motion passed.

No action was taken as a result of the discussion during the executive session.

ADJOURNMENT

The meeting adjourned at 11:40 a.m.

Sue Hodges Moore
Interim President

Phyllis L. Bailey
Associate, Executive Relations

MINUTES

Joint Meeting Council on Postsecondary Education Kentucky State University Board of Regents April 25, 2003

The Council on Postsecondary Education and the Kentucky State University Board of Regents met in a joint session April 25, 2003, at 4 p.m. at the council offices in Frankfort, Kentucky. The chairs of the two boards, Norma Adams and William Wilson, conducted the meeting.

ROLL CALL

The following members of the Council on Postsecondary Education were present: Norma Adams, Steve Barger, Walter Baker, Peggy Bertelsman (by ITV), Bart Darrell, Richard Freed, Susan Guess (by ITV), Esther Jansing, Joan Taylor, and Charles Whitehead. Lois Combs Weinberg participated by telephone but was not included in the quorum. Ron Greenberg, John Hall, Charlie Owen, Chris Pace, and Gene Wilhoit did not attend.

The following members of the Kentucky State University Board of Regents were present: Mikiyon Alexander, Charles Bennett, Ishmon Burks, Cornelia Calhoun, Laura Douglas, Marlene Helm, Roger Reynolds, Marcia Milby Ridings, Brenda Schissler, Harry Lee Waterfield II, and William H. Wilson. There were no members absent. (The KSU regents reconvened after recessing from its board meeting started earlier in the day on the KSU campus.)

WELCOME

Ms. Adams welcomed the members of the KSU board. She also welcomed Tom Layzell to his first official meeting as president of the council.

CPE STAFF

Dr. Layzell introduced Sandy Woodley, the council's new vice president for finance. Sandy previously served as the associate director for finance of the Alabama Commission on Higher Education.

KSU COMPREHENSIVE ASSESSMENT

Ms. Adams said that the purpose of the joint meeting was to discuss the comprehensive assessment of Kentucky State University. In December 2002, the two boards commissioned the assessment from the consulting firm of Baker and Hostetler, LLP, of Cleveland, Ohio. The assessment analyzes various aspects of KSU including its institutional mission, academic programs, administrative structure, and budget and operations. The report also provides recommendations for improvement of the institution.

Ms. Adams said that Kentucky's postsecondary reform will not succeed unless all of the institutions are full and active partners. Reform depends on KSU's ability to fulfill its unique role in the postsecondary education

system. She said that the report is not an assessment of the past but rather a study to help focus on the future of KSU and build on its strengths. She said that she is confident that the members of both boards will dedicate themselves to work together, using this document as a plan of action. She said that action begins today and will move swiftly. Ms. Adams said the council looks forward to working with the members of the KSU board and with President William Turner.

Mr. Wilson said that this report will present many challenges and the board is willing to face these challenges, execute this plan, and work to move KSU forward. He reminded everyone that student achievement should always be the primary goal in whatever is done.

RECOMMENDATION: The KSU Oversight Comprehensive Assessment Committee recommends:

- That the Council on Postsecondary Education and the KSU Board of Regents receive the Comprehensive Assessment Report from Baker & Hostetler, LLP.
- That the council and the KSU board extend the life of the KSU Comprehensive Assessment Oversight Committee to monitor the implementation of the recommendations of the report and to periodically report to the KSU board and the council.
- That the council and the KSU board direct their two presidents to meet, develop an implementation agenda and timeline, and report back to the Oversight Committee.

MOTION BY CPE: Mr. Barger moved that the council approve the recommendation. Mr. Whitehead seconded the motion.

MOTION BY KSU BOARD: Ms. Douglas moved that the KSU Board of Regents approve the recommendation. Mr. Reynolds seconded the motion.

Ms. Helm said that this assessment has accomplished what was intended by postsecondary reform – collaboration between the institutions and the council to achieve the greater good and to move the institutions forward. Ms. Helm recognized members of the oversight committee: from KSU, in addition to herself, Mr. Waterfield, Mr. Bennett, and Ms. Douglas; from the council, Mr. Whitehead, Ms. Jansing, Mr. Baker, and Mr. Barger. (Ms. Helm and Mr. Barger served as committee co-chairs.) Ms. Helm reviewed the activities of the committee from the issuance of the RFP through the completion of the report.

Mr. Barger introduced the leaders of the assessment team at the meeting – Raymond Pierce (with Baker & Hostetler, LLP, Cleveland, Ohio) and Garrison Walters (vice chancellor for academic affairs and economic advancement with the Ohio Board of Regents). Larry Goldstein, president of Campus Strategies, a management consulting firm, participated in the meeting by telephone. Other team members were Carol Anderson,

assistant professor of history, University of Missouri-Columbia; Mickey L. Burnim, chancellor of Elizabeth City State University in North Carolina; Jinnie Y. Davis, library consultant and librarian emeritus, North Carolina State University Libraries; John A. Muffo, director of the academic assessment program, Virginia Tech University; Rayma E. Smith, dean of humanities and sciences, Cincinnati State Technical and Community College; and Melvin T. Stith, dean and professor of business administration, Florida State University.

Mr. Pierce, Mr. Walters, and Mr. Goldstein led a discussion of the report and the next steps toward implementation of the recommendations. Major points of discussion included the vision and mission of KSU, the appropriateness of KSU's benchmark institutions used by the council to determine funding, and the status of the land-grant appropriations match.

A major challenge for KSU is that its currently unfocused sense of mission comes from three different areas: being an historically black university, a liberal arts institution, and a land-grant university. Mr. Pierce said that the review team believes that a synthesis of these into a single mission is possible, but many people at KSU appear to believe that this is impossible. The lack of a focused and clear mission has resulted in a number of problems, including internal conflict, a lack of responsibility in academic departments for the success of students entering the university without sufficient preparation, and a sense of autonomy that has various units sometimes working independently.

The review team examined the process used to determine the benchmark institutions and concluded that KSU has an inappropriate group. The enrollment of most of the benchmark institutions is much higher than at KSU. The institution incurs a significant amount of infrastructure and overhead costs relative to its enrollment.

Mr. Pierce said that KSU believes that the Commonwealth has failed to provide the funds needed to match appropriations received as a result of KSU's federal land-grant status. The terms of the program require that matching funds be additive. In other words, resources already provided and otherwise available cannot be designated as matching funds to satisfy the program requirements. Because the appropriation process under benchmark funding does not identify matching funds separately, the KSU staff believes that the Commonwealth has failed to meet its commitments. The council staff contends that the requirements have been met because the base funding level, established when the benchmark funding approach was adopted, already includes the required matching funds.

Mr. Pierce said that during the assessment team review, the council staff provided documents to demonstrate that the state has met its responsibilities. With the exception of a two-year period (FY 2001 and FY 2002), it appears that KSU has received sufficient funding to satisfy the matching requirements established for land-grant institutions. The council staff has written documentation from the U.S. Department of Agriculture that Kentucky has satisfied the requirements of federal

legislation. But when contacted by the review team, a USDA official indicated that the council's interpretation, though technically accurate, failed to address the intent of the legislation. According to this official, the legislation was intended to encourage incremental increases in funding to the institutions (including KSU) but, for political reasons, the legislation did not mandate this.

Mr. Pierce said that this matter must be brought to closure in order for KSU and the council to have an effective working relationship. The review team included in its report a recommendation that the council and KSU jointly prepare a letter to the USDA seeking written confirmation of the intent of the legislation and work together to resolve this issue.

Mr. Barger pointed out a statement included in the report that speaks not to past blame but to future responsibility:

Responsibility for the future success of KSU must be shared. Recovering from the leadership and related fiscal problems of the recent past must fall under the aegis of the governing authority – the Board of Regents. It is up to the board to ensure that KSU rebuilds from its problems and that the university is operated at a level of efficiency and effectiveness that is not merely satisfactory, but exemplary. On the other hand, the university's current difficulties do not relieve the Commonwealth of Kentucky of its responsibilities to strive for solutions that ensure that the institution is successful, nor do they relieve the Commonwealth of its obligations under the Partnership Agreement. Finally, as the board exerts its leadership with the assistance of the Council on Postsecondary Education and the Commonwealth, it will be important for faculty, alumni, and others in the KSU family to strive for an atmosphere of cooperation and collegial governance.

VOTE BY CPE: The motion passed.

VOTE BY KSU BOARD: The motion passed.

The joint meeting adjourned at 5:55 p.m. The KSU board then returned to its regular meeting.

Thomas D. Layzell
President

Phyllis L. Bailey

Associate, Executive Relations

Council on Postsecondary Education
May 19, 2003

Focus on Reform: Statewide Engineering Strategy

Throughout the course of reform the council has promoted systemwide collaboration among institutions. It also has encouraged increased collaboration among the postsecondary system and state and local education, government, and economic development agencies to identify and respond to state needs and advance the knowledge-based economy. Engineering was one of the needs immediately identified and the council responded by creating the Strategy for Statewide Engineering Education (see attachment). This important initiative will be featured at the May meeting.

The cornerstone of this strategy is a set of joint engineering programs. The University of Kentucky, University of Louisville, Western Kentucky University, and Murray State University have now signed groundbreaking memoranda of agreement that implement Kentucky's first joint baccalaureate degrees in mechanical, civil, electrical, and electrical and telecommunications engineering. Students are enrolled, and the first classes are expected to graduate in 2005.

The strategy also calls for initiatives promoting P-16 math and science, developing KCTCS pre-engineering curricula and engineering technology associate degrees that align with baccalaureate programs, and recruiting, mentoring, and placing women and minorities in engineering programs.

A status report on this statewide initiative will be presented by Lee Todd, UK president; Jim Ramsey, UofL president; King Alexander, MuSU president; Tom Lester, dean of the UK College of Engineering; Tom Hanley, dean of the UofL College of Engineering; Blaine Ferrell, dean of the WKU Ogden College of Science and Engineering; and Neil Weber, dean of the MuSU College of Science, Engineering, and Technology.

Implementation of the next components of the strategy will include working with the Kentucky Department of Education to enrich the engineering pipeline by increasing the number of students and the number of female and minority students in math, science, and other engineering-related programs; expanding current engineering and information technology programs offered by the KCTCS; and coordinating existing programs that recruit students into engineering.

Staff preparation by Jennifer Marsh and Jim Applegate

Strategy for Statewide Engineering Education in Kentucky **July 17, 2000**

Kentucky needs a statewide strategy to educate more engineers and to integrate engineering education more closely into the technology-driven "New Economy." The Council on Postsecondary Education, at its March 20, 2000 meeting, approved the recommendation that the public universities and colleges work together with the Council staff to design a statewide strategy to expand engineering education. The statewide strategy is intended to meet two primary needs:

1. the need to increase the number of baccalaureate engineers in Kentucky, and
2. the need to address regional issues of access and productivity in engineering education.

Kentucky's progress in meeting these needs will be assessed periodically by the Council and all participating institutions.

The strategy for engineering education in Kentucky will eventually integrate secondary, baccalaureate, and post-baccalaureate programs. It will involve secondary schools, the Kentucky Community and Technical College System, the comprehensive universities, the research universities, the independent colleges and universities, and the Kentucky Commonwealth Virtual University.

Access to undergraduate engineering education will expand primarily through the creation of joint programs managed by multiple postsecondary institutions. The programs will be tailored to meet demonstrated regional or statewide needs. They will be separately accredited and degrees will be conferred jointly. All participating institutions will be involved in program development, delivery, and administration. Students will be able to complete all degree requirements at their home campus through resident instruction, courses delivered through the Kentucky Commonwealth Virtual University, or courses delivered by participating institutions through other distance delivery methods.

The Council would like to consider the first joint program proposals as early as November 2000. The Council will accelerate the approval process for joint programs that satisfy the criteria outlined in this strategy document's final form.

The joint programs should build on the strengths of existing engineering programs at the University of Kentucky and the University of Louisville while accommodating employer needs identified by the comprehensive institutions. The University of Kentucky and the University of Louisville will agree which institution will have the responsibility for statewide development of joint programs by discipline with interested comprehensive institutions. All joint programs will become separately accredited by the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology (EAC/ABET) as soon as possible.

During the start-up phase of each joint program, the deans of engineering at the University of Kentucky and the University of Louisville will, on behalf of all participating institutions, recommend that the Kentucky State Board for Licensure for Professional Engineers and Land Surveyors grant approval to the joint program so that students may sit for the appropriate Engineering Fundamentals Examination administered by the board twice yearly in Lexington and Louisville.

The specific structure of each joint program may differ from one another, depending on the needs of area employers and the strengths of the institutions involved in each program. Prior to submitting a proposal for the Council's consideration, the appropriate faculty of each participating institution will agree on the appointment, tenure, and promotion policies for program faculty, the allocation of equipment and facilities, provision of student services, assessment criteria, and the general management of the joint program. Decisions regarding the salary, rank, and tenure of individual faculty members will be the responsibility of the employing institution. Adjunct or joint appointments to the faculty of the other participating institution(s) may be offered.

The Council staff will recommend to the Council appropriate funding for the equipment and facilities needs of the strategy as the Council develops its operating and capital budget recommendations for the next biennium. Funding could also be sought in the 2002 Legislative Session as part of the "New Economy" initiatives authorized in House Bill 572 of the 2000 session.

Working with the institutions, the Council will develop procedures for counting enrollments and graduates, disbursing funds, and establishing tuition rates.

The strategy is open to selected, non-duplicative, stand-alone engineering programs at comprehensive universities as well as to other types of multi-institutional arrangements. The strategy also envisions the continued strengthening and expansion of the existing engineering programs at the University of Kentucky and the University of Louisville and the development of new undergraduate and graduate engineering programs that support the strategic plans of both institutions and the "New Economy" initiatives.

The Kentucky Community and Technical College System and Lexington Community College will develop pre-engineering curricula (in conjunction with the University of Kentucky and the University of Louisville) that will enable community and technical college graduates to meet all third-year engineering entrance requirements of Kentucky's public baccalaureate institutions. In addition, the Kentucky Community and Technical College System and Lexington Community College may develop additional Engineering Technology programs at the associate degree level. The universities may also work with the Kentucky Community and Technical College System and Lexington Community College to offer such programs and to align associate and baccalaureate engineering technology programs. These programs will become accredited by the Technology Accreditation Commission of the Accreditation Board for Engineering and Technology (TAC/ABET) as soon as possible.

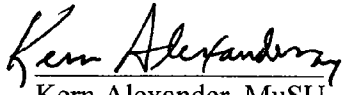
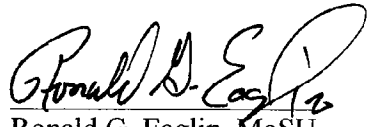

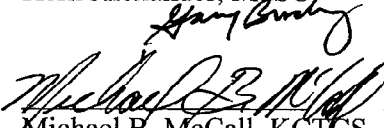
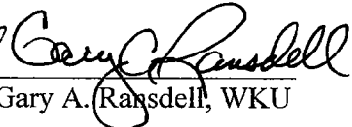

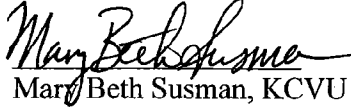
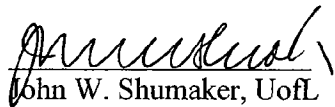
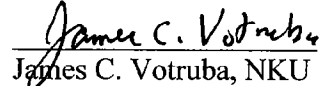
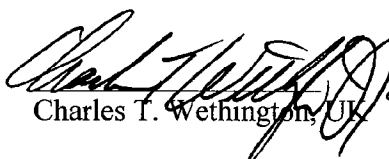
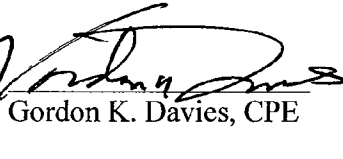
The strategy will encourage recruiting, mentoring, and placement initiatives for women and minorities.

The strategy envisions the creation of a clearinghouse for information about student engineering employment opportunities, including cooperative education, summer internships, and permanent employment with Kentucky businesses and industries.

Students at participating institutions will be encouraged to apply for graduate study in engineering at the University of Kentucky and the University of Louisville. Engineering articulation agreements, early admissions policies, and other strategies will be used to make the transition to graduate study as smooth as possible. The strategy is also open to the use of comprehensive institutions as remote sites for the delivery of master's programs of the University of Kentucky and the University of Louisville through resident instruction, courses delivered through the Kentucky Commonwealth Virtual University, or courses delivered through other distance delivery methods.

The Council will play its usual coordinating role in the development and implementation of the strategy, including adjudicating disputes, facilitating statewide discussions, measuring effectiveness, and determining statewide funding and construction needs.

Signed July 5, 2000

 Kern Alexander, MuSU	 Ronald G. Eaglin, MoSU	 Robert Kustra, ECU
 Michael B. McCall, KCTCS	 Gary A. Ransdell, WKU	 George W. Reid, KSU
 Mary Beth Susman, KCVU	 John W. Shumaker, UofL	 James C. Votruba, NKU
 Charles T. Wethington, UK	 Gordon K. Davies, CPE	

Executive Summary

Cross-Cutting Issues

Beginning on page 29, the council staff has outlined the ongoing activities relating to the development of the 2004-06 operating and capital recommendations. The council staff will continue to work closely with institutional staff over the coming months and will bring to the council several items for discussion and consideration at future meetings.

The staff recommends that the council approve the 2004-06 tuition guidelines. (For details, see page 33.)

The council staff, in consultation with institutional staff, has reviewed the tuition guidelines. Each institution will establish its own 2004-2006 tuition rates consistent with guidelines approved by the council. These guidelines also establish a standard deduction to be used in the benchmark funding model – 30 percent for the KCTCS, LCC, and KSU; 37 percent for other universities.

Also included in this agenda item is information on tuition increases at five institutions (KCTCS, MoSU, NKU, UK, and UofL). Attachment B beginning on page 36 shows the revised rates and the percent increases over 2002-03. Attachment C on page 44 shows the increase in revenue from these rate increases and how these funds will be used.

New information is available on six key indicators under Questions 1, 3, and 5. Updated results show progress in increasing educational attainment and research and development expenditures; updated graduation rates show mixed results. For details, see page 45.

The Institute for Effective Governance's first annual spring seminar is May 19 and 20 at the Radisson Plaza Hotel in Lexington. The seminar will begin at 1 p.m. May 19 and will conclude at 11 a.m. May 20. The council, university and KCTCS governing board members, and the board of directors of the Kentucky Higher Education Assistance Authority and the Kentucky Higher Education Student Loan Corporation are invited.

Given the tough economic times Kentucky continues to face, the focus of this board development seminar is on the need to work together to advocate for institutional, community, and statewide support for the postsecondary education agenda. Four themes will run throughout the program:

1. Staying focused on the public's agenda
2. Making the case for political and financial support
3. Working together from the inside out
4. Deciding what good things not to do

Also, in response to the survey conducted at last fall's trusteeship conference, sessions will be offered on the board/CEO relationship, including hiring, compensating, and evaluating CEOs.

The sessions will be highly interactive, including time set aside Monday afternoon for the council and board members to discuss questions pertaining to the role of governing boards in moving the public agenda forward and in advocating for postsecondary reform.

The May 19 reception and dinner will be held jointly with the annual faculty development conference. Tom Layzell will be the Monday evening keynote speaker.

The faculty development conference begins the afternoon of May 19 at the Lexington Marriott Griffin Gate. This year's theme is "The Scholarship of Teaching and Learning: Engaging the Learner" and focuses on Kentucky's diverse student population. The conference is working in partnership with the KCTCS annual faculty development conference and will include more than 300 participants. Over 60 presentations will offer innovative approaches to teaching nontraditional students, including students with disabilities and adult/part-time learners. Panel discussions will address statewide concerns about student advising, transfer, remedial/developmental education, and ADA compliance. The keynote speaker is Dr. Sandra McGuire, Associate Dean and Director of the Center for Academic Success at Louisiana State University. Dr. McGuire has directed learning centers at Cornell and Louisiana State University and is a nationally recognized expert on supporting college success for minority and disadvantaged students. The conference has become an important resource for helping faculty across the state address the goals of reform.



Development of 2004-06 Operating and Capital Recommendations

Over the next three council meetings, with final action at the November council meeting, several discussion items and action items related to the development of the 2004-06 budget recommendations will be presented to the council. On page 31 is an overview and timeline of items related to the budget recommendation process that will be presented during the May, July, September, and finally the November council meetings.

Summary and Status of Budget Recommendation Process

Operating Budget

- **Possible changes to Benchmarks:** By agreement among the presidents through the *Points of Consensus* (adopted at the February council meeting), the benchmark funding model will be used to develop the 2004-06 operating budget recommendation. The council president and institutional presidents agreed to review the benchmark selection process to determine if changes to benchmark institutions are appropriate. The council staff will work with institutional staff to make necessary changes prior to the development of the budget recommendations. The council staff will bring the resulting changes in benchmarking selections to the council at its July meeting.
- **Funding Objective - Measure of Central Tendency:** The council staff in consultation with institutional staff will propose a measure of central tendency (defined as an average of a set of observations such as mean, median, or percentile) to be used to determine the 2004-06 benchmark funding objective for each institution. Several measures will be calculated and discussed with the institutions and then presented to the council for discussion. After further discussion with the presidents and chief budget officers, the council staff will bring a recommendation on the 2004-06 measure of central tendency to the council for action. The council used the average of the 50th, 55th, and 60th percentile as the measure of central tendency to develop the 2002-04 operating budget recommendations.
- **Enrollment:** The council staff has discussed with institutional staff the use of estimated fall 2003 enrollment to calculate the institutions' 2004-06 benchmark funding need. The institutions agreed to use the estimated enrollment for the calculations and will provide this information to the council staff through the comprehensive data base.
- **Special Funding Initiatives:** The council staff will discuss with institutional staff ways to improve the request and evaluation guidelines to be used for submission of special initiative requests for 2004-06. After the discussions with institutional staff, the council

staff will bring a recommendation on the 2004-06 Special Funding Request Guidelines and Evaluation Criteria to the council for consideration.

Capital

- **2004-06 Capital Planning:** The institutional and council staffs have developed the 2004-2010 Six-Year Capital Plan (see the agenda item beginning on page 93), which was submitted to the Capital Planning Advisory Board on April 15, 2003. Typically, the projects identified in the first two years (2004-06) of the six-year capital plan evolve into the capital projects request.
- **Capital construction priorities:** The council staff with input from institutional staff will develop a proposal for establishing the capital construction priorities. Following the discussions with the institutions, the council staff will bring a recommendation to the council for discussion and consideration.

Staff preparation by Sherron Jackson and Linda Jacobs

Overview of CPE meetings --- Discussion and Action Items

Related to

2004-06 Operating and Capital Budget Recommendations

<i>MAY</i>	<i>JULY</i>	<i>SEPTEMBER</i>	<i>NOVEMBER</i>
DISCUSSION: 1. 2004-06 operating and capital budget development process	DISCUSSION: 1. Funding distribution policy 2. Incentive trust funds: priorities 3. Special initiative request: guidelines and evaluation criteria 4. 2004-06 budget recommendation (benchmark changes)	DISCUSSION: 1. Operating budget request: benchmark funding model results 2. Capital budget request 3. Institutional report on tuition rates & revenues 4. Incentive trust funds: amounts & distribution guidelines 5. Submitted special initiatives requests	DISCUSSION:
ACTION: 1. Tuition guidelines; percentages and deductions 2. CPE 2004-2010 six year capital plan	ACTION: 1. Space planning guidelines revisions 2. Capital budget priorities	ACTION: 1. Tuition percentages deduction (actual calculations) 2. Central tendency calculation 3. Funding distribution policy	ACTION: 1. Operating budget recommendation 2. Capital budget recommendation

* Possible budget hearings in October

2004-06 Tuition Guidelines

Action: The staff recommends that the council approve the 2004-06 Tuition Guidelines.

The council staff, in consultation with institutional staff, reviewed the tuition guidelines approved by the council at its May 2001 meeting for use in the 2002-04 funding recommendation process. The staff proposes that the 2002-04 guidelines, updated to reflect the appropriate dates, be used in the 2004-06 funding recommendation process. The draft guidelines are attached (Attachment A). Each institution will establish its own 2004-06 tuition rates consistent with guidelines approved by the council.

As part of the benchmark funding model, tuition and fees revenue per student is deducted from total public funds per student for each benchmark and Kentucky institution to determine state appropriation need per student for each Kentucky university and the KCTCS. The 2002-04 guidelines included a standard deduction of 30 percent for the KCTCS, Lexington Community College, and Kentucky State University and a 37 percent deduction for the other universities in the benchmark funding model calculation. The council staff recommends that these standards be maintained for the 2004-06 calculation.

The benchmark funding model, including the tuition revenue deduction, was first used to develop the council's 2000-02 operating recommendation for the institutions. At this time tuition setting authority was delegated to the institutions with the understanding that the institutions would set tuition rates within a set of guidelines approved by the council. The institutions are to report their estimated biennial tuition rates to the council in September of each odd-numbered year. It also was requested that any changes in rates that may occur over the biennium be reported.

Tuition rates for 2002-04 were set by the institutions based on the guidelines approved in May 2001. Since that time there have been reductions in state General Fund support for the institutions, details about which were provided to the council at previous meetings. Consequently, the institutions revised their 2002-03 tuition rates (details of the revisions were provided at the November 2002 meeting) and, due to further reductions included in House Bill 269, some of the institutions have increased 2003-04 tuition rates beyond levels previously reported.

Attachment B beginning on page 36 details the changes in 2003-04 rates for each institution. The dollar and percentage increases shown are the 2003-04 rates as compared to 2002-03. At the

full-time undergraduate resident level, the increases range from \$184 per semester at UofL (a 9 percent increase) to \$180 per semester at the KCTCS (a 23.4 percent increase). These increases will provide new funds ranging from \$3.8 million at Morehead State University to \$18.2 million at the University of Kentucky (including LCC).

Justification for tuition increases provided by the institutions include the following rationale (see Attachment C on page 44 for institutional detail):

- Replace reductions in state funding.
- Offset investment losses.
- Cover increases in fixed operating expenses (utilities, liability insurance, etc.).
- Fund increases in employee health insurance and pay increases.
- Continue the current level of student services.
- Increase need-based financial aid to offset tuition increases.
- Sustain quality of academic programs.

Staff preparation by Linda Jacobs

**Tuition Guidelines
Effective Fall 2004**

Each institution will establish its own tuition rates consistent with the following guidelines. The council's biennial budget request for state General Fund operating funds will consider tuition and fees revenue based on these guidelines.

- Undergraduate rates must be higher for non-resident students than resident students, excluding reciprocity agreements.
- As part of the key indicators of progress toward postsecondary education reform, the staff will continue to monitor and report to the council on an annual basis the percentage of income (per capita personal income) needed to pay for college expenses to ensure that postsecondary education remains affordable to Kentuckians.
- The rates should move institutions toward producing tuition and fees revenue at consistent levels across institutions. The KCTCS, Lexington Community College, and Kentucky State University's tuition and fees policies should move the institutions toward producing revenue that is at least 30 percent of the total public funding for each institution. The tuition and fees policies for the remaining institutions should move these institutions toward producing revenue that is at least 37 percent of the total public funding for each institution. Institutions with tuition and fees revenue below these recommended standards should act to increase that percentage over the biennium. These institutions must at least maintain the current percentage of tuition and fees revenue in public funding during the 2004-06 biennium.
- Each institution will submit planned biennial tuition rates and projected tuition and fees revenue for 2004-05 and 2005-06 to the council by September 1, 2003, for use in developing the council's 2004-06 biennial budget request.

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	2002-03	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Eastern Kentucky University							
<i>Undergraduate</i>							
Resident							
Full-time	1,279	1,399	120	9.4%	No Change		
Per Credit Hour	122	132	10	8.2%	No Change		
Nonresident							
Full-time - Non-discount students	3,835	4,195	360	9.4%	No Change		
Per Credit Hour - Non-discount Students	335	365	30	9.0%	No Change		
Full-time - Incentive Grant Counties	2,107	2,311	204	9.7%	No Change		
Per Credit Hour - Incentive Grant Counties	191	208	17	8.9%	No Change		
<i>Graduate</i>							
Resident							
Full-time	1,399	1,525	126	9.0%	No Change		
Per Credit Hour	176	190	14	8.0%	No Change		
Nonresident							
Full-time	4,198	4,576	378	9.0%	No Change		
Per Credit Hour	487	529	42	8.6%	No Change		
Full-time - Incentive Grant Counties	2,308	2,515	207	9.0%	No Change		
Per Credit Hour - Incentive Grant Counties	277	300	23	8.3%	No Change		
Kentucky State University							
<i>Undergraduate</i>							
Resident							
Full-time	1,314	1,414	99	7.5%	No Change		
Per Credit Hour	110	118	8	7.3%	No Change		
Nonresident							
Full-time	3,940	4,236	296	7.5%	No Change		
Per Credit Hour	330	355	25	7.6%	No Change		
<i>Graduate</i>							
Resident							
Full-time	1,440	1,548	108	7.5%	No Change		
Per Credit Hour	160	172	12	7.5%	No Change		

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	2002-03	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Kentucky State University (continued)							
<i>Graduate</i>							
Nonresident							
Full-time	4,340	4,666	326	7.5%	No Change		
Per Credit Hour	480	516	36	7.5%	No Change		
Morehead State University							
<i>Undergraduate</i>							
Resident							
Full-time	1,213	1,310	97	8.0%	1,393	180	14.8%
Per Credit Hour	102	110	8	7.8%	117	15	14.7%
Nonresident - Contiguous Tier Counties							
Full-time	1,313	1,410	97	7.4%	1,493	180	13.7%
Per Credit Hour	110	118	8	7.3%	125	15	13.6%
Nonresident							
Full-time	3,640	3,931	291	8.0%	4,185	545	15.0%
Per Credit Hour	304	328	24	7.9%	349	45	14.8%
<i>Graduate</i>							
Resident							
Full-time	1,334	1,441	107	8.0%	1,533	199	14.9%
Per Credit Hour	149	161	12	8.1%	171	22	14.8%
Nonresident							
Full-time	3,997	4,323	326	8.2%	4,595	598	15.0%
Per Credit Hour	445	481	36	8.1%	511	66	14.8%
MBA							
Resident (and non-residents admitted to program prior to July 1, 2002)							
Full-time	1,667	1,800	133	8.0%	1,916	249	14.9%
Per Credit Hour	186	201	15	8.1%	213	27	14.5%
Nonresident							
Full-time	2,567	2,772	205	8.0%	2,951	384	15.0%
Per Credit Hour	286	309	23	8.0%	328	42	14.7%

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	2002-03	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Murray State University							
<i>Undergraduate</i>							
Resident							
Full-time	1,270	1,365	95	7.5%	No Change		
Per Credit Hour	111	119	8	7.5%	No Change		
Nonresident							
Full-time	3,810	4,095	285	7.5%	No Change		
Per Credit Hour	323	347	24	7.5%	No Change		
<i>Graduate</i>							
Resident							
Full-time	1,395	1,500	105	7.5%	No Change		
Per Credit Hour	164	176	12	7.1%	No Change		
Nonresident							
Full-time	4,185	4,500	315	7.5%	No Change		
Per Credit Hour	470	505	35	7.5%	No Change		
Northern Kentucky University *							
<i>Undergraduate</i>							
Resident							
Full-time	1,608	1,704	96	6.0%	1,872	264	16.4%
Per Credit Hour	134	142	8	6.0%	156	22	16.4%
Nonresident							
Full-time	3,732	3,828	96	2.6%	3,996	264	7.1%
Per Credit Hour	311	319	8	2.6%	333	22	7.1%
<i>Graduate**</i>							
Resident							
Full-time	NA	NA	NA	NA	NA	NA	NA
Per Credit Hour	182	193	11	6.0%	210	28	15.4%
Nonresident							
Full-time	NA	NA	NA	NA	NA	NA	NA
Per Credit Hour	455	466	11	2.4%	483	28	6.2%

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	2002-03	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Northern Kentucky University* (continued)							
<i>Graduate**</i>							
Metro - Nonresident***							
Full-time	NA	NA	NA	NA	NA	NA	NA
Per Credit Hour	295	312	17	5.8%	323	28	9.5%
<i>Business</i>							
Resident							
Full-time	NA	NA	NA	NA	NA	NA	NA
Per Credit Hour	211	223	12	5.7%	227	16	7.6%
Nonresident							
Full-time	NA	NA	NA	NA	NA	NA	NA
Per Credit Hour	535	547	12	2.2%	551	16	3.0%
Metro - Nonresident***							
Full-time	NA	NA	NA	NA	NA	NA	NA
Per Credit Hour	295	312	17	5.8%	323	28	9.5%
<i>Law</i>							
Resident							
Full-time	3,912	4,128	216	5.5%	4,212	300	7.7%
Per Credit Hour	326	344	18	5.5%	351	25	7.7%
Nonresident							
Full-time	8,904	9,396	492	5.5%	9,204	300	3.4%
Per Credit Hour	742	783	41	5.5%	767	25	3.4%
Metro - Nonresident***							
Full-time	7,512	7,932	420	5.6%	7,812	300	4.0%
Per Credit Hour	626	661	35	5.6%	651	25	4.0%

* 2002-03 rates include mandatory student fees. The NKU board voted to "bundle" tuition and fees at all levels beginning in Fall 2002.

** Graduate and Business graduate students will be charged for each credit hour with no cap.

*** Metro rates are charged to degree seeking students within specific Ohio counties.

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	<u>2002-03</u>	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
University of Kentucky							
<i>Undergraduate</i>							
Resident							
Full-time	1,740	1,836	96	5.5%	2,001	261	15.0%
Per Credit Hour	145	153	8	5.5%	167	22	15.2%
Nonresident							
Full-time	5,016	5,112	96	1.9%	5,341	325	6.5%
Per Credit Hour	418	426	8	1.9%	446	28	6.7%
<i>Graduate</i>							
Resident							
Full-time	1,926	2,034	108	5.6%	2,215	289	15.0%
Per Credit Hour	214	226	12	5.6%	247	33	15.4%
Nonresident							
Full-time	5,535	5,643	108	2.0%	5,885	350	6.3%
Per Credit Hour	615	627	12	2.0%	654	39	6.3%
<i>MBA</i>							
Resident	2,079	2,394	315	15.2%	2,599	520	25.0%
Full-time	231	266	35	15.2%	289	58	25.1%
Per Credit Hour							
Nonresident							
Full-time	5,697	6,012	315	5.5%	7,121	1,424	25.0%
Per Credit Hour	633	668	35	5.5%	792	159	25.1%
<i>Law</i>							
Resident							
Full-time	3,290	3,460	170	5.2%	4,113	823	25.0%
Per Credit Hour	329	346	17	5.2%	412	83	25.2%
Nonresident							
Full-time	8,040	8,040	-	0.0%	8,863	823	10.2%
Per Credit Hour	804	804	-	0.0%	887	83	10.3%
<i>Medicine</i>							
Resident	5,441	5,604	163	3.0%	6,802	1,361	25.0%
Nonresident	12,798	12,961	163	1.3%	15,998	3,200	25.0%

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	<u>2002-03</u>	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
University of Kentucky (continued)							
<i>Dentistry</i>							
Resident	4,758	5,043	285	6.0%	5,948	1,190	25.0%
Nonresident	11,405	11,690	285	2.5%	14,256	2,851	25.0%
<i>Pharmacy</i>							
Resident	2,857	3,057	200	7.0%	3,572	715	25.0%
Nonresident	8,074	8,274	200	2.5%	10,093	2,019	25.0%
<i>Professional Doctorate</i>							
Resident							
Full-time	2,655	2,808	153	5.8%	3,054	399	15.0%
Per Credit Hour	295	312	17	5.8%	340	45	15.3%
Nonresident							
Full-time	7,659	7,812	153	2.0%	8,409	750	9.8%
Per Credit Hour	851	868	17	2.0%	935	84	9.9%
Lexington Community College							
<i>Undergraduate</i>							
Resident							
Full-time	876	948	72	8.2%		No Change	
Per Credit Hour	73	79	6	8.2%		No Change	
Nonresident							
Full-time	2,904	3,144	240	8.3%		No Change	
Per Credit Hour	242	262	20	8.3%		No Change	
University of Louisville							
<i>Undergraduate</i>							
Resident							
Full-time	2,041	2,172	131	6.4%	2,225	184	9.0%
Per Credit Hour	170	181	11	6.5%	185	15	9.1%
Nonresident							
Full-time	5,581	5,928	347	6.2%	6,083	502	9.0%
Per Credit Hour	465	494	29	6.2%	507	42	9.0%

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	2002-03	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
University of Louisville (continued)							
<i>Graduate</i>							
Resident							
Full-time	2,221	2,367	146	6.6%	2,421	200	9.0%
Per Credit Hour	247	263	16	6.5%	269	22	8.9%
Nonresident							
Full-time	6,118	6,498	380	6.2%	6,669	551	9.0%
Per Credit Hour	680	722	42	6.2%	741	61	9.0%
<i>Law</i>							
Resident							
Full-time	3,675	3,910	235	6.4%	4,006	331	9.0%
Per Credit Hour	368	391	23	6.3%	401	33	8.9%
Nonresident							
Full-time	9,155	9,440	285	3.1%	9,677	522	5.7%
Per Credit Hour	916	944	28	3.1%	968	52	5.6%
<i>Medicine</i>							
Resident	6,671	7,145	474	7.1%	7,272	601	9.0%
Nonresident	16,634	17,805	1,171	7.0%	18,131	1,497	9.0%
<i>Dentistry</i>							
Resident	5,745	6,155	410	7.1%	6,262	517	9.0%
Nonresident	14,121	15,115	994	7.0%	15,392	1,271	9.0%
Western Kentucky University *							
<i>Undergraduate</i>							
Resident							
Full-Time - Main Campus	1,464	1,616	152	10.4%		No Change	
Full-Time - Community College	1,308	NA	NA	NA		No Change	
Full-Time - Distance Learning	1,872	2,076	204	10.4%			
Part-Time - Main Campus (per credit hour)	122	135	13	10.7%		No Change	
Part-Time - Community College (per credit hour)	117	NA	NA	NA		No Change	
Part-Time - Distance Learning (On-Line Courses)	156	173	17	10.4%		No Change	

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	2002-03	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Western Kentucky University * (continued)							
<i>Undergraduate</i>							
Nonresident							
Full-Time - Main Campus	3,900	4,040	140	3.6%			No Change
Full-time - Main Campus - Tuition Incentive Program (TIPS)	1,860	2,024	164	8.8%			No Change
Full-Time - Community College	3,504	NA	NA	NA			No Change
Full-Time - Community College - Tuition Incentive Program (TIPS)	1,656	NA	NA	NA			No Change
Part-Time - Main Campus (per credit hour)	325	337	12	3.7%			No Change
Part-Time - Main Campus - Tuition Incentive Program (TIPS)	155	169	14	9.0%			No Change
Part-Time - Community College (per credit hour)	292	NA	NA	NA			No Change
Part-Time - Community College - Tuition Incentive Program (TIPS)	138	NA	NA	NA			No Change
Part-Time - Distance Learning (On-Line Courses)	156	173	17	10.9%			No Change
<i>Graduate</i>							
Resident							
Full-Time	1,623	1,790	167	10.3%			No Change
Full-Time - Distance Learning	2,061	2,277	216	10.5%			No Change
Part-Time (per credit hour)	180	199	19	10.6%			No Change
Part-Time - Distance Learning (On-Line Courses)	229	253	24	10.5%			No Change
Nonresident							
Full-Time - Domestic	1,794	1,970	176	9.8%			No Change
Full-Time - International	4,058	4,472	414	10.2%			No Change
Part-Time (per credit hour)	199	219	20	10.1%			No Change
Part-Time - Distance Learning (On-Line Courses)	229	253	24	10.5%			No Change
* Beginning in 2002-03 the WKU Board of Regents approved including mandatory student fees and tuition in one rate.							
Kentucky Community and Technical College System							
Resident							
Full-time	768	816	48	6.3%	948	180	23.4%
Per Credit Hour	64	68	4	6.3%	79	15	23.4%
Nonresident							
Full-time	2,304	2,448	144	6.3%	2,844	540	23.4%
Per Credit Hour	192	204	12	6.3%	237	45	23.4%

2003-04 REVISED TUITION RATES
(Per Semester)

<u>Institution/Level/Residency Status</u>	2002-03	<u>As Reported November 4, 2002</u>			<u>Revised 2003-04 Rates</u>		
	<u>Tuition Rates</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Tuition Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>

**USE OF TUITION REVENUE INCREASES
FISCAL YEAR 2003-04**

<u>Institution</u>	<u>Estimated Revenue Increase</u>	<u>Use of Increases</u>
Eastern Kentucky University		<i>No Change in 2003-04 Rates</i>
KCTCS	\$11 million	Fixed costs, employee benefits including health insurance increases, salary increases for faculty and staff, and academic program improvement.
Kentucky State University		<i>No Change in 2003-04 Rates</i>
Morehead State University	\$3.8 million	Increase in employee health insurance, faculty and staff salary increases, fixed cost increases, and increase in student financial aid to offset tuition increases.
Murray State University		<i>No Change in 2003-04 Rates</i>
Northern Kentucky University	\$11.8 million	\$800,000 to support debt service and operating costs of new Student Union, increases in fixed costs, increase in need-based student financial aid, and faculty and staff salary increase.
University of Kentucky	\$18.2 million	Increase in scholarships, employee health insurance, academic program enhancements, fixed cost increases including library subscriptions, a salary increase pool, and to offset state appropriations reductions.
Lexington Community College		<i>No Change in 2003-04 Rates</i>
University of Louisville	\$6.7 million	Fixed costs, increase in health insurance, and faculty and staff salary increase.
Western Kentucky University		<i>No Change in 2003-04 Rates</i>

Progress Report on Key Indicators: Educational Attainment, Graduation Rates, and Research and Development

Updated information is available for six indicators under Questions 1, 3, and 5. Results for indicators measuring educational attainment and research and development expenditures show progress, while new graduation rates show mixed results.

Here are the highlights:

Question 1: Are more Kentuckians ready for postsecondary education?

- In March 2003, the U.S. Census Bureau released results – including data on educational attainment -- from its 2001 and 2002 current population surveys. Educational attainment rates from the CPS are typically higher than rates produced by the decennial census, but are useful for goal setting because they measure annual progress. According to the survey, 19.2 percent of adults in Kentucky aged 25 or older did not have a high school diploma or GED in 2002 (indicator 1.2). This is a significant improvement over the 1998 rate (22.1 percent), and exceeds the goal established for 2002. Kentucky's rate improved during the 2000-2002 period while the national rate remained unchanged at 15.9 percent, bringing the state closer to its long-term goal of reaching the national average. Using the traffic light evaluation scheme developed for the Key Indicators Web site, the light assigned to indicator 1.2 is green.

Question 3: Are more students advancing through the system?

- Updated results on the percentage of adults with a bachelor's degree or higher (indicator 3.5) also are available. According to the CPS, the percentage of Kentuckians with a baccalaureate increased from 20.5 percent in 2000 to 21.6 percent in 2002. The percentage of baccalaureate holders in the US increased from 25.6 percent in 2000 to 26.7 percent in 2002, a slower rate of increase than Kentucky's. Because the improved rate in Kentucky fell 0.2 percentage points short of the 2002 goal, a yellow light, indicating some progress, is assigned to indicator 3.5.
- Results for indicator 3.6, six-year graduation rates of bachelor's degree students, are mixed. Six-year graduation rates rose at three universities (Murray State University, University of Kentucky, and Western Kentucky University). The 2002 rates at Murray (55.4 percent) and the University of Kentucky (57.8 percent) exceeded the 2002 goals established for those institutions. Graduation rates declined at Eastern Kentucky University, Kentucky State University, Morehead State University, Northern Kentucky University, and the University of Louisville. Despite this decline, graduation rates at

Eastern, Morehead, and Northern remained above the 2002 goals. Systemwide, the six-year graduation rate dropped from 44.1 percent in 2001 to 43.5 percent in 2002.

- New measurements for indicator 3.7, five-year graduation rates of transfer students, show no progress at the systemwide level in 2002. Five-year graduation rates (calculated as three-year averages) rose from 56.6 percent in 2001 to 57.1 percent in 2002 at Morehead and from 51.6 percent to 53.5 percent at the University of Kentucky. Both institutions exceeded their 2002 goals. The University of Louisville's five-year graduation rate rose between 2001 and 2002, but did not improve enough to meet the 2002 goal. Five-year graduation rates declined at four universities (Eastern, Murray, Northern, and Western). A red light is assigned to this indicator.
- The council staff has requested responses from the institution presidents regarding the decline in graduation rates. Additional information will be available at the May 19 meeting.
- After incorporating the updated educational attainment and graduation rates, the light assigned to Question 3 changes from green to yellow. While the system continues to make some progress in advancing students through the system, more concerted effort is needed to reach established goals.

Question 5: Are Kentucky's communities and economy benefiting?

- Indicator 5.6 measures total extramural research and development expenditures at UK and UofL. The long-term goal is to reach \$1 billion in combined expenditures by 2020. Data released by the National Science Foundation in April show some progress toward this goal. Extramural expenditures at UK rose from \$143 million in 2000 to \$151 million in 2001, indicating UK is on track to meet its 2002 goal. Extramural expenditures also rose at UofL, from \$31 million to \$34 million; more progress will be necessary for UofL to meet its 2002 goal. Total extramural research and development expenditures were \$185 million in 2001, indicating further progress is needed to reach the statewide goal for 2002. A yellow light is assigned to indicator 5.6.
- Increases in federal research and development expenditures in 2001 suggest good progress toward the 2002 goal (indicator 5.7). Federal research and development expenditures at UK increased from \$74 million in 2000 to \$86 million in 2001, indicating good progress toward meeting UK's 2002 goal. Federal research and development expenditures at UofL rose from \$18 million to \$25 million during the same period; UofL will need to make further progress to meet its 2002 goal. Federal research and development expenditures for UK and UofL combined were \$111 million in 2001, indicating Kentucky is likely to meet its statewide goal for 2002. A green light is assigned to indicator 5.7.

Including the updated results presented here, the council staff has assigned lights for 24 systemwide indicators. To date, there are 15 green lights, five yellow lights, and four red lights.

These results show that postsecondary reform is working and identify areas to concentrate further effort. More detailed information is available in the attachments that follow.

The council staff has asked each institution president to prepare a summary of the initiatives taking place on their campus that address indicators for which results show more progress is necessary. Information about these responses will be provided to the council at the July 28 meeting.

Staff preparation by Christina E. Whitfield

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 1: Are more Kentuckians ready for postsecondary education?

1.2 Percentage of Adults (ages 25 and older) with Less than High School Diploma or GED

	Actual					Goal
	1998	1999	2000	2001	2002	2002
Kentucky	22.1%	21.8%	21.3%	21.0%	19.2%	19.3%
United States	17.2%	16.6%	15.9%	15.9%	15.9%	

Source: US Census Bureau, Current Population Survey

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 3: Are more students advancing through the system?

3.5 Percentage of Adults (ages 25 and older) with Bachelor's Degree or Higher

	Actual					Goal
	1998	1999	2000	2001	2002	2002
Kentucky	20.1%	19.8%	20.5%	20.4%	21.6%	21.8%
United States	24.4%	25.2%	25.6%	26.2%	26.7%	

Source: US Census Bureau, Current Population Survey

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 3: Are more students advancing through the system?

3.6 Six-Year Graduation Rates of Bachelor's Students

Institution	Actual					Goals				
	1998	1999	2000	2001	2002	2002	2003	2004	2005	2006
Eastern Kentucky University	26.8%	31.5%	30.0%	37.2%	33.1%	32.0%	33.5%	35.5%	37.5%	40.0%
Kentucky State University	17.7%	31.3%	31.2%	33.5%	27.2%	32.0%	33.0%	34.0%	35.0%	36.0%
Morehead State University	40.1%	44.0%	38.6%	45.6%	43.8%	42.0%	43.0%	44.0%	45.0%	46.0%
Murray State University	38.5%	40.9%	46.3%	55.0%	55.4%	47.7%	48.4%	49.0%	49.7%	50.4%
Northern Kentucky University	30.1%	32.3%	35.4%	40.5%	37.8%	36.0%	36.5%	37.0%	37.5%	38.0%
University of Kentucky	50.8%	52.2%	55.3%	57.2%	57.8%	56.4%	56.8%	57.4%	58.0%	58.6%
University of Louisville	29.9%	31.6%	30.8%	33.3%	32.8%	34.7%	36.7%	38.6%	40.6%	42.6%
Western Kentucky University	39.1%	37.7%	41.5%	40.8%	41.0%	41.6%	41.8%	42.0%	43.2%	44.4%

Source: CPE Comprehensive Data Base

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 3: Are more students advancing through the system?

3.7 Five-Year Graduation Rates of Transfer Students -- Three-Year Averages

Institution	Actual			Goals				
	2000	2001	2002	2002	2003	2004	2005	2006
Eastern Kentucky University	52.1%	52.7%	51.9%	53.0%	54.0%	55.0%	56.0%	57.0%
Kentucky State University	NA	NA	NA	NA	NA	NA	NA	NA
Morehead State University	55.0%	56.6%	57.1%	56.0%	57.0%	58.0%	59.0%	60.0%
Murray State University	60.6%	61.8%	60.6%	62.0%	62.5%	63.0%	63.5%	64.0%
Northern Kentucky University	55.3%	51.4%	49.1%	55.4%	55.5%	55.6%	55.7%	55.8%
University of Kentucky	49.2%	51.6%	53.5%	51.5%	52.0%	52.5%	53.0%	54.0%
University of Louisville	38.6%	39.8%	40.6%	41.9%	42.2%	42.4%	42.7%	43.1%
Western Kentucky University	62.4%	58.8%	56.4%	62.2%	62.3%	62.4%	62.5%	62.6%

Note: Includes students who transfer with 30 or more credit hours. No goal was established for KSU because of small cohort
Source: CPE Comprehensive Data Base

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 5: Are Kentucky's communities and economy benefiting?

5.6 Total Extramural Research and Development Expenditures
(in \$ thousands)

	Actual			Goals						
	1999	2000	2001	2002	2003	2004	2005	2006	2010	2020
University of Kentucky	\$120,446	\$142,803	\$150,713	\$158,523	\$174,242	\$189,962	\$205,682	\$221,402	\$300,000	\$600,000
University of Louisville	\$28,892	\$30,615	\$34,314	\$46,080	\$55,296	\$66,355	\$79,626	\$95,551	\$200,000	\$400,000
Total	\$149,338	\$173,418	\$185,027	\$204,603	\$229,538	\$256,317	\$285,308	\$316,953	\$500,000	\$1,000,000

Note: Extramural expenditures include federal, state, industry, and other extramural sources (excluding institutional expenditures).
Source: National Science Foundation, University of Kentucky

5.7 Federal Research and Development Expenditures
(in \$ thousands)

	Actual			Goals						
	1999	2000	2001	2002	2003	2004	2005	2006	2010	2020
University of Kentucky	\$66,184	\$73,858	\$86,239	\$87,172	\$100,486	\$113,801	\$127,115	\$140,429	\$207,000	\$414,000
University of Louisville	\$15,536	\$17,713	\$25,116	\$35,832	\$42,998	\$51,598	\$61,918	\$74,301	\$154,071	\$304,000
Total	\$81,720	\$91,571	\$111,355	\$123,004	\$143,484	\$165,399	\$189,033	\$214,730	\$361,071	\$718,000

Source: National Science Foundation

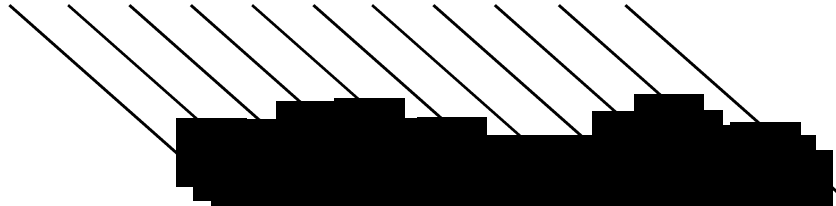


Key Indicators of Progress

toward

Postsecondary Reform in Kentucky

May 2003 - Progress Report
Available Results by Institution



2. Are more students enrolling?

Postsecondary Enrollment

1. Number of undergraduates	●	●	●	●	●	●	●	●	●	●
2. Number of graduates/ professionals	●	●	●	●	●	●	●	●	○	○

3. Are more students advancing through the system?

Persistence and Completion

1. One-year retention rates of first-time freshmen	●	●	●	●	●	●	●	●	●	●
3. Number of community and technical college transfers	●	●	●	●	●	●	●	●	●	●
4. Average number of credit hours transferred	○	○	○	○	○	○	○	○	○	○

Graduation

6. Six-year graduation rates of bachelor's degree students *	●	●	●	●	●	●	●	●	○	○
7. Five-year graduation rates of transfer students *	●	○	●	●	●	●	●	●	○	○

5. Are Kentucky's communities and economies benefiting?

Research and Development

6. Total extramural R & D expenditures *	○	○	○	○	○	●	●	○	○	○
7. Federal R & D expenditures *	○	○	○	○	○	●	●	○	○	○
8. Endowment in knowledge-based economy (KBE) areas	○	○	○	○	○	●	●	○	○	○
9. Expenditures from endowments and gifts in KBE areas	○	○	○	○	○	●	●	○	○	○

Note: No goal was established for KSU under indicator 3.7 because of small cohort sizes.

* Results updated May 2003

LEGEND

● Good Progress ● Some Progress ● No Progress ○ Does Not Apply

Key Indicators of Progress

toward Postsecondary Reform in Kentucky



May 2003 - Progress Report

1. Are more Kentuckians ready for postsecondary education?Some progress

Preparation of Adults

- 1. Percentage of adults at literacy levels one and twoNext measurement 2003
- 2. Percentage of adults with less than high school diploma or GEDExceeded goal*

Preparation of Recent High School Graduates

- 3. Average ACT scores of high school graduatesNo progress
- 4. Percentage of high school graduates taking the ACTNo progress
- 5. Number of college-level courses per 1,000 HS juniors and seniorsExceeded goal
- 6. Percentage of high school students completing ACT core courseworkSome progress
- 7. High school test scoresUnder development

Affordability (Family Ability to Pay)

- 8. Percentage of income needed to pay for college expensesMet goal

2. Are more students enrolling?Good progress

Postsecondary Enrollment

- 1. Number of undergraduates (system total)Exceeded goal
- 2. Number of graduates/professionals (public universities)Exceeded goal
- 3. Number of students enrolled in KYVU credit coursesExceeded goal
- 4. Number of "new students" enrolled in KYVU credit coursesUnder development

College Participation

- 5. Percentage of the adult population enrolled in KY collegesMet goal
- 6. Percentage enrolled from target countiesSome progress

College-Going

- 7. Percentage of students attending college directly out of high schoolExceeded goal
- 8. Percentage from target countiesGood progress
- 9. College-going rates of GED completers within two yearsExceeded goal

3. Are more students advancing through the system?Some progress

Persistence and Completion

- 1. One-year retention rates of first-time freshmenGood progress
- 2. One-year retention rates of underprepared studentsNext measurement 2003
- 3. Number of community and technical college transfersGood progress
- 4. Average number of credit hours transferredNo progress

Graduation

- 5. Percentage of adults with a bachelor's degree or higherSome Progress*
- 6. Six-year graduation rates of bachelor's degree studentsGood progress
- 7. Five-year graduation rates of transfer students - three-year averageNo progress*

● 4. Are we preparing Kentuckians for life and work?Under development

Undergraduate Student Experience

- 1. National Survey of Student Engagement.....Next measurement 2003

Alumni Satisfaction

- 2. Undergraduate alumni survey resultsNo goal
- 3. Graduate alumni survey resultsUnder development 2003

Civic Engagement

- 4. Undergraduate alumni surveyNo goal
- 5. National Survey of Student Engagement.....Next measurement 2003

Knowledge and Skills

- 6. Teacher Preparation ProgramsUnder development
- 7. Foundational skills.....Under development

● 5. Are Kentucky's communities and economy benefiting?Good progress

Employment of Graduates

- 1. Percentage of college graduates working in KentuckyUnder development
- 2. Percentage of out-of-state college graduates working in Kentucky.....Under development

Employer and Community Satisfaction

- 3. Employer and community satisfaction with KY graduates and completersUnder development
- 4. Employer and community satisfaction with institutions' supportUnder development

Research and Development

- 5. Total research and development expenditures per full-time faculty.....Next measurement 2003
- 6. Total extramural research and development expendituresSome progress*
- 7. Federal research and development expendituresGood Progress*
- 8. Endowments in knowledge-based economy (KBE) areas.....Some progress
- 9. Expenditures from endowments and gifts in KBE areasGood progress
- 10. Productivity of research spaceUnder development

* Results updated May 2003

LEGEND

- Good Progress
- Some Progress
- No Progress
- Pending

Executive Summary

2. Are more students enrolling?
3. Are more students advancing through the system?

The staff recommends that the council approve a revised definition for the Key Indicators six-year graduation rate. (For details, see page 55.)

There are several minor changes to the definition of the six-year graduation rate. These changes will align this definition with national standards.

The staff recommends that the council approve the 2003-2005 tuition reciprocity agreements between Kentucky and Ohio. (For details, see page 57.)

The tuition reciprocity agreements, developed by representatives from the participating institutions, will be effective beginning July 1, 2003. The agreements facilitate access to convenient and more affordable educational opportunities for students in both Kentucky and Ohio.

Key Indicators of Progress Toward Postsecondary Reform: Revised Six-Year Graduation Rate Definition

Action: The staff recommends that the council approve a revised definition for the Key Indicators six-year graduation rate.

The staff proposes changing the Key Indicator six-year graduation rate definition to match the definition used by the Integrated Postsecondary Education Data System for its Graduation Rate Survey. IPEDS, a federal program administered by the National Center for Education Statistics, provides a nationwide standard for defining graduation rates. Currently, variations in the way the graduation cohorts are defined for Key Indicators and the GRS yield slightly different results.

The current Key Indicators graduation rate includes fall first-time, full-time freshmen enrolled as baccalaureate or undecided students, first-time freshmen who enroll for the first time in the summer and as full-time students at the same institution in the following fall semester, and first-time sophomores who earned college credit before graduation from high school. The graduation rate is the percentage of students who earn a bachelor's degree at the same institution by the fall semester six years later. Two changes are necessary to align this definition with the GRS definition:

- Include students who enroll as first-time students during the summer and as full-time students in the fall, regardless of whether they attend the same institution during their first summer and fall terms.
- Allow for exclusions. IPEDS allows institutions to exclude a student from the graduation cohort if the student is deceased or leaves school for military or foreign aid service or to serve on an official church mission.

Incorporating these changes will not result in markedly different six-year graduation rates (the variation between the 2002 Key Indicators and GRS rates was generally less than one percentage point at Kentucky's public universities), but will help avoid reporting of inconsistent results for this important measure and will facilitate national and regional comparisons.

Key Indicators of Progress Update May 2003



Question 1:
**Are more Kentuckians ready for
postsecondary education?**

Adults with Less Than a High School Diploma or GED

	1998	1999	2000	2001	2002
KY	22.1%	21.8%	21.3%	21.0%	19.2%
US	17.2%	16.6%	15.9%	15.9%	15.9%

Source: CPS



Question 3:
**Are more students advancing
through the system?**



Adults with a Bachelor's Degree or Higher

	1998	1999	2000	2001	2002
KY	20.1%	19.8%	20.5%	20.4%	21.6%
US	24.4%	25.2%	25.6%	26.2%	26.7%

Source: CPS



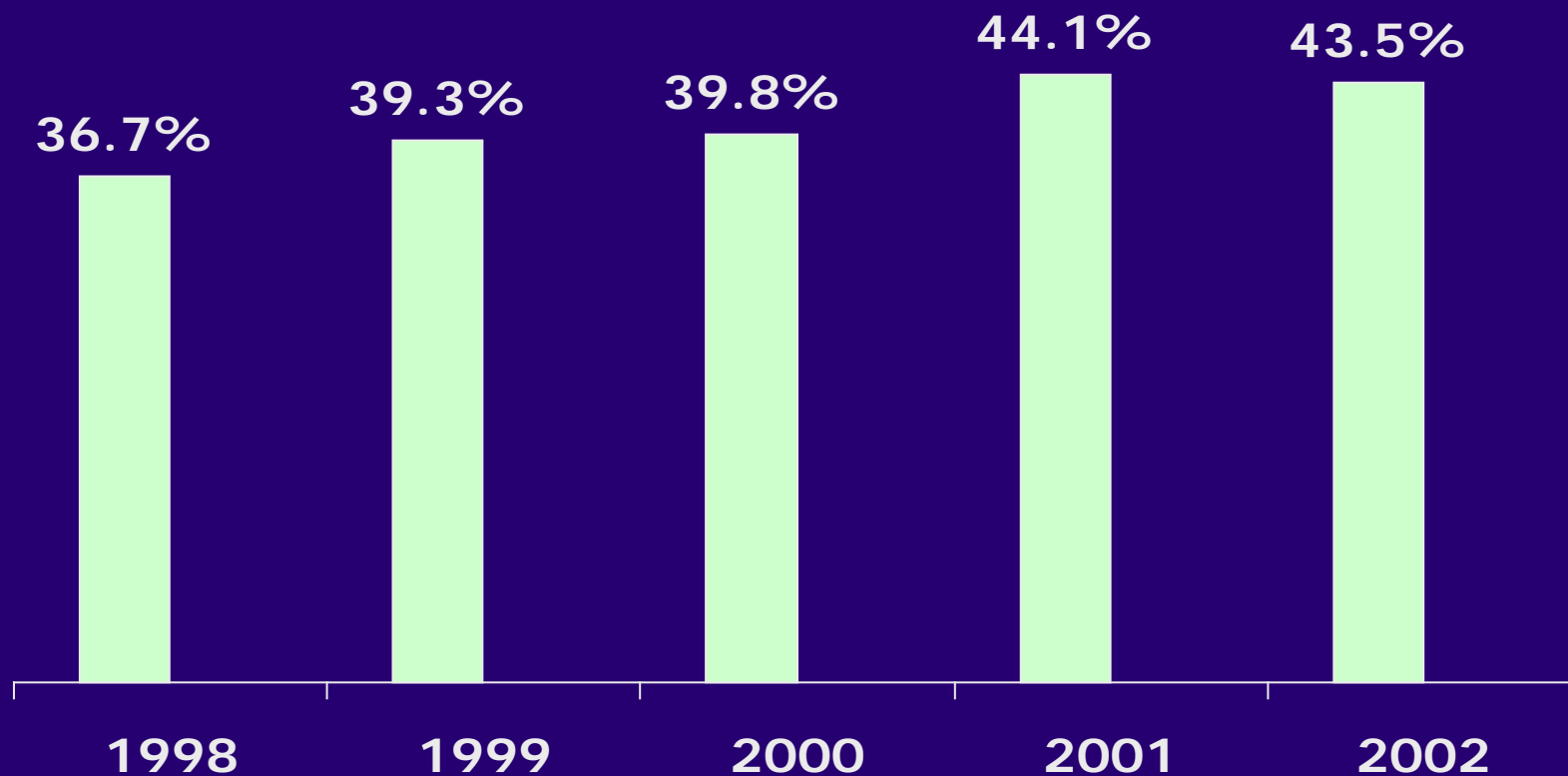
Six-Year Graduation Rates of Bachelor's Degree Students

- Graduation rates increased at Murray, UK and Western
- Graduation rates decreased at Eastern, Kentucky State, Morehead, Northern and UofL
- Eastern, Morehead, Murray, Northern, and UK exceeded their 2002 goals

Six-Year Graduation Rates of Bachelor's Degree Students

- Systemwide, the graduation rate decreased from 44.1% in 2001 to 43.5% in 2002
- Despite the decline, the systemwide rate remains above Kentucky's 1998 rate

Six-Year Graduation Rates of Bachelor's Degree Students



Six-Year Graduation Rates of Bachelor's Degree Students

- Early results suggest graduation rates improved nationally (NCAA Division 1 Publics):
 - 2001: 52%
 - 2002: 55%

Five-Year Graduation Rates of Transfer Students

- Five-year graduation rates increased at Morehead, UK and UofL
- Graduation rates for transfer students decreased at Eastern, Murray, Northern, and Western
- Morehead and UK exceeded their 2002 goals

Five-Year Graduation Rates of Transfer Students

- Systemwide, five-year graduation rates declined slightly:
 - 2001: 52.2%
 - 2002: 52.0%

**Question 5:
Are Kentucky's communities and
economy benefiting?**

Extramural Research and Development Expenditures (in \$ thousands)



Source: NSF, UK



Extramural Research and Development Expenditures

- Extramural R & D expenditures rose at both UK and UofL between 2000 and 2001:
 - UK: \$8 million increase
 - UofL: \$3 million increase
- Accelerated progress is necessary to reach the 2002 goal

Federal Research and Development Expenditures (in \$ thousands)



Source: NSF



Federal Research and Development Expenditures

- Federal R & D expenditures rose by nearly \$20 million between 2000 and 2001
 - \$12.3 million increase at UK
 - \$7.4 million increase at UofL
- Progress indicates system likely to reach 2002 goal

Key Indicators: Overall Progress

1. Are more Kentuckians ready for postsecondary education?
2. Are more students enrolling?
3. Are more students advancing through the system?
4. Are we preparing Kentuckians for life and work?
5. Are Kentucky's communities and economy benefiting

Council on Postsecondary Education
May 19, 2003

Kentucky and Ohio 2003-05 Tuition Reciprocity Agreements

Action: The staff recommends that the council approve the 2003-2005 tuition reciprocity agreements between Kentucky and Ohio.

Tuition reciprocity allows students from Kentucky counties bordering Ohio to attend participating Ohio postsecondary institutions at tuition rates charged to Ohio residents. Similarly, residents of Ohio counties bordering Kentucky can attend a participating Kentucky institution and pay tuition rates charged to Kentucky residents. These agreements (see Attachments A through D) are important to reform efforts because they expand access to postsecondary education to both Kentucky and Ohio students by minimizing costly duplication of educational programs, promoting the maximum use of existing educational facilities, and increasing access to convenient and more affordable educational opportunities for residents of both states.

The current tuition reciprocity agreements between Kentucky and Ohio expire June 30, 2003. In May 2002, the council approved the Northern Kentucky/Cincinnati area agreement for one year. In November 2002, the council approved the addition of institutions in northeastern Kentucky and southeastern Ohio.

Institutions included in the Northern Kentucky/Cincinnati area are Northern Kentucky University, the University of Cincinnati, Southern State Community College, and Cincinnati State Technical and Community College. Institutions in northeastern Kentucky and southeastern Ohio are Ashland Community and Technical College, Morehead State University (Ashland-based programs), Ohio University-Southern, Rio Grande Community College, and Shawnee State University. The revised agreement included in this agenda item (see Attachment C) adds Morehead State University (main campus programs) and Ohio University-Athens.

In the agreement submitted for the first time (see Attachment D) is the addition of Maysville Community College in Kentucky, Southern State Community College in Ohio, and the University of Cincinnati-Clermont College (a two-year institution). Gateway Community College in northern Kentucky and Rowan Technical College (as part of the Maysville Community/Rowan Technical College District) will be included when they receive accreditation from the Southern Association of Colleges and Schools.

Representatives of the participating institutions developed the agreements over the past several months. Provisions of these agreements will be effective July 1, 2003, through June 30, 2005.

In fall 2002, 842 undergraduate and graduate Kentucky students attended the University of Cincinnati and Cincinnati State Technical and Community College while 579 undergraduate and graduate Ohio students attended NKU. Enrollment of students at Ashland Community and Technical College, Morehead State University (Ashland-based programs), Ohio University-Southern, Rio Grande Community College, and Shawnee State University are not included in the enrollment numbers since the agreement that included these institutions was effective for spring 2003 only. The council staff will continue to monitor enrollment at the participating institutions.

Staff preparation by Linda Jacobs

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

Northern Kentucky University
And
Cincinnati State Technical and Community College
Southern State Community College
University of Cincinnati

This Tuition Reciprocity Agreement is entered into between the Kentucky Council on Postsecondary Education and the Ohio Board of Regents, the Cincinnati State Technical and Community College Board of Trustees, the Northern Kentucky University Board of Regents, the Southern State Community College Board of Trustees, and the University of Cincinnati Board of Trustees, pursuant to provision of Section 3333.17 of the Ohio Revised Code and in compliance with rules and procedures of the aforementioned parties.

I. Purpose

The general purpose of this Tuition Reciprocity Agreement is to expand postsecondary educational opportunities in the greater Cincinnati area while limiting the cost of such expansion to the taxpayers of Ohio and Kentucky through collaboration among public institutions of higher education. The intended outcomes of this collaboration are to increase the availability of programs to residents of the greater Cincinnati area without needless duplication of educational effort and to promote efficient use of existing educational facilities and resources.

II. Terms

1. Duration and Termination

The agreement shall be effective beginning July 1, 2003, through June 30, 2005, and may be renewed prior to June 30, 2005, by mutual consent of all of the parties for a period of two years. As the agreement must coincide with the biennial budgets of the State of Ohio, the next renewal shall be for July 1, 2005, to June 30, 2007.

The agreement may be amended through mutual consent of all parties, providing the amendment is in writing and signed by all parties to the agreement prior to the effective date of the agreement date of the amendment.

- a. The parties may amend the agreement in the following manner. Amendments must be presented to each of the parties of this agreement for their consideration. Each party of this agreement will then have sixty (60) days to respond in writing with a decision as to whether they approve/disapprove the proposed amendment to the agreement. The responses will be sent to all parties in the agreement. After sixty (60) days, if all parties approve of the proposed amendment, the agreement will be amended. If all parties do not approve, the agreement will not be amended.

A review of this agreement may occur from time to time at the request of any party hereto, provided all parties to this agreement are served with written notice of such request at least ninety (90) days prior to said review.

This agreement may be terminated by any of the participating institutions, the Ohio Board of Regents, or the Kentucky Council on Postsecondary Education on June 30 of any year, with at least ninety (90) days prior written notice to each of the parties to this agreement.

2. Kentucky Residents' Eligibility for Ohio Associate Degree Programs

The participating Ohio institutions agree to accept at Ohio resident tuition rates, any resident of Bracken, Boone, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties of Kentucky who enrolls and who satisfies all regular admission requirements (including those requirements of the specific program in which admission is sought) at the University of Cincinnati's two-year colleges (Clermont College, College of Applied Science, Raymond Walters College, and University College) or at Cincinnati State Technical and Community College or at Southern State Community College in the associate degree programs not specifically excluded from this agreement.

In this section, the word "program" only means an associate degree program and the word "resident" means resident for the purpose of tuition determination as defined by the respective institution.

Majors and/or programs at the University of Cincinnati two-year colleges, Cincinnati State Technical and Community College, and Southern State Community College which are excluded from this agreement are the following two-year programs otherwise offered at Northern Kentucky University:

- (1) Clermont College: Aviation Technology, Human/Social Services Technology, and Criminal Justice Technology
- (2) College of Applied Science: no exclusions
- (3) Raymond Walters College: Radiological Technology
- (4) University College: Social Services Technology and Criminal Justice Technology
- (5) Cincinnati State Technical and Community College: no exclusions
- (6) Southern State Community College: no exclusions

Any program listed above as excluded may, by the joint written consent of the presidents of all four institutions, be included in this agreement.

3. Kentucky Residents' Eligibility for Ohio Baccalaureate Degree Programs

The University of Cincinnati agrees to accept at Ohio resident tuition rates any resident of Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties of Kentucky who enrolls and who satisfies all regular baccalaureate admissions requirements (including those requirements of the specific program in which admission is being sought) at the University of Cincinnati in the following baccalaureate degree programs: Architecture, Engineering, Honors PLUS (see provision below), and Interior Design.

In conformance with the limitations set forth in the bulleted item below, admission to the Honors PLUS baccalaureate degree program in the College of Business, University of Cincinnati is subject to the following provision:

- Reciprocity for the Honors PLUS program at the University of Cincinnati is limited to residents of the eligible Kentucky counties with a cap of fifty (50) students enrolled in courses at any one time.

In this section, the word “program” only means a baccalaureate degree program and the word “resident” means resident for the purpose of tuition determination as defined by the respective institution.

4. Ohio Residents’ Eligibility for Kentucky Baccalaureate Degree Programs

Northern Kentucky University agrees to accept at Kentucky resident tuition rates any resident of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren Counties of Ohio with an associate degree from the University of Cincinnati, Cincinnati State Technical and Community College, or from Southern State Community College, who enrolls and who satisfies all regular transfer admissions requirements (including those requirements of the specific program in which admission is sought) in Northern Kentucky University baccalaureate degree programs not specifically excluded from this agreement.

In this section, the word “program” only means a baccalaureate degree program and the word “resident” means resident for the purpose of tuition determination as defined by the respective institution.

The majors and/or programs at Northern Kentucky University excluded from this agreement are:

- (1) Early Childhood Education
- (2) Criminal Justice
- (3) Environmental Science
- (4) Nursing

Any major/program listed above as excluded may, by the joint written consent of the presidents of all four institutions, be included in this agreement.

5. Ohio Residents’ Eligibility/Enrollment Limitations for Kentucky Programs

In conformance with the limitations set forth in the bulleted item below, admission to the Business Administration baccalaureate degree program in the College of Business, Northern Kentucky University is subject to the following provision:

- Reciprocity for the College of Business, Business Administration program at Northern Kentucky University is limited to residents of the eligible Ohio counties with a cap of fifty (50) students enrolled in courses at any one time.

In this section, the word “program” only means a specific baccalaureate degree program and the word “resident” means resident for the purpose of tuition determination as defined by the respective institution.

6. New Program Eligibility

Any new program may be included in this agreement upon successful completion of the agreements' amendment process, as listed above.

In this section, the word "program" may mean a workshop, a certificate program, an associate degree program, or a baccalaureate degree program.

7. Resident Status

a. During the period of this agreement, the Ohio Board of Regents will consider residents of Bracken, Boone, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties who attend the University of Cincinnati, Cincinnati State Technical and Community College, or Southern State Community College under this agreement as qualifying for Ohio resident tuition rates, and as Ohio residents for the purpose of allocating funds to the University of Cincinnati, Cincinnati State Technical and Community College, and Southern State Community College.

b. During the period of this agreement, the Kentucky Council on Postsecondary Education will consider residents of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren Counties who attend Northern Kentucky University under this agreement as qualifying for Kentucky resident tuition rates, and as Kentucky residents for the purpose of allocating funds to Northern Kentucky University.

8. Continued Eligibility

Once enrolled as a reciprocity student, each student demonstrating satisfactory academic performance under already existing standards and criteria of their institution, will continue to receive reciprocity tuition benefits, subject to the time limitation below, under this agreement through graduation for the degree in which enrolled, as long as a reciprocity agreement exists. Student participation is subject to the terms and conditions of the reciprocity agreement in effect at the time of initial enrollment, and, in the event of termination, each student will be informed by the enrolling institution of his/her future status and will be permitted, so long as attendance is continuous, to attend at resident tuition rates for a period of three (3) years beyond the termination date of the agreement.

9. Notice, Application and Waiver

The availability of resident tuition rates under this agreement shall be advertised to applicants and/or to students of Cincinnati State Technical and Community College, Southern State Community College, Northern Kentucky University and the University of Cincinnati by any means deemed appropriate by the respective institutions.

All students who want to receive resident tuition rates under this agreement must apply for such rates at the institution where they plan to enroll.

Failure to so apply in the manner required by each institution and in advance of enrollment will constitute a waiver of all rights under the terms of this agreement for the quarter or semester of enrollment and any preceding quarter or semester of enrollment for which no application was made. Each institution will develop a process for applicants to use in order to apply for resident tuition rates under this agreement.

These processes will be written and shared with each institution as well as with the Ohio Board of Regents and the Kentucky Council on Postsecondary Education. The process will also be made available to all potential applicants upon request.

In this section, the word “resident” means resident for the purpose of tuition determination as defined by the respective institution.

10. Annual Report

By June 30 of each year, Cincinnati State Technical and Community College, Northern Kentucky University, Southern State Community College, and the University of Cincinnati agree to provide annual reports on the enrollment and fiscal implications of the agreement to the other respective institutions, the Kentucky Council on Postsecondary Education, and the Ohio Board of Regents. Specific forms for the annual report may be prescribed by the state agencies.

III. Ohio Board of Regents Approval

This agreement is not effective unless and until approved by the State of Ohio Controlling Board pursuant to Section 3333.17 of the Ohio Revised Code.

**TUITION RECIPROCITY AGREEMENT
SIGNATURE PAGE**

STATE AGENCIES

Thomas D. Layzell, President
Kentucky Council on Postsecondary Education

Signed: _____

Date: _____

Roderick G. W. Chu, Chancellor
Ohio Board of Regents

Signed: _____

Date: _____

INSTITUTIONS

James C. Votruba, President
Northern Kentucky University

Signed: _____

Date: _____

Joseph A. Steger, President
University of Cincinnati

Signed: _____

Date: _____

Ron D. Wright, President
Cincinnati State Technical and Community College

Signed: _____

Date: _____

Lawrence M. Dukes, President
Southern State Community College

Signed: _____

Date: _____

GRADUATE TUITION RECIPROCITY AGREEMENT

**University of Cincinnati
And
Northern Kentucky University**

This Tuition Reciprocity Agreement is entered into between the Kentucky Council on Postsecondary Education and the Ohio Board of Regents, the Northern Kentucky University Board of Regents, and University of Cincinnati Board of Trustees, pursuant to provision of Section 3333.17 of the Ohio Revised Code and in compliance with rules and procedures of the aforementioned parties.

I. Purpose

The general purpose of this Tuition Reciprocity Agreement is to expand postsecondary educational opportunities in the greater Cincinnati area while limiting the cost of such expansion to the taxpayers of Ohio and Kentucky through collaboration among public institutions of higher education. The intended outcomes of this collaboration are to increase the availability of programs to residents of the greater Cincinnati area without needless duplication of educational effort and to promote efficient use of existing educational facilities and resources.

II. Terms

1. Duration and Termination

The agreement shall be effective beginning July 1, 2003, through June 30, 2005, and may be renewed prior to June 30, 2005, by mutual consent of all of the parties for a period of two years. As the agreement must coincide with the biennial budgets of the State of Ohio, the next renewal shall be for July 1, 2005, to June 30, 2007.

The agreement may be amended through mutual consent of all parties, providing the amendment is in writing and signed by all parties to the agreement prior to the effective date of the amendment.

- a. The parties may amend the agreement in the following manner. Amendments must be presented to each of the parties of this agreement for their consideration. Each of the parties to this agreement will then have sixty (60) days to respond in writing with a decision as to whether they approve/disapprove the proposed amendment to the agreement. The responses will be sent to all parties in the agreement. After sixty (60) days, if all parties approve of the proposed amendment, the agreement will be amended. A copy of the amendment with signatures will be sent to all parties. If all parties do not approve, the agreement will not be amended.

A review of this agreement will occur on an annual basis or at the request of any party hereto, provided all parties to this agreement are served with written notice of such request at least ninety (90) days prior to said review.

This agreement may be terminated by either of the parties, or by either the Ohio Board of Regents or the Kentucky Council on Postsecondary Education on June 30 of any year, with at least ninety (90) days prior written notice to each of the parties to this agreement.

2. Kentucky Residents Eligibility/Ohio Program

The University of Cincinnati agrees to accept at Ohio resident tuition rates any resident of Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties of Kentucky who enrolls and who satisfies all regular graduate admissions requirements (including those requirements of the specific program in which admission is being sought) at the University of Cincinnati in the following graduate degree programs:

- all graduate programs offered in the College of Engineering;
- all graduate programs offered in the College of Pharmacy;
- all graduate programs offered in the College of Arts and Sciences;
- all graduate programs offered in the College of Allied Health;
- all graduate programs offered in the College of Nursing;
- all graduate programs offered in the College-Conservatory of Music;
- all Doctor of Medicine (M.D.) degree programs;
- the M.S. programs in Molecular Genetics, Biochemistry, and Microbiology; Molecular and Developmental Biology; Environmental Health Sciences; Environmental Health Sciences/Biostatistics; Environmental Health Sciences/Epidemiology; Occupational Safety and Ergonomics; Radiological Sciences; Toxicology; the FLEX program, and all Ph.D. programs offered in the College of Medicine;
- the Master of Fine Arts (M.F.A.), M.A. in Art History, M.A. in Art Education, Master of Community Planning (M.C.P.) degree programs, and Ph.D. in Planning in the College of Design, Architecture, Art, and Planning;
- all graduate programs offered in the College of Education., in conformance with the limitations set forth in the following bullet:
 - reciprocity for the M.Ed. Concentration in Teacher's Education at the University of Cincinnati is limited to residents of the eligible northern Kentucky counties who are employed as full-time K-12 teachers in Ohio.

The following graduate programs at the University of Cincinnati are excluded from this agreement:

- all graduate programs offered in the College of Business;
- all programs offered in the College of Law;

- all graduate programs offered in the College of Design, Architecture, Art, and Planning except the programs designated above as subject to the agreement;
- all graduate programs offered in the School of Social Work;
- all graduate programs offered in the College of Medicine except the programs designated above as subject to the agreement;
- all certificate programs offered at the University of Cincinnati are excluded from this agreement.

In this section, the word “program” means only graduate or professional degree program and the word “resident” means resident for the purpose of determining tuition as defined by the respective institutions.

3. Ohio Residents Eligibility/Kentucky Programs

Northern Kentucky University agrees to accept at Kentucky resident tuition rates any resident of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren Counties of Ohio who enrolls and who satisfies all regular graduate admissions requirements (including those requirements of the specific program in which admission is being sought) at Northern Kentucky University in the M.A in Education degree program subject to the limitation set forth in the bullet below:

- Reciprocity for the M.A. in Education at Northern Kentucky University is limited to residents of the eligible counties who are employed as regular teachers in Kentucky.

All other graduate programs and certificate programs at Northern Kentucky University are excluded from this agreement.

In this section, the word “program” means only graduate degree program and the word “resident” means resident for the purpose of determining tuition as defined by the respective institutions.

4. Resident Status

- a. During the period of this agreement, the Ohio Board of Regents will consider residents of Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties, who attend the University of Cincinnati under this agreement as qualifying for resident Ohio tuition, and as Ohio residents for the purpose of allocating funds to the University of Cincinnati.
- b. During the period of this agreement, the Kentucky Council on Postsecondary Education will consider residents of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren Counties, who attend Northern Kentucky University under this agreement as qualifying for resident Kentucky tuition, and as Kentucky residents for the purpose of allocating funds to Northern Kentucky University.

5. Continued Eligibility

Once enrolled as a reciprocity student, each student demonstrating satisfactory academic performance under already existing graduate standards and criteria of their institution, will continue to receive reciprocity benefits under this agreement through graduation for the degree in which enrolled, as long as a reciprocity agreement exists. Student participation is subject to the terms and conditions of the reciprocity agreement in effect at the time of initial enrollment, and, in the event of termination, each student will be informed by the enrolling institution of his/her future status. If the agreement is terminated, participating institutions may forge an agreement at that time in regards to out-of-state surcharges for students appropriately enrolled in eligible programs at the time of termination.

6. Notice, Application, and Waiver

The availability of resident tuition rates under this agreement shall be advertised to applicants and/or to students of Northern Kentucky University and the University of Cincinnati by any means deemed appropriate by those institutions.

All students who want to receive resident tuition rates under this agreement must apply for such rates at the institution where they plan to enroll.

Failure to so apply in the manner required by each institution and in advance of enrollment will constitute a waiver of all rights under the terms of this agreement for that quarter or semester of enrollment and any preceding quarter or semester of enrollment for which no application was made. Each institution will develop a process for applicants to use in order to apply for resident tuition rates under this agreement.

7. Annual Report

By June 30 of each year, Northern Kentucky University, and the University of Cincinnati agree to provide annual reports to the Kentucky Council on Postsecondary Education and the Ohio Board of Regents on the enrollment and fiscal implications of the agreement on forms prescribed for this purpose by those state agencies.

III. Ohio Controlling Board Approval

This agreement is not effective unless and until approved by the State of Ohio Controlling Board pursuant to Section 3333.17 of the Ohio Revised Code.

**TUITION RECIPROCITY AGREEMENT
SIGNATURE PAGE**

STATE AGENCIES

Thomas D. Layzell, President
Kentucky Council on Postsecondary Education

Signed: _____

Date: _____

Roderick G. W. Chu, Chancellor
Ohio Board of Regents

Signed: _____

Date: _____

INSTITUTIONS

James C. Votruba, President
Northern Kentucky University

Signed: _____

Date: _____

Joseph A. Steger, President
University of Cincinnati

Signed: _____

Date: _____

TUITION RECIPROCITY AGREEMENT

**Ashland Community and Technical College
Morehead State University-Morehead
Morehead State University-Ashland
And
Ohio University-Athens
Ohio University-Southern
Rio Grande Community College
Shawnee State University**

In an effort to increase the college going rate and postsecondary opportunities in an underserved Appalachian region, this Tuition Reciprocity Agreement is entered into between the Kentucky Council on Postsecondary Education, the Kentucky Community and Technical College System, the Ohio Board of Regents, the Boards of Trustees of Ashland Community and Technical College, Morehead State University-Morehead, Morehead State University-Ashland, Ohio University-Athens, Ohio University-Southern, Rio Grande Community College, and Shawnee State University pursuant to provision of Section 3333.17 of the Ohio Revised Code and in compliance with rules and procedures of the aforementioned parties.

I. Purpose

The general purpose of this Tuition Reciprocity Agreement is to expand postsecondary educational opportunities in the region while limiting the cost of such expansion to the taxpayers of Ohio and Kentucky through collaboration among public institutions of higher education. The intended outcomes of this collaboration are to increase the availability of programs to residents of the region without needless duplication of educational effort and to promote efficient use of existing educational facilities and resources.

II. Terms

1. Duration and Termination

The agreement shall be effective beginning July 1, 2003, through June 30, 2005, and may be renewed prior to June 30, 2005, by mutual written agreement signed by all of the parties for a period of two years. As the agreements must coincide with the biennial budgets of the State of Ohio, the next agreement would be for the term of July 1, 2005, to June 30, 2007.

The agreement may be amended by any party, providing the amendment is in writing and signed by all parties to the agreement prior to the effective date of the amendment.

A review of this agreement will occur on a biennial basis or at the request of any party hereto, provided all parties to this agreement are served with written notice of such request at least ninety (90) days prior to said review.

This agreement may be terminated by any of the participating institutions, the Ohio Board of Regents, the Kentucky Community and Technical College System, or the

Kentucky Council on Postsecondary Education on June 30 of any year, with at least ninety (90) days prior written notice to each of the parties to this agreement.

2. Kentucky Residents Eligibility/Ohio Programs

Ohio University-Athens, Ohio University-Southern, Rio Grande Community College, and Shawnee State University, agree to accept at Ohio resident tuition rates any resident of Boyd, Carter, Elliot, Fleming, Greenup, Lawrence, Lewis, Mason, and Rowan Counties of Kentucky who enrolls and who satisfies all regular admissions requirements (including those requirements of the specific program in which admission is being sought).

3. Ohio Residents Eligibility/Kentucky Programs

Ashland Community and Technical College, Morehead State University-Morehead, and Morehead State University-Ashland agree to accept at Kentucky resident tuition rates any resident of Adams, Athens, Gallia, Jackson, Lawrence, Meigs, Pike, Scioto, and Vinton Counties of Ohio who enrolls and who satisfies all regular admissions requirements (including those requirements of the specific program in which admission is being sought).

The following program from Morehead State University is excluded from the agreement: Master of Business Administration.

4. Resident Status

- a. During the period of this agreement, the Ohio Board of Regents will consider residents of Boyd, Carter, Elliot, Fleming, Greenup, Lawrence, Lewis, Mason and Rowan Counties, who attend Ohio University-Athens, Ohio University-Southern, Rio Grande Community College, and Shawnee State University under this agreement as qualifying for resident Ohio tuition.
- b. During the period of this agreement, the Kentucky Community and Technical College System and the Kentucky Council on Postsecondary Education will consider residents of Adams, Athens, Gallia, Jackson, Lawrence, Meigs, Pike, Scioto, and Vinton Counties, who attend Ashland Community and Technical College, Morehead State University-Morehead, and Morehead State University-Ashland under this agreement as qualifying for resident Kentucky tuition.

5. Continued Eligibility

Once enrolled as a reciprocity student, each student demonstrating satisfactory academic performance under already existing academic standards and criteria of their institution, will continue to receive reciprocity benefits under this agreement through graduation for the degree in which enrolled, as long as a reciprocity agreement exists. Student participation is subject to the terms and conditions of the reciprocity agreement in effect at the time of initial enrollment, and, in the event of termination, each student will be informed by the enrolling institution of his/her future status. If the agreement is terminated, participating institutions may agree at that time to continue tuition reciprocity for students appropriately enrolled in eligible programs at the time of termination until the completion of their programs of study, subject to the biennial limitations as described in paragraph II.1.

6. Notice, Application, and Waiver

The availability of resident tuition rates under this agreement shall be advertised to applicants and/or to students of Ashland Community and Technical College, Morehead State University-Morehead, Morehead State University-Ashland, Ohio University-Athens, Ohio University-Southern, Rio Grande Community College, and Shawnee State University by any means deemed appropriate by those institutions.

All eligible students who want to receive resident tuition rates under this agreement must apply for such rates at the institution where they plan to enroll. Failure to apply in the manner required by each institution and in advance of enrollment will constitute a waiver of all rights under the terms of this agreement for that quarter or semester of enrollment and any preceding quarter or semester of enrollment for which no application was made. Each institution will develop a process for applicants to use in order to apply for resident tuition rates under this agreement.

7. Annual Report

By June 30 of each year, Ashland Community and Technical College, Morehead State University-Morehead, Morehead State University-Ashland, Ohio University-Athens, Ohio University Southern, Rio Grande Community College, and Shawnee State University, agrees to provide annual reports to the Kentucky Community and Technical College System, the Kentucky Council on Postsecondary Education and the Ohio Board of Regents on the enrollment and fiscal implications of the agreement on forms prescribed for the purpose of those state agencies.

III. Ohio Board of Regents Approval

This agreement is not effective unless and until approved by the Ohio Board of Regents pursuant to Section 3333.17 of the Ohio Revised Code and the Kentucky Council on Postsecondary Education.

**TUITION RECIPROCITY AGREEMENT
SIGNATURE PAGES**

STATE AGENCIES

Thomas D. Layzell, President

Kentucky Council on Postsecondary Education

Signed: _____

Date: _____

Roderick G. W. Chu, Chancellor

Ohio Board of Regents

Signed: _____

Date: _____

Michael B. McCall, President

Kentucky Community & Technical College System

Signed: _____

Date: _____

INSTITUTIONS

Greg Adkins, Chief Executive Officer
Ashland Community and Technical College District
Signed: _____
Date: _____

Ronald G. Eaglin, President
Morehead State University
Signed: _____
Date: _____

Robert Glidden, President
Ohio University
Signed: _____
Date: _____

Barry M. Dorsey, President
Rio Grande Community College
Signed: _____
Date: _____

Rita Morris, President
Shawnee State University
Signed: _____
Date: _____

TUITION RECIPROCITY AGREEMENT

**Maysville Community College
And
Southern State Community College
University of Cincinnati – Clermont College**

This Tuition Reciprocity Agreement is entered into between the Kentucky Council on Postsecondary Education and the Ohio Board of Regents, the Kentucky Community and Technical College System and the Boards of Directors of Maysville Community College, Southern State Community College, and the University of Cincinnati – Clermont College pursuant to provision of Section 3333.17 of the Ohio Revised Code and in compliance with rules and procedures of the aforementioned parties.

I. Purpose

The general purpose of this Tuition Reciprocity Agreement is to expand postsecondary educational opportunities in the Northern Kentucky and Southern Ohio area while limiting the cost of such expansion to the taxpayers of Ohio and Kentucky through collaboration among public institutions of higher education. The intended outcomes of this collaboration are to increase the availability of programs to residents of Clermont, Adams and Brown Counties in Ohio and Mason, Bracken, Lewis, and Robertson Counties in Kentucky without needless duplication of educational effort and to promote efficient use of existing educational facilities and resources.

II. Terms

1. Duration and Termination

The agreement shall be effective beginning July 1, 2003, through June 30, 2005, and may be renewed prior to June 30, 2005, by mutual consent of all of the parties for a period of two years. As the agreements must coincide with the biennial budgets of the State of Ohio, the next renewal shall be for July 1, 2005, to June 30, 2007.

The agreement may be amended through mutual consent of all parties, providing the amendment is in writing and signed by all parties to the agreement prior to the effective date of the amendment.

- a. The parties may amend the agreement in the following manner. Amendments must be presented to each of the parties of this agreement for their consideration. Each Party of this agreement will then have sixty (60) days to respond in writing with a decision as to whether they approve/disapprove the proposed amendment to the agreement. The responses will be sent to all parties in the agreement. After sixty (60) days, if all parties approve of the proposed amendment, the agreement will be amended. If all parties do not approve, the agreement will not be amended.

A review of this agreement may occur from time to time at the request of any party hereto, provided all parties to this agreement are served with written notice of such request at least ninety (90) days prior to said review.

This agreement may be terminated by any of the participating institutions, the Ohio Board of Regents, the Kentucky Community and Technical College System, or the Kentucky Council on Postsecondary Education on June 30 of any year, with at least ninety (90) days prior written notice to each of the parties to this agreement.

2. Kentucky Residents' Eligibility for Ohio Programs

The participating Ohio institutions agree to accept at Ohio resident tuition rates, any resident of Bracken, Lewis, Mason or Robertson Counties of Kentucky who enrolls and who satisfies all regular admission requirements (including those requirements of the specific program in which admission is sought) at Southern State Community College or the University of Cincinnati – Clermont College in the programs not specifically excluded from this agreement. In this context, the word “program” may mean a workshop, a certificate program, an associate degree program, a baccalaureate degree program, and/or a graduate degree program.

3. Ohio Residents' Eligibility for Kentucky Programs

Maysville Community College agrees to accept at Kentucky resident tuition rates, any resident of Adams, Brown, and Clermont Counties of Ohio who enrolls and who satisfies all regular admission requirements (including those requirements of the specific program in which admission is sought) at Maysville Community College in the programs not specifically excluded from this agreement. In this context, the word “program” may mean a workshop, a certificate program, an associate degree program, a baccalaureate degree program, and/or a graduate degree program.

4. New Program Eligibility

Any new program may be included in this agreement upon successful completion of the agreement's amendment process, as listed above. In this context, the word “program” may mean a workshop, a certificate program, an associate degree program, a baccalaureate degree program, and/or a graduate degree program.

5. Resident Status

a. During the period of the agreement, the Ohio Board of Regents will consider residents of Bracken, Lewis, Mason, and Robertson Counties who attend Southern State Community College or University of Cincinnati – Clermont College under this agreement as qualifying for Ohio resident tuition rates, and as Ohio residents for the purpose of allocating funds to the Southern State Community College or University of Cincinnati – Clermont College.

- b. During the period of this agreement, the Kentucky Community and Technical College System and the Kentucky Council on Postsecondary Education will consider residents of Adams, Brown, and Clermont Counties who attend Maysville Community College under this agreement as qualifying for Kentucky resident tuition rates.
6. Continued Eligibility
Once enrolled as a reciprocity student, each student demonstrating satisfactory academic performance under already existing standards and criteria of his/her institution, will continue to receive reciprocity benefits under this Agreement through graduation for the degree in which enrolled, as long as a reciprocity agreement exists. Student participation is subject to the terms and conditions of the reciprocity agreement in effect at the time of initial enrollment, and, in the event of termination, each student will be informed by the enrolling institutions of his/her future status. If the Agreement is terminated, participating institutions may agree at that time to continue tuition reciprocity for students appropriately enrolled in eligible programs at the time of termination until completion of their programs of study, subject to the biennial limitations as described in paragraph II. 1.
7. Notice, Application, and Waiver
The availability of resident tuition rates under this agreement shall be advertised to applicants and/or to students of Maysville Community College, Southern State Community College, and University of Cincinnati – Clermont College by any means deemed appropriate by those institutions.

All eligible students who want to receive resident tuition rates under this agreement must apply for such rates at the institution where they plan to enroll. Failure to apply in the manner required by each institution and in advance of enrollment will constitute a waiver of all rights under the terms of this agreement for that quarter or semester of enrollment and any preceding quarter or semester of enrollment for which no application was made. Each institution will develop a process for applicants to use in order to apply for resident tuition rates under this agreement.
8. Annual Report
By June 30 of each year, the Kentucky Community and Technical College System, Maysville Community College, Southern State Community College, and University of Cincinnati – Clermont College agree to provide annual reports on the enrollment and fiscal implications of the agreement to the other respective institutions, the Kentucky Council on Postsecondary Education, and the Ohio Board of Regents. Specific forms for the annual report may be prescribed by the state agencies.

III. Ohio Board of Regents Approval

This agreement is not effective unless and until approved by the Ohio Board of Regents pursuant to Section 3333.17 of the Ohio Revised Code.

**TUITION RECIPROCITY AGREEMENT
SIGNATURE PAGE**

STATE AGENCIES

Thomas D. Layzell, President
Kentucky Council on Postsecondary Education

Signed: _____

Date: _____

Roderick G. W. Chu, Chancellor
Ohio Board of Regents

Signed: _____

Date: _____

Michael B. McCall, President
Kentucky Community and Technical College System

Signed: _____

Date: _____

INSTITUTIONS

Augusta A. Julian, President
Maysville Community College

Signed: _____

Date: _____

Lawrence N. Duke
Southern State Community College

Signed: _____

Date: _____

Joseph A. Steger, President
University of Cincinnati

Signed: _____

Date: _____

Executive Summary

4. Are we preparing Kentuckians for life and work?
5. Are Kentucky's communities and economy benefiting?

The staff recommends that the council approve the allocation of the 2002-04 agency bond pools to be used in part to complete fire safety projects in student housing, life safety, infrastructure, renovation, and new construction. (For details, see page 87.)

The 2002-04 Appropriations Bill (House Bill 269) enacted by the 2003 General Assembly authorized \$155 million of bond pool authority for postsecondary education institutions. The institutions, not the state, pay the debt service on agency bonds issued by institutions. The council staff and institutions jointly developed the guidelines to allocate the bond authority. This action will allow institutions to begin implementation of badly needed projects on their campuses.

The staff recommends that the council approve the 2004-2010 Six-Year Capital Plan, which outlines the capital priorities for the agency over the next six years. (For details, see page 93.)

State law requires each agency, including the council and the public universities and colleges, to submit a six-year capital plan to the Capital Planning Advisory Board by April 15 in each odd-numbered year. The plans are to include all capital projects that may be completed during the next three biennia. The plan can be revised until October 2003.

At the July 2002 meeting the council members received the results of the 2002 Academic Program Productivity Review and accepted the staff recommendation to place a limited set of low productivity programs on continued review. The staff continued to work with the institutions, and the institutions provided additional information on those programs in December 2002. As a result of the continued review, additional changes were made in the majority of these programs that promise to increase productivity. The programs will be reviewed again in 2006 to determine if the changes worked. Eighteen of the programs still, in the view of the council staff, have not adequately addressed their productivity problems. They will be highlighted in the regular 2004 productivity review. In the interim, the council staff will aggressively work with the institutions to address productivity concerns. Some of these programs are in areas of great state need and every attempt should be made to increase their success. More information begins on page 97.

The council reviewed activities funded by the Research Challenge Trust Fund and the Regional University Excellence Trust Fund at its February 3, 2003, meeting. At that time, council members requested additional information indicating the programs' progress toward national prominence. The agenda item beginning on page 101 summarizes the institutional responses.

2002-04 Capital Projects Agency Bond Pool Authority

Action: The staff recommends that the council approve the allocation of the 2002-04 Agency Bond Pools (Attachment 1) to be used in part to complete fire projects in student housing, life safety, infrastructure, renovation, and new construction (Attachment 2).

The 2002-04 Appropriations Bill (House Bill 269) enacted by the 2003 General Assembly includes authorization for the issuance of \$155 million in agency bonds. These bonds are issued and paid for by the institutions, i.e., no debt service is provided by the state. This authorization is divided into two separate pools: 1) \$80 million for fire/life safety/infrastructure, and 2) \$75 million for renovation/infrastructure/new construction.

Each institution has identified a list of individual projects to be funded by the bonds. In March, the council staff and the institutions agreed on a method for distributing this bond authority among institutions in a manner that is both equitable to the institutions and supportive of statewide priorities. As a result of that process, the staff makes this recommendation based on the following guidelines:

- Authority from the \$80 million pool is used to address student housing fire safety, life safety, and infrastructure projects. The staff recommends that all student housing fire safety projects be funded first (\$34.4 million). For purposes of allocation, the remaining \$45.6 million is combined with the \$75 million pool. The council and institutional staffs have agreed to a model that distributes the unallocated authority (\$120.6 million) among the institutions based on their proportionate share of the system's total fall 2002 headcount enrollment (see Attachment 1). This authority will support life safety, asbestos, PCB and radon abatement, maintenance, capital renewal, renovation, and new construction for auxiliary enterprise and revenue producing capital projects (see Attachment 2).

Following council action, the staff will forward the council's recommendation to the secretary of the Finance and Administration Cabinet and to the Capital Projects and Bond Oversight Committee.

Staff preparation by Sherron Jackson

**2002-04 Agency Bond Pool Authority
Recommended Allocation of Bond Authority**

Institutions	Priority 1 Student Housing Fire/Life Safety	Allocation of Remaining 2002-04 Bond Authority	Total Bond Authority
Eastern Kentucky University	\$ 18,750,000	\$ 1,800,000	\$ 20,550,000
Kentucky State University	9,886,000	0	9,886,000
Morehead State University	5,000,000	750,000	5,750,000
Murray State University	800,000	2,500,000	3,300,000
Northern Kentucky University	0	9,100,000	9,100,000
University of Kentucky	0	61,917,000	61,917,000
University of Louisville	0	24,497,000	24,497,000
Western Kentucky University	0	20,000,000	20,000,000
Total	\$ 34,436,000	\$ 120,564,000	\$ 155,000,000

Notes:

1. The top priority for agency bond authority is to complete the remaining student housing fire safety projects.
2. The remaining bond authority was allocated to institutions on the basis of their proportionate share of the Fall 2002 headcount enrollment. The KCTCS did not request any agency bond authority.

Attachment 2

**2002-04 Enacted Budget (HB 269)
Projects Funded by the Agency Bond Projects Pool**

Institution and Project Title	Project Type	Total Project Scope	2002-2004 Agency Bond	Other Funds	Planned Date of Issuance	Project Date of Completion	Source of Debt Service
Eastern Kentucky University							
High Voltage Electrical Distribution System	Fire/Life Safety	\$10,500,000	\$10,500,000		06/01/04	07/01/06	Agency Funds
Replace Student Housing, Brockton	Fire/Life Safety	8,250,000	8,250,000		06/01/04	07/01/06	H&D Revenue
Greek Row	New Facility	1,800,000	1,800,000		06/01/04	07/01/05	H&D Revenue
EKU Subtotal		20,550,000	20,550,000	0			
Kentucky State University							
Young Hall Renovation	Fire/Life Safety/MR	9,886,000	9,886,000		Note #1	To Be Determined	H&D Revenue
KSU Subtotal		9,886,000	9,886,000	0			
Morehead State University							
Expand Life Safety: Auxiliary Facilities	Fire/Life Safety	3,800,000	3,800,000		06/25/03	08/31/03	H&D Revenue
Comply with ADA - Auxiliary Facilities	Fire/Life Safety	1,200,000	1,200,000		01/01/04	06/30/04	H&D Revenue
Renovate Button Auditorium	Renovation	750,000	750,000		01/01/04	06/30/04	Agency Funds
MoSU Subtotal		5,750,000	5,750,000	0			
Murray State University							
Renovate Springer Hall - Piping, Fixtures, etc.	Fire/Life Safety	800,000	800,000		06/01/03	08/01/04	H&D Revenue
Renovate Winslow Cafeteria	Renovation	2,500,000	2,500,000		06/01/03	09/01/03	H&D Revenue
MuSU Subtotal		3,300,000	3,300,000	0			
Northern Kentucky University							
Construct Parking Deck	Infrastructure	9,100,000	9,100,000		01/01/04	10/01/04	Agency Funds
NKU Subtotal		9,100,000	9,100,000	0			
University of Kentucky							
Student Housing Facility	New Facility	46,000,000	46,000,000		01/01/04	08/01/05	H&D Revenue
Construct Parking Structure	Infrastructure	16,280,000	15,917,000	363,000	01/01/04	08/01/05	Parking Revenue
UK Subtotal		62,280,000	61,917,000	363,000			

Attachment 2

2002-04 Enacted Budget (HB 269)
 Projects Funded by the Agency Bond Projects Pool

Institution and Project Title	Project Type	Total Project Scope	2002-2004 Agency Bond	Other Funds	Planned Date of Issuance	Project Date of Completion	Source of Debt Service
University of Louisville							
Expand HSC Parking Garage - Add Two Floors	Infrastructure	4,794,000	4,794,000		07/01/03	04/01/04	Parking Revenue
Construct Cardinal Park Natatorium	New Facility	19,824,000	19,703,000	121,000	12/01/03	01/01/05	H&D Revenue
UofL Subtotal		24,618,000	24,497,000	121,000			
Western Kentucky University							
Student Parking Structure	Infrastructure	10,000,000	10,000,000		07/01/03	06/01/04	Parking Revenue
Renovate Downing University Center	Renovation	7,000,000	7,000,000		07/01/03	12/01/04	H&D Revenue
Materials Characterization Center	Renovation	3,000,000	3,000,000		07/01/03	04/01/04	Agency Funds
WKU Subtotal		20,000,000	20,000,000	0			
System Total		\$155,484,000	\$155,000,000	\$484,000			
Fire/Life Safety/Infrastructure Subtotal			34,436,000				
Renovation/Infrastructure/New Facility -Subtotal			120,564,000				
Total			155,000,000				

Note:

1. This project is part of the Partnership with the Office for Civil Rights. Further analysis may result in a shared responsibility for debt service.

Council on Postsecondary Education 2004-2010 Six-Year Capital Plan

Action: The staff recommends that the council approve the 2004-2010 Six-Year Capital Plan, which outlines the capital priorities for the agency over the next six years.

State law requires each agency, including the council and the public universities and colleges, to submit a six-year capital plan to the Capital Planning Advisory Board in each odd-numbered year. Any capital project with an estimated cost of \$400,000 or more or any equipment purchase with an estimated cost of \$100,000 or more must be included. The 2004-2010 agency plans can be revised until October 2003.

The council's 2004-2010 capital plan should include systemwide projects advanced by the council as well as any statewide capital project pools for eventual distribution to the universities and colleges. Capital projects for individual campuses are included in each institution's six-year capital plan. The projects listed in the first biennium of the 2004-2010 capital plan generally will evolve into the 2004-06 capital requests. The council will approve a 2004-06 capital recommendation in November.

Statewide Capital Pools

The capital plan includes three statewide project pools for the universities and colleges. The council staff may recommend that the projects be funded as part of the trust funds, except for the agency bond pool, as follows:

- **Capital Renewal and Maintenance Bond Pool.** The capital plan includes a \$100 million pool of state funds for each biennium, to be matched by the institutions, for capital renewal and maintenance. The match may vary depending on an institution's history of maintaining its campus. The specific projects that may be funded will be included in the institutions' 2004-2010 six-year capital plans.
- **Instructional and Research Equipment Replacement Bond Pool.** The capital plan includes a \$20 million pool for 2004-06 for the institutions to replace classroom instructional and research equipment. For a similar pool in 2000-02, the council required institutions to match the funds that are used to purchase research equipment. A similar approach is envisioned for the pool funds in 2004-06. (See attachment.)

Systemwide Capital Projects Advanced by the Council

The capital plan includes ten systemwide capital projects. The cost to complete these projects is estimated to be \$20,150,000. The planned projects include Kentucky postsecondary education network enhancement, centralized learning services project, comprehensive data base management system, Website ADA compliance, electronic data bases, KYVU portal statewide license, library management system, interlibrary loan system, reference desk software, and a centralized hosting license. (See attachment.)

Agency Bond Pool

The General Assembly has consistently supported the issuance of agency bonds by the universities and the KCTCS for non-instructional capital needs. The capital plan includes a \$100 million agency bond pool for each biennium for colleges and universities. The agency bond pool would allow the institutions to fund capital projects related to auxiliary and revenue producing enterprises. Debt service for these bonds would be supported with institutional funds. The specific projects that may be funded as part of this bond pool will be included in the institutions' 2004-2010 six-year capital plans.

The council's 2004-2010 six-year capital plan was submitted to the Capital Planning Advisory Board Tuesday, April 16, 2003.

Staff preparation by Sherron Jackson

**Council on Postsecondary Education
2004-2010 Six-Year Capital Plan
May 19, 2003**

Project Title	Project Budget 2004-2006			Total
	General Funds	Restricted Funds	Agency Bonds	
Statewide Capital Pools				
1 Capital Renewal and Maintenance Pool	\$ 100,000,000	\$ -	\$ -	\$ 100,000,000
2 Equipment Replacement Program Pool	20,000,000			20,000,000
3 Agency Bond Pool	-		100,000,000	100,000,000
Subtotal - Statewide Pools	\$ 120,000,000	-	\$ 100,000,000	\$ 220,000,000
Systemwide Capital Projects Advanced by the Council				
1 Comprehensive Data Base Management System	1,200,000			1,200,000
2 CPE/KYVU/KYVL ADA Compliance Redesign	750,000			750,000
3 KY Postsecondary Education Network Enhancements	3,400,000			3,400,000
4 KYVU/KYVL Electronic Data Bases	7,000,000			7,000,000
5 KYVL Portal - Statewide License Replacement	1,000,000			1,000,000
6 KYVL Library Management System	4,000,000			4,000,000
7 KYVL Interlibrary Loan System	700,000			700,000
8 Centralized Learning Services Project	750,000			750,000
9 KYVL Reference Desk Software	600,000			600,000
10 KYVU Centralized Hosting License	750,000			750,000
Total - Systemwide Capital Projects	\$ 20,150,000	-	-	\$ 20,150,000
 Total - Capital Projects	\$ 140,150,000	\$ -	\$ 100,000,000	\$ 240,150,000

Council on Postsecondary Education
May 19, 2003

University of Louisville Installation of Artificial Turf At Papa John's Cardinal Stadium

Action: The staff recommends that the council approve the University of Louisville's request to install artificial turf at Papa John's Stadium. The project was authorized by the 2003 General Assembly to be installed on the football practice field at a cost of \$750,000.

The University of Louisville proposes to install artificial turf at Papa John's Cardinal Stadium to provide the football program an opportunity to prepare more competitively for teams whose home fields are artificial surfaces. The university had originally planned to test the surface on the practice field; however, based on the recent experiences of the industry, it was decided to forgo the intermediate step of installing it first on the practice field.

The council has the statutory responsibility to review and approve postsecondary education capital construction projects costing \$400,000 or more regardless of fund source. Because the estimated cost of this project exceeds the \$400,000 threshold, the council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated.

The 2003 General Assembly authorized a \$750,000 capital project to install artificial turf on a UofL practice football field. The university proposes instead to install the turf at the main football field at Papa John's Cardinal Stadium. The project retains its primary focus, which is to install artificial turf.

The university has certified that all funds are available to complete the project, and will be provided by the University of Louisville Athletic Association. When the installation is completed, the annual operations and maintenance cost also will come from athletic funds.

At its May 20 meeting, the General Assembly's Capital Projects and Bond Oversight Committee will review the UofL request to move the site of the project to Papa John's Cardinal Stadium. The committee staff has requested that the council review the project prior to the review by the committee.

Following council action, the staff will notify the secretary of the Finance and Administration Cabinet and the Capital Projects and Bond Oversight Committee.

Staff preparation by Sherron Jackson

Program Productivity Review

Biennial productivity reviews are a central part of the council's streamlined academic program policies approved in 1999. Programs are reviewed if they award, on average, fewer than 12 associate, 12 baccalaureate, seven master's, or five doctoral degrees over a five-year period. Since the first program productivity review in 2000, universities have eliminated, consolidated, or altered more than 300 programs.

In July 2002, 64 programs were placed on continued review status after the universities' proposed program alterations or justifications were deemed unsatisfactory. Universities were given until December 2002 to respond to the council staff's recommendations for increasing program productivity. In response, the universities made additional changes to 46 of the programs.

To allow time for changes to take effect, these programs will not undergo a productivity review in 2004. They will be reevaluated in 2006, as council policy requires.

Because the council staff has determined that the universities have not taken adequate steps to increase enrollment or degree productivity, the remaining 18 programs will stay on continued review. These programs will be reviewed again in fall 2004. If the program addresses a state need or critical shortage area, staff will work with the university to implement improvements. For other programs, if productivity remains low, program closure will be recommended at that time.

Attached is the list of programs originally placed on continued review. The chart identifies those programs for which changes have been accepted (pending review in 2006) and those that will remain on continued review as the council staff works with the universities to increase productivity.

University Program Productivity Review II

Removed from Continued Review Status (Next review in 2006)

Eastern Kentucky University

AS	Agricultural Business and Production, Other
AS	Technical Teacher Education (Vocational)
AS	Applied Science - Engineering Transfer
AS	Child Care Provider/Assistant
AA	Corrections/Correctional Administration
AS	Medical Records Technology/Technician
BA	French Language and Literature
BS	Community Health Liaison
BBA	Office Supervision and Management
MS	Parks, Recreation and Leisure Facilities Management

Kentucky State University

AAS	Drafting, General
BA	Individual and Family Development Studies, General
BS	Chemistry, General
BA	Public Administration
BA	Liberal Arts and Sciences/Liberal Studies
BA	Political Science and Government, General

Morehead State University

BA	French Language and Literature
MM	Music Teacher Education
MM	Music - General Performance

Murray State University

ASVTE	Trade and Industrial Teacher Education (Vocational)
AA	Liberal Arts and Sciences/Liberal Studies
BA/BS	Computer and Information Sciences, General

University Program Productivity Review II

Removed from Continued Review Status (Next review in 2006)

BS	Electromechanical Technology/Technician
BIS	General Studies
MS	Water Science
MA/MS	Mathematics
MAT	Mathematics
MS	Chemistry, General

Northern Kentucky University

BA	French Language and Literature
BA	Spanish Language and Literature

University of Kentucky

BS	Natural Resources Conservation, General
BS	Agricultural Engineering
BS	Foods and Nutrition Science
BS	Agricultural Biotechnology
MA	Spanish Language and Literature
MS	Medical Nutrition
MS	Chemical Engineering (removed from productivity review)
PhD	Spanish Language and Literature
PhD	Gerontology
PhD	Physics, General
PhD	Chemical Engineering
EdD	Special Education, General

Western Kentucky University

AS	Agricultural Production Workers and Managers, General
AS	Medical Records Technology/Technician
BS	Physics, General

University Program Productivity Review II

Removed from Continued Review Status (Next review in 2006)

BS

Medical Technology

University Program Productivity Review II

Subject to Review in 2004

Eastern Kentucky University

AS Graphic Production
BS Mathematical Statistics
MS Chemistry, General

Morehead State University

BA Music (Liberal Arts)
MAEd Junior High/Intermediate/Middle School Teacher Education

Northern Kentucky University

AAS Respiratory Therapy Technician

University of Kentucky

BA Science Teacher Education, General
BS Mining and Mineral Engineering
MS Agricultural Engineering
MS Manufacturing Systems Engineering
MMinE/MS Mining and Mineral Engineering
MS Radiation Science
PhD Computer and Information Sciences, General
PhD Agricultural Engineering
PhD Civil Engineering, General
PhD Materials Engineering
PhD Mining and Mineral Engineering

Western Kentucky University

BS Biochemistry

Council on Postsecondary Education
May 19, 2003

Research Challenge Trust Fund and Programs of Distinction Becoming National Centers of Excellence

The *Kentucky Postsecondary Education Improvement Act of 1997* (House Bill 1) created the trust funds to provide financial incentives to advance reform. The Research Challenge Trust Fund supports nationally recognized research programs at the University of Kentucky and the University of Louisville. The Regional University Excellence Trust Fund supports Programs of Distinction that were put in place to enable each comprehensive university to become nationally recognized in at least one academic or applied research program.

Programs supported by these funds were reviewed at the February 3, 2003, council meeting. The council members requested additional information about the programs' progress toward national prominence as directed in House Bill 1. To document progress, the council staff requested additional reports from the institutions. A summary of the institutional responses follows.

The National Research Council is a primary source of national rankings for our doctorate granting programs. Their previous national rankings occurred in 1993. An updated ranking is expected within the next two years and will be included in subsequent council reports.

Progress Toward National Prominence

The Research Challenge Trust Fund programs are:

- UK: gerontology and aging; advanced medical research; clinical pharmaceutical sciences research and graduate training; molecular mechanisms of toxicity; computer science and electrical engineering; materials synthesis; plant sciences; research, graduate education, and technology transfer; interdisciplinary biological chemistry; management and economics; substance abuse and prevention; expanding frontiers of client server library system; and geography.
- UofL: early childhood education; entrepreneurship; logistics and distribution; and molecular medicine and biotechnology/health related research.

The Regional University Excellence Trust Fund Programs of Distinction are:

- Eastern Kentucky University: Justice and Safety
- Kentucky State University: Aquaculture

- Morehead State University: Institute for Regional Analysis and Public Policy
- Murray State University: Telecommunications Systems Management
- Northern Kentucky University: Center for Integrative Natural Science and Mathematics
- Western Kentucky University: Applied Research and Technology and Media for the 21st Century

University of Kentucky

Several of the RCTF programs are housed in the College of Medicine. An indication of their success is that the College of Medicine was ranked 57th of 122 institutions in National Institutes of Health funding and 30th of 71 public institutions in NIH funding in Fiscal Year 2001. It generated 185 research grants and \$50.5 million in total NIH funding in Fiscal Year 2001. In Fiscal Year 2002, it won \$24 million in grants and awards.

UK College of Medicine RCTF Programs

- Anatomy and Neurobiology
 - The program was ranked 25th of 87 departments in NIH funding in Fiscal Year 2001.
 - The program was ranked 13th of 51 departments in public institutions in NIH funding in Fiscal Year 2001.
 - The program received 20 research grants awarded in Fiscal Year 2001.
 - The program generated \$4.8 million in total NIH funding in Fiscal Year 2001.
- Microbiology and Immunology
 - The program was ranked 31st of 99 departments in NIH funding in Fiscal Year 2001.
 - The program was ranked 12th of 57 departments in public institutions in NIH funding in Fiscal Year 2001.
 - The program received \$5.8 million in NIH funding in Fiscal Year 2001.
- Molecular and Cellular Biochemistry
 - The program was ranked 53rd of 104 departments in NIH funding in Fiscal Year 2001.
 - The program was ranked 29th of 63 departments in public institutions in NIH funding in Fiscal Year 2001.
 - The program received 11 research grants awarded in Fiscal Year 2001.
 - The program generated \$3.1 million in total NIH funding in Fiscal Year 2001.
- Physiology
 - The program was ranked 12th of 99 departments in NIH funding in Fiscal Year 2001.
 - The program was ranked 6th of 60 departments in public institutions in NIH funding in Fiscal Year 2001.

- The program received 28 research grants in Fiscal Year 2001.
- The program generated \$7.6 million in total NIH award dollars in Fiscal Year 2001.

Other RCTF Programs at UK

- Gerontology and Aging

There is no known national ranking organization for gerontology and aging. However, excellence may be documented by other measures. The program:

- Is one of only 30 programs funded by the National Institute on Aging, according to the NIH.
- Generated over \$1.4 million in doctoral student fellowship support, including a \$630,000 NIH training grant.
- Increased faculty grant submissions and amount of funding by 20 percent since 1998.
- Increased the number of publications from the Center on Aging faculty by 15 percent since 1998.
- Generated over \$5.4 million in grants and awards in Fiscal Year 2002.

- Clinical Pharmaceutical Sciences Research and Graduate Training

- The program was ranked third nationally by *U.S. News and World Report* (2003) for colleges offering graduate programs in pharmacy.
- The program ranked 17th nationally in funding by the NIH, as of 2001.
- The students achieve a pass rate of 98 percent and above on the state boards.
- The students scored 20 points higher in 2002 on the North American Pharmacist Licensure Examination, as compared to any previous year. This group as a whole had the highest scores in the nation, according to NAPLEX.
- The faculty were co-investigators on grants totaling \$16.4 million, collaborating with faculty in medicine, engineering, arts and sciences, and agriculture.
- The program generated \$10.2 million in grants and awards in Fiscal Year 2002.

- Molecular Mechanisms of Toxicity

- The program is one of the few programs nationally supported by an Environmental Toxicology Training Grant (\$297,196) from the National Institute of Environmental Health Sciences.
- The Graduate Center for Toxicology houses an EPA sponsored *Superfund Basic Research Program* at the University of Kentucky. This \$10+ million, multi-project effort will research nutritional interventions against PCB-mediated diseases, such as atherosclerosis and cancer, critical issues in the state of Kentucky.
- From 1996-97 to 2001-02, grant and contract awards increased from \$1.4 million to \$3.6 million—an increase of 143 percent.
- The program generated \$1.9 million in grants and awards in Fiscal Year 2002.

- Excellence in Computer Science and Electrical Engineering

- The program received a \$5 million grant from the Office of the New Economy to establish a Research Center for Visualization.
- The program generated \$3.3 million in external grants and awards in Fiscal Year 2002.
- Plant Sciences
 - Selected accomplishments of program faculty include:
 - Fellow of the American Society of Agronomy, 2002.
 - President, American Forage Testing Association, 2000-01.
 - Editor for the journal, Plant Physiology.
 - Medallion Award 2002, American Forage and Grassland Council.
 - Outstanding Plant Pathologist Award, American Phytopathological Society-Southern Division, 2002.
 - Elected Fellow of the American Phytopathological Society, July 2002.
 - The program generated \$5.5 million in grants and awards in Fiscal Year 2002, received one patent, and has one patent pending.
- Biological Chemistry
 - The program increased grant and contract awards by 170 percent from 1996-97 through 2001-02.
 - The program generated \$5.5 million in grants and awards in Fiscal Year 2002.
- Economics and Business Administration
 - The program received a \$1.2 million grant from the U.S. Department of Health and Human Services to establish the Kentucky Center for Poverty Research (one of only three such grants awarded nationally). The center's projects include evaluating the impact of Medicaid on the well-being of infants and children; monitoring children with diabetes and obesity; and studying the link between poverty and domestic violence.
 - The program generated \$1.9 million in grants and awards in Fiscal Year 2002.
- Substance Abuse and Prevention
 - The Psychology/Behavioral Science program ranked 14th in NIH funding in 2002.
 - Dr. Suzanne Segerstrom received the prestigious Templeton Positive Psychology Prize of \$30,000 and a grant of \$70,000 to support research in 2002.
 - Dr. Don Lynam received the prestigious American Psychological Association Distinguished Scientific Award for Early Career Contribution to Psychology in 2002.
 - The program generated \$2 million in grants and awards in Fiscal Year 2002.
- Geography
 - The program increased grant and contract awards from \$11,915 to \$322,058 from 1996-97 to 2001-02.
 - The Cultural Geography program is ranked fifth among programs in the

U.S. and Canada by an international survey of cultural geographers published in *The Professional Geographer*.

- The program generated \$155,262 in new grants and awards in Fiscal Year 2002.

University of Louisville

- Early Childhood Research Center
 - The center's Language and Reading Research program is one of 15 included by the National Institute of Child Health and Human Development in its list of nationally recognized programs for excellence in reading research.
 - Dr. Dennis Molfese served on a strategic planning group for biobehavioral development at the NICHHD. He was one of nine distinguished scholars asked to collaborate with staff to identify and prioritize research goals and to suggest appropriate strategies to meet those goals.
 - Researchers have generated over \$11 million in external funding since the center's inception.

- Institute for Entrepreneurial Research
 - The National Small Business Institute Directors Association (400 member universities) selected UofL's Small Business Institute, part of the Institute for Entrepreneurial Research, as the top university program in the nation in 2002.
 - Students participated in the institute's UBS PaineWebber New Venture Competition, winning over \$50,000 in prize money.
 - The institute has generated \$271,135 in research awards since its inception.

- Logistics and Distribution Institute
 - LoDI has established the Center for Engineering Logistics and Distribution, a National Science Foundation Industry/University Cooperative Research Center, with three academic partners: University of Arkansas, University of Oklahoma, and Oklahoma State University. The four universities joined together to merge unique research strengths that allow CELDi to offer an integrated approach to logistics research, covering Material Handling, Intelligent Systems, Logistics Network Design, and Distribution.
 - The institute has generated \$1.4 million in new research awards.

- Molecular Medicine and Biotechnology

Molecular Medicine and Biotechnology is a broad initiative involving programs across the School of Medicine. One indication of success is that UofL has gone from 117th to 96th in NIH funding, and its School of Medicine has gone from 96th to 79th. The National Science Foundation also ranks institutions in terms of science and engineering expenditures. UofL was 142nd in 1998, and had moved to 121st in 2001. The 2002 figures are not yet available.

The MMB initiative sponsors several centers:

- The Institute of Molecular Cardiology, where Roberto Bolli, M.D., and his team lead the field of research in myocardial ischemia worldwide. This research focuses on heart attack prevention.

- David Gozal, M.D., recognized by the NIH as a national expert on sleep apnea, established the Kosair Children's Sleep Medicine and Apnea Center, a premier pediatric sleep center.
- The James Graham Brown Cancer Center increased funding from the National Cancer Institute from \$300,000 to \$2.6 million in two years.

Eastern Kentucky University

- Justice and Safety

There are no national rankings for higher education programs in "justice and safety" or for the constituent elements of the college. However, the college is attaining national prominence.

- The Assets Protection and Security program is one of five such programs offered across the country. The others are located at Northeastern University, Michigan State University, Washburn University, and City University of New York.
- Criminal Justice faculty are active in the Academy of Criminal Justice Sciences, the field's leading professional organization, including two past-presidents and one past editor of the academic journal. This program also houses the Southern Criminal Justice Association and publishes the region's academic journal.
- One faculty member is currently serving as a justice of the United Nations High Court addressing war crimes and human rights violations in Sierra Leone.
- Graduates of the Emergency Medical Care program have a 90+ percent pass rate on licensing exams.
- The Fire and Safety Engineering Technology program was selected to serve as a regional training site for the Occupational Safety and Health Administration. The program is one of three in the country. The others are located at Oklahoma State University and the University of Maryland.
- The Training Resource Center has achieved over \$100 million in external funding over the past five years. The center serves the fields of juvenile justice, child welfare, and adult corrections.
- The Police Studies program has established international partnerships with Finland, Russia, and Ukraine, and pursues agreements with Kazakhstan, Liberia, and Uzbekistan.

Kentucky State University

- Aquaculture

- The program has two scientists who previously served as president of the U.S. Aquaculture Society.
- The program director also served as president of the World Aquaculture Society in 2001-02. This is the oldest and largest professional society devoted to aquaculture in the world, with membership in more than 90 countries.

- KSU received one of only 30 grants from 1,200 proposals submitted to the Initiative for Future Agriculture and Food Systems program of the USDA.
- The national aquaculture conference, Aquaculture America 2003, was held in Louisville due to the efforts and reputation of the program's faculty.

Morehead State University

- Institute for Regional Analysis and Public Policy

There is no formal ranking system for MoSU's Institute for Regional Analysis and Public Policy. However, IRAPP is developing a national reputation in its two divisions (Academic Programs and Applied Research, Service, and Policy).

- The Center for Virtual Appalachia serves as the definitive Appalachian Web site and supports regional technology transfer, tourism development, economic development, mapping and GIS technology, and education. There were over 1.7 million "hits" to the site during 2001-02 from 72,022 distinct users.
- The Atlas of Appalachia, published by IRAPP with support from Western Kentucky University, the University of Kentucky, East Carolina University, and Marshall University, is scheduled for release on CD ROM later in 2003.
- IRAPP received \$3.7 million in new grants from federal, state, and local governments, corporations, and foundations in Fiscal Year 2002.

Murray State University

- Telecommunications Systems Management
 - MuSU's Center for Telecommunications Systems Management program currently has constructed the largest database of telecommunications Internet links in the world. Over 50,000 professionals per month use this site for research purposes. This site is visible at www.eXroads.com.
 - The center hosted the second annual National Telecommunications Informational Technology Conference in Louisville in early April.
 - External grants totaling \$495,016 were awarded to the program during 2001-02. Funding sources include the U.S. Department of Education, the National Science Foundation, and BellSouth.

Northern Kentucky University

- Center for Integrative Natural Science and Mathematics

NKU's Center for Integrative Natural Science and Mathematics is not a degree-granting program, but a program that coordinates activities in research, teaching, and outreach across NKU's departments of Biological Sciences, Chemistry, Mathematics and Computer Science, Physics and Geology, and the College of Education. While no formal ranking is available for CINSAM type-programs, students participating in research competitions enjoy consistent success.

- Three CINSAM students won first place in national and regional Tri Beta competitions (a national student honor society). Two additional students also received third place and honorable mentions.
- Six students presented research at national conferences in mathematics, computer science, and chemistry.
- In October 2001, a collaborative proposal between CINSAM and UofL earned a \$6 million National Institutes of Health grant. The grant funds development of the *Kentucky Biomedical Research Infrastructure Network*. This network increases statewide collaboration between biomedical researchers and educators to more effectively compete for federal research funds and to better prepare students for science-related careers.
- A second joint CINSAM/UofL project received \$1.5 million from the U.S. Department of Education's Fund for the Improvement of Postsecondary Education in January 2002. The project is entitled "Urban University's Partnership for Mathematics and Science Teaching."

Western Kentucky University

- Applied Research and Technology
 - Sixty-seven grants were obtained, totaling \$5.2 million in external funding.
 - Three ARTP students won recognition for their research at two national conferences (Geological Society of America and National Cave and Karst Management Symposium) and an international conference (International Conference on Bear Research and Management). Four students received fellowships or scholarships in national competitions for their research work (National Cave and Karst Management Symposium, U.S. Geological Survey Karst Interest Group, National Speleological Society). The concrete canoe team came in fourth overall (first for academics) in competition with top engineering schools from the United States, Mexico, and Canada.
 - One ARTP center is co-hosting the International Conference on Karst Hydrogeology and Ecosystems. Four ARTP faculty members serve as officers in national societies (president of the North American Thermal Analysis Society, president of the National Society of Black Physicists, vice chair of the American Society for Testing and Materials, and councilor of the American Chemical Society). One faculty member was elected a fellow of the North American Thermal Analysis Society, and another received a prestigious award for outstanding service by the American Society for Testing and Materials.
 - The Applied Physics Institute has filed three patents, and products from innovations from ARTP centers will be commercialized in the near future.

- Media for the 21st Century
 - In 2002, the School of Journalism and Broadcasting finished in second place overall in the 42nd annual William Randolph Hearst Foundation Intercollegiate Journalism Awards Competition between first-place University of North Carolina and third-place University of Florida. Also in this competition:
 - Photojournalism students finished second overall in the photojournalism portion of the competition.
 - The campus newspaper, College Heights Herald, earned first place and best all-around non-daily student newspaper published two to four times a week.
 - WKU's photojournalism program placed first overall in the photojournalism competition.

- Broadcasting students earned a fourth-place overall finish in the broadcast news portion of the competition.
- Writing students finished 10th overall in the writing competition.
- The Forensics program captured the national title at the 2003 American Forensic Association National Individual Events Tournament. Eighty-nine colleges and universities attended the tournament with over 1,500 entries from the teams in attendance.
- The program is ranked number one in the number of debaters who qualified for nationals and win/loss record and ranked number one in the nation in individual events.
- Coach Judy Woodring was selected 2002 National Coach of the Year.

Council on Postsecondary Education
May 19, 2003

Executive Summary

The Council Business

The staff recommends that the council approve the Fiscal Year 2003-04 agency operating budget. (For details, see page 115.)

The FY 2003-04 Operating Budget (provided under separate cover) details revenues and expenditures proposed for FY 2003-04 and presents comparative information for FY 2002-03.

Peggy Bertelsman, chair of the nominating committee, will present recommendations for council chair and vice chair for the coming year. Those elected will begin their terms July 1, 2003.

Council on Postsecondary Education
May 19, 2003

2003-04 Agency Operating Budget

Action: The staff recommends that the council approve the Fiscal Year 2003-04 agency operating budget.

Recent action by the 2003 General Assembly allows the agency to present a proposed operating budget for FY 2003-04. The FY 2003-04 Agency Operating Budget details revenues and expenditures proposed for FY 2003-04 and presents comparative information from FY 2002-03.

The council operates with six major program types:

- Agency Operations
- KYVU/KYVL
- Pass-through programs
- Strategic Trust Funds
- Funding Programs
- Federal Programs

Within each of those major programs, additional financial and narrative detail is provided.

Staff preparation by Dennis L. Taulbee and Ed Sergent