REVISED

AGENDA
Council on Postsecondary Education
May 24, 2004, 10 a.m. (ET)
Salon C, Marriott Griffin Gate, Lexington, Kentucky

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Adjournment

CPE meeting materials are available on the Council Web site at www.cpe.state.ky.us/aboutus/aboutus_council_meetings_materials.asp.
Policy Group meeting materials are available on the Council web site at www.cpe.state.ky.us/council/council_council_policygroups.asp.

MINUTES
Council on Postsecondary Education
March 15, 2004

The Council on Postsecondary Education met March 15, 2004, at 10:30 a.m. at the Council offices in Frankfort. Chair Barger presided.

OATH OF OFFICE — Chief Regional Circuit Judge William L. Graham administered the oath of office to John Turner and Ken Winters.

ROLL CALL — The following members were present: Walter Baker, Steve Barger, Peggy Bertelsman, J. P. Davis, Richard Freed, Ron Greenberg, Esther Jansing, Charlie Owen, Joan Taylor, John Turner, Lois Combs Weinberg, Charles Whitehead, Ken Winters, and Gene Wilhoit. Susan Guess and John Hall did not attend.

APPROVAL OF MINUTES — The minutes of the February 11 regular meeting and the February 11 joint meeting with the Kentucky Board of Education were approved as distributed.

ELECTION OF VICE CHAIR — RECOMMENDATION: On behalf of the nominating committee, Ms. Jansing moved that Mr. Greenberg fill the unexpired term of Council vice chair Bart Darrell whose term would expire June 30, 2004. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

Ms. Jansing said that the nominating committee will present recommendations in May for Council chair and vice chair to serve July 1, 2004 – June 30, 2005.

KYVL PUBLIC SERVICE ANNOUNCE-MENT — Norma Northern, interim chief operating officer of the Kentucky Virtual University, said that the Kentucky Virtual Library recently held the "Create a KYVL Public Service Announcement" contest for students of Kentucky's K-12 public schools. Winning entries were selected from elementary, middle, and high school divisions – Glendover Global Studies in Lexington, Phillip A. Sharp Middle School in Butler, and Lincoln County High School in Stanford. Participants from the winning schools were invited to attend the Council meeting. Teachers and students from Phillip A. Sharp Middle School were able to attend and were recognized. The winning entries were shown at the meeting. The Kentucky Virtual Library intends to make this contest an annual event to showcase the creative work of Kentucky's students and to put a spotlight on Student Technology Leadership Program coordinators and students.

BUDGET UPDATE — Sandy Woodley, Council vice president for finance, gave an update on the postsecondary education budget submitted to the 2004 General Assembly. A summary showing a comparison of the Council, the Executive, and the House budget recommendations for FY 2004-06 was distributed.

TRANSFER OF LCC TO KCTCS — RECOMMENDATION: The staff recommends that the Council endorse the recommendation of the University of Kentucky board of trustees to transfer the Lexington Community College to the Kentucky Community and Technical

College System and recommends that the General Assembly approve the transfer.

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

In 2003, the Southern Association of Colleges and Schools determined that Lexington Community College, part of the University of Kentucky, was not sufficiently autonomous for the purpose of securing accreditation. SACS placed LCC on probation pending a resolution of the issues raised in the accreditation report. UK President Lee Todd established a task force to review all issues related to accreditation and governance and to make a recommendation to him on the future of LCC. The task force recommended the transfer of LCC to KCTCS. The KCTCS board of regents, in anticipation of action by the UK board of trustees, adopted a resolution at its December 2003 meeting setting out the parameters of a transfer of LCC. The UK board of trustees accepted the task force report February 10, 2004, and approved a resolution transferring LCC to the KCTCS. At its February 20, 2004, meeting, the KCTCS board of regents affirmed its support of the decision of the UK board. House Joint Resolution 214 is moving through the Kentucky General Assembly to approve the transfer.

VOTE: The motion passed.

LEGISLATIVE UPDATE

A list of bills being considered by the 2004 legislative session relating to postsecondary education was distributed.

AFFORDABILITY POLICY GROUP

Ms. Weinberg gave a report on the activities of the Affordability Policy Group. The group discussed the history of the Council's tuition policies, policies of other states and pending legislation regarding tuition, the tuition-setting process at private colleges, affordability issues relevant to adult learners, reciprocity agreements in which Kentucky is a party, and tuition waivers. Joe McCormick, executive director of the Kentucky Higher Education Assistance Authority, presented information about pending legislation dealing with financial aid and scholarship programs.

TUITION

RECOMMENDATION: Ms. Weinberg moved that the Council staff be directed to work with the institutions to implement a tuition-setting process that includes on-campus hearings, Council staff review of each institution's 2004-05 tuition rate proposal, and provisions for using a portion of tuition revenues for need-based financial aid. Mr. Davis seconded the motion.

VOTE: The motion passed.

RECIPROCITY AGREEMENTS

Ms. Weinberg said that while the policy group understands that the Council is committed to tuition reciprocity agreements with bordering states and institutions as a means of broadening access to academic programs for Kentucky citizens and reducing unnecessary program duplication and costs, there are concerns about equity.

RECOMMENDATION: Ms. Weinberg moved that the Council staff be directed to review all tuition reciprocity agreements in which Kentucky is a party to ensure that there is equitable benefit for participating states and to bring recommendations back to the Council through its Affordability Policy Group by the end of the 2004 calendar year. Mr. Freed seconded the motion.

VOTE: The motion passed.

Upon further discussion, Ron Greenberg added that the Council convey to the General Assembly that the Council requests the opportunity to make policy recommendations on tuition prior to legislative action.

AMERICAN DIPLOMA PROJECT

Dianne Bazell of the Council staff gave an update on the American Diploma Project. Kentucky was one of five states that participated in the two-year, $2.4 million research project funded by a grant from the William and Flora Hewlett Foundation. New high school graduation benchmarks that define readiness for both college and the skilled workplace in the areas of English and mathematics were formally released in February. The ADP research argues that implementation of the benchmarks for high school accountability and college entrance will reduce college remediation rates and increase graduation rates for all students but especially for minority and economically disadvantaged students.

The ADP's six-point agenda calls for:

- a more rigorous curriculum in English and math
- high school exit exams
- high school assessments for admissions and placement
- federal financial aid incentives
- mobilization of the business community to insist that states align high school standards, assessments, and graduation requirements with college and employer demands
- the use of high school transcripts and exit test results in hiring decisions

RECOMMENDATION: Mr. Freed moved that the Council staff be directed to study the means of implementing the following actions suggested by the ADP recommendations and to bring policy recommendations back to the Council. Ms. Bertelsman seconded the motion.

- Directed the Council staff to work with Kentucky's postsecondary institutions to review the ADP and develop a consistent statewide placement policy that guarantees any incoming student who demonstrates competency in the ADP benchmarks a placement in credit-bearing coursework in English and mathematics.
- Directed Kentucky Adult Education staff to begin refining the adult education curriculum based on the ADP benchmarks.
- Directed the Council staff to work with business and labor organizations to encourage them to give job or apprenticeship applicants who can demonstrate competency in the ADP benchmarks a preferential "edge" in hiring or admissions decisions.

VOTE: The motion passed.

COMMISSIONER OF EDUCATION REPORT

Commissioner Wilhoit gave a report on activities of the Kentucky Department of Education. He discussed issues that will overlap during the next few years with the work of postsecondary education:

- Implementation of the No Child Left Behind federal legislation including meeting the needs of students with limited English proficiency, lack of

achievement of children with disabilities, and producing high-quality teachers.
- Redefinement of the P-12 accountability system.
- Development of the instructional leadership role of teachers, principals, and central office individuals.
- Examination of the design of the high school years to determine what they need to be in the future.

Ms. Bertelsman asked about KDE's status toward implementing recommendations of the American Diploma Project.

Mr. Wilhoit said that ADP recommendations will serve as benchmarks for changes to ensure that the P-12 community is meeting the expectations of the business community and postsecondary education The KBE will explore options for assessing students on a regular basis and make sure that the assessments have meaning for higher level placement. He said that the Kentucky Board of Education approved a single curriculum beginning with the class of 2002. The board needs to determine whether the curriculum is being implemented at a rigorous level in every high school and if the defined core curriculum is sufficient to meet the demands of business and postsecondary education.

SEAMLESSNESS POLICY GROUP

Ms. Bertelsman gave a report of the activities of the Seamlessness Policy Group. The group is reviewing policy issues in two areas and will issue recommendations to the Council later this year. First, the group is reviewing policies that will better support students' successful transition from high school and adult education programs to college. Second, the group is studying changes that are needed to increase the number of college students who successfully graduate.

This spring the policy group is focused on transfer from two- to four-year colleges. Members met with campus representatives who work with transfer to better understand what is and is not working well from the perspective of those in the field. A part of the discussion focused on Kentucky's Course Applicability System (CAS) located online at www.kytransfer.org. This online transfer system allows any student to determine how courses they have taken or plan to take will transfer to other institutions in the state. The Council has provided funding to make this system available to all public postsecondary institutions. Not all Kentucky institutions are participating in CAS at this point. At its March meeting the policy group discussed strategies to ensure all institutions do participate in CAS and to promote CAS and transfer generally with faculty and students.

WORKFORCE/ ECONOMIC DEVELOPMENT POLICY GROUP

Mr. Greenberg reported that the Council's Workforce/Economic Development Policy Group is focusing on policy that directs the efforts of postsecondary institutions to meet workforce and economic development needs. To identify policy issues, the group is developing a matrix that shows degree production in disciplines most closely associated with the knowledge economy. The matrix will include all levels of credentials – from certificates to graduate degrees. The next step will be to analyze how CPE policy can address workforce shortages and surpluses.

NEW PROGRAMS

RECOMMENDATION: The staff recommends that the Council approve the bachelor of science in Space Science (CIP 40.0202) proposed by Morehead State University.

MOTION: Ms. Weinberg moved that the recommendation be approved. Mr.

Freed seconded the motion.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve the bachelor of science in Interdisciplinary Early Childhood Education (CIP 13.1210) proposed by Murray State University.

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

VOTE: The motion passed.

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 $1,125,000 for April 1, 2004 – July 31, 2005, to support four projects:

- Inquiry and Formative Assessment as Methods to Improve Conceptual Understanding (UK) - $265,500
- Integrating Content Literacy into Middle and High School Classrooms (UK) - $288,750
- Watersheds to Science and Math Improvement (MuSU) - $295,000
- Systemic Improvement of Instruction in Middle School Mathematics (WKU) - $275,750

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

VOTE: The motion passed.

CEO REPORT

Mr. Whitehead gave a report on the activities of the Council's Committee on Equal Opportunities. At its February meeting, the CEO reviewed the status of the Kentucky Plan and partnership agreement with the Office for Civil Rights, reviewed the annual evaluation of the Kentucky Plan program eligibility of calendar year 2004, discussed the April meeting and campus visit, discussed the consolidation of the community and technical colleges of KCTCS, and received a special report on the UofL Pathways to Success program. A detailed report was included in the agenda book.

RECOMMENDATION: Mr. Whitehead offered resolutions commending Marlene Helm, Sam Robinson, and Bill Wilson for their service to the Committee on Equal Opportunities and moved that the Council adopt the resolutions. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

ENDOWMENT MATCH PROGRAM DIVERSITY PLANS

House Bill 269 requires the universities that participate in the Endowment Match Program to develop and implement plans to achieve reasonable gender and ethnic diversity among faculty and financial aid recipients funded through the program. Sherron Jackson of the Council staff said that during 2003 a working committee comprised of university officials and Council staff developed a diversity plan outline that established general guidelines for constructing diversity plans for program positions and financial aid recipients. A summary of the diversity

objectives for all institutions and copies of each institution's diversity plan was included in the agenda book. Mr. Jackson said this information will be reported to the Committee on Equal Opportunities at its April meeting.

2002-03 TRUST FUND REPORTS

Jim Applegate, Council vice president for academic affairs, said that at the February meeting the Council received a report on trust fund accomplishments for FY 2003. These programs, through a small percentage of postsecondary funding, have had a dramatic impact on the institutional work and Kentucky's progress in addressing the Council's reform goals. The staff provided a summary of the reports at this meeting. The programs are described below.

Endowment Match Program – This program encourages private investment in public higher education to grow university endowments, increase the number of endowed chairs and professorships, and generate externally sponsored research. Between 1997 and 2003, Kentucky's public universities added $417 million to their endowments through the program. The number of endowed chairs increased from 55 to 170, and the number of endowed professorships increased from 53 to 237. Extramural research expenditures at UK and UofL increased from $105.2 million to $219.0 million, or by 108 percent.

Research Challenge Trust Fund – This program supports the creation of nationally recognized research programs at UK and UofL. RCTF programs received $6 million in FY 02-03 (matched by institutions) and earned an additional $112,837,700 in total sponsored research funding. Programs in the UK College of Medicine and the UofL Institute for Entrepreneurial Research received recognition as "top 20" programs in the nation. The RCTF provided financial assistance to 288 graduate students, helped 1,299 graduate students participate in professional conferences, and enabled 580 graduate students to publish research.

Programs of Distinction – These funds support Programs of Distinction at each comprehensive university. House Bill 1 calls for at least one nationally recognized academic or applied research program at each comprehensive university. For the $6 million investment, the programs have generated $49.9 million in external funding. Several programs, notably WKU's journalism program, have received national recognition during this period. In addition, more than 4,537 students participated in 403 research projects in POD programs. These institutions provided $1,076,580 in scholarships from the trust funds for POD students.

Action Agenda Program – This program provides more than $10 million to comprehensive universities to improve P-12 teacher quality and increase enrollment, retention, and graduation rates, especially for women and minorities. Funds also support regional economic development. The Action Agenda program enabled more than 400 postsecondary faculty to participate in partnerships with more than 200 P-12 schools. To date, 17 local and regional P-16 councils have been formed to create a seamless education system in over 70 Kentucky counties. Recruitment and retention programs served nearly 50,000 students. Since the implementation of Action Agenda programs in 2002, total enrollment at the comprehensive universities has increased from 68,372 in 2002 to 70,202 in 2003 while retention rates have remained stable.

Faculty Development – These funds support campus teaching and learning centers and a statewide annual faculty development conference. The campus

centers improve student retention through better teaching and advising. They offer programs that help faculty use technology effectively and employ diverse teaching strategies that address the needs of nontraditional, minority, and underprepared students. More than 5,300 faculty participated in faculty development activities. The statewide conference involves hundreds of faculty in programs presenting innovative and effective strategies that improve student learning, community engagement, and research productivity.

Workforce Development Trust Fund – This program supports the KCTCS Kentucky Workforce Investment Network System (KY WINS). KY WINS provides businesses and industries with education, training, and support services to develop better jobs and a skilled workforce. In FY 02-03, KY WINS served 8,447 individuals in 46 companies located in 21 counties.

This year, the Council approved recommendations to sustain and increase the effective use of the trust funds. These include: 1) developing a policy to make sure that trust funds are not cut disproportionately as a part of institutional budget reductions; 2) enhancing programs to increase participation by underrepresented students and faculty; and 3) focusing institutional trust fund reports on program outcomes given the programs have now been in place for some time. The Council asked that future reports provide not only what was done and how many people participated or were hired but also how programs actually increased enrollment and retention rates for the students who participated, contributed to economic development, or increased student learning through the use of technology.

REALLOCATION OF 2002-04 AGENCY BOND AUTHORITY

RECOMMENDATION: The staff recommends that the Council approve the reallocation of $32,657,000 from the 2002-04 Agency Bond Pools to be used in part to complete projects in student housing, life safety, infrastructure, renovation, and new construction at EKU, UK, and UofL.

MOTION: Mr. Greenberg moved that the recommendation be approved. Mr. Freed seconded the motion.
Mr. Jackson reported that since the agenda books were mailed, the University of Kentucky requested that the staff remove the renovation of the Agriculture Building North Façade from the list of projects and add those funds to the Enterprise Resource Planning System.

VOTE: The motion passed.

STUDENT HOUSING FIRE SAFETY

Mr. Jackson said that in 1998 the universities and the Council agreed to bring all student housing facilities into compliance with the Kentucky fire code. A status report on the progress of institutions in implementing those plans was included in the agenda book.

COMMITTEE ASSIGNMENTS

Mr. Barger reported the following committee assignments: Mr. Winters will replace Ms. Guess on the Distance Learning Advisory Committee, Mr. Freed was appointed to the Executive Committee, and Mr. Greenberg will serve on the Strategic Committee on Postsecondary Education.

NEXT MEETING

The next meeting is May 24. The meeting will be in Lexington in conjunction with the Faculty Development Conference.

EXECUTIVE SESSION	The Council adjourned into Executive Session to discuss the annual evaluation of the Council president. No action was taken while in Executive Session.
ADJOURNMENT	The meeting adjourned at 12:30 p.m.

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Thomas D. Layzell
President

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Phyllis L. Bailey
Associate, Executive Relations

Council on Postsecondary Education
May 24, 2004

Focus on Reform:
State-Level Accountability for Student Learning

Improving student learning outcomes is central to Kentucky's postsecondary reform efforts, yet gauging progress in this area is complicated by the lack of widely accepted measurements of college-level learning. Kentucky is participating in two projects -- the National Forum on College-Level Learning and the National Survey of Student Engagement – that promise to inform national standards for measuring student learning at the college level. At the May Council meeting, Margaret Miller (Director of the National Forum on College-Level Learning) and George Kuh (Director of the Center for Postsecondary Research at Indiana University) will share information about Kentucky's participation and how results from these two initiatives may be used in statewide and institutional accountability initiatives. Project summaries are attached.

Staff preparation by Christina E. Whitfield

National Forum on College-Level Learning

Margaret A. Miller, Project Director

Measuring Up, the national report card on higher education produced by the National Center for Public Policy and Higher Education, in 2000 and 2002 graded each state on the effectiveness of its higher education system. It gave separate grades for preparation, participation, affordability, persistence and completion and benefits. But it was unable to assign a grade to the most important product of higher education, learning, because there are no nationwide, comparable data by which to assess the intellectual abilities of the college graduates in each state. Consequently, all states received an "incomplete" in this category.

Unprecedented numbers of Americans are enrolling in education and training beyond high school. They are well aware that college-level education and training has become a prerequisite for most jobs that support a middle-class standard of living. Policy leaders are equally aware that the demands of the global economy and of community and civic life now require that most Americans need more than a high-school diploma. As yet, however, little is known about the results—the extent to which Americans are actually acquiring the higher levels of knowledge and skills needed.

States have primary policy responsibility for education at all levels and have invested substantially in higher education. But they are uncertain about the benefits that that investment has yielded. Concerns regarding the lack of knowledge about college-level learning, which go back decades, led among other things to the assessment movement in the mid-eighties. As a result of that movement, some states have assessment information about the graduates of their public systems of higher education on the institutional level; some have it state wide.

But few states, if any, know about the learning of their private-college graduates or what their college-educated citizens, regardless of where they were educated, know and can do. Moreover, the information states do have does not inform them about how well they are performing relative to their peers. As *Measuring Up 2000* made clear in the categories it was able to grade, it is only in the context of these kinds of comparisons that meaning can be assigned to results – that a state can know, for instance, whether information about the learning of its college-educated citizens is good or bad news.

In the early nineties, the National Education Goals provided another stimulus to a discussion of learning. In particular Goal 6—one objective of which was to increase the proportion of college graduates who could communicate effectively, think critically, and solve problems—suggested the need to know more about higher education's results. But the next step in reaching Goal 6, to evaluate that learning in order to track progress, was never taken.

Almost a decade later, when *Measuring Up 2000* raised the college-level learning issue again, it seemed that it was the time to take that next step. To test the desirability and

feasibility of doing so, in November 2001, the Pew-sponsored National Forum on College-Level Learning took place in Purchase, NY. At this meeting, a small group of government, business, and higher-education leaders discussed whether nationally comparable information on college-level learning, collected systematically and regularly, could inform leaders and policy-makers about how each state's college-educated residents contribute to the educational capital that is available to further its civic and economic objectives, as well as how effectively the states' colleges and universities collectively contribute to that educational capital. Their conclusion was that this information would be invaluable and that we should proceed to collect it; they then suggested some strategies for doing so. With the support of the Pew Charitable Trusts, these strategies have subsequently been pursued.

The first step in assessing the knowledge and skills of college graduates was to develop a model for grading states, which was done with the help of several advisory committees. (A description of the model, an essay published in *Measuring Up 2002*, is available at http://measuringup.highereducation.org/2002/articles/illustration.htm.) That model was then tried out in part, using incomplete data from Kentucky: scores on existing graduate and professional school and licensure exams, supplemented by information from the National Adult Literacy Assessment and the National Survey of Student Engagement. The results were published in *Measuring Up 2002*. Since the model seemed promising, even working with incomplete information, the next step was to pilot a more comprehensive information-collection effort. The project, called the National Forum on College-Level Learning (http://collegelevellearning.org), took that next step with continued support from Pew.

To create and test a model for this broader strategy, five states (Kentucky, Illinois, Nevada, Oklahoma, and South Carolina) have generated systematic information about the intellectual capacities of their college-educated citizens. In addition to collecting average scores on existing licensing and graduate-admissions exams, as Kentucky had done in the initial trial, in fall 2003 each state administered the following instruments to a random group of students on a representative set of campuses:

- the Community College Survey of Student Engagement, which asks community college students about their participation in activities that research suggests are associated with collegiate learning (information from the four-year counterpart, the National Survey of Student Engagement, is already available) ;
- for two-year college students, Work Keys, a series of tests focused on general intellectual skills needed in the workplace (applied mathematics, reading for information, locating information, and writing); and
- for four-year college students the Collegiate Learning Assessment, a performance-based assessment of college students' general intellectual skills in the domains of the sciences, social sciences, humanities, and the workplace, plus a writing assessment.

The four-year colleges also asked their alumni to participate in the online Collegiate Results Survey, which asks college graduates how well prepared they are to function in a variety of real-life scenarios. Unfortunately, the number of respondents to the survey

was insufficient. Also, although the project had planned to make use of information generated by the federally administered National Assessment of Adult Literacy, originally scheduled for 2002, that information will not be available before 2005.

The National Center for Higher Education Management Systems is now analyzing the data generated by the various instruments and plugging it into the model. What the project has revealed about college-level learning in the five states and about the viability and usefulness of the model will be described in *Measuring Up 2004*. The project will also develop a how-to guide for states that want to proceed along the same lines. If enough other states do so, data will be available to grade states on college-level learning in *Measuring Up 2006*.

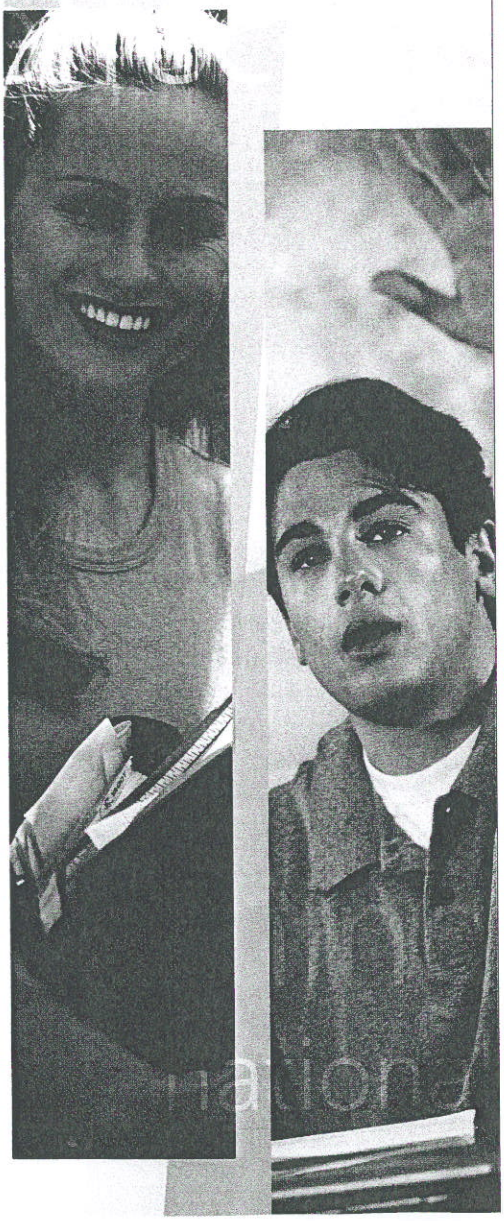
Viewpoint

National Survey of Student Engagement

November 2003

Converting Data into Action

Expanding the Boundaries of Institutional Improvement



In four short years, the National Survey of Student Engagement (NSSE) has become a leading tool for assessing the quality of the undergraduate experience.

The number of schools using NSSE has grown every year, from 276 schools in 2000 to 437 schools in 2003. However, NSSE's goal is not merely to increase its size and scope. Rather, NSSE's impact is best measured by people, on and off campus, thinking and talking about quality in terms of educational effectiveness—what students and institutions do as contrasted with what rankings emphasize, which is student test scores and an institution's resources and reputation.

Measuring what people think and how they talk about collegiate quality is admittedly difficult. There are indications, though, that NSSE is moving the conversation in the right direction, as the popular media increasingly work student engagement into stories about student learning. Moreover, NSSE data are the topic of discussion on scores of campuses at faculty and governing board retreats, teaching and learning workshops, and many other campus initiatives. Dozens of institutions are also using student engagement results for strategic planning and accreditation self-studies. NSSE is expanding the boundaries of institutional improvement by providing a new way for schools to convert data into action.

"NSSE was launched with ambitious aims—among them to be widely used by institutions to improve undergraduate education and to help reshape public perceptions of collegiate quality. NSSE has done all this and more. No other measure has become so authoritative and so informative so quickly." *—Peter T. Ewell, Vice President, National Center for Higher Education Management Systems*

Selected Results

Raising the student engagement bar requires both understanding the extent to which students participate in educationally effective activities and how colleges and universities are encouraging students to take part in these activities. For example:

- Using information technology is strongly associated with academic challenge, active and collaborative learning, and student-faculty interaction.
- Students who more frequently use information technology also report greater gains in knowledge, skills, and personal growth.
- Student athletes are generally as engaged in effective educational practices as their non-athlete counterparts, with Division III athletes reporting the highest levels of academic challenge and interactions with faculty.
- Student experiences vary greatly by major field of study with some students consistently engaging more in effective educational practices than others. For example, students in professional majors such as Health Sciences report higher levels of engagement on all five NSSE benchmarks.
- Women that attend women's colleges are generally more engaged than their counterparts at other schools, and also report gaining more in self-understanding, general education, and the ability to analyze quantitative problems.
- Women, seniors, and students attending baccalaureate liberal arts colleges tend to engage more frequently in integrative learning activities, the types of experiences that lead to deep learning.

Promising Findings

- 41% of all students earn mostly A grades, and only 3% of students report C or lower average grades.
- 87% of all seniors frequently ("often" or "very often") integrate ideas or information from various sources into papers or projects.
- 80% of seniors said their classes placed a good deal of emphasis on applying theories or concepts to practical problems.
- 74% of all students reported the quality of advising as "good" or "excellent."
- 87% of all student rated their college experience as "good" or "excellent."

Disappointing Findings

- 77% of all students who study 10 or fewer hours per week report grades of B or better (33% As, 44% Bs).
- 87% of all students report that their peers at least "sometimes" copy and paste information from the Web or Internet for reports/papers without citing the source.
- Men are disproportionately under-engaged, particularly in the areas of academic challenge and enriching educational experiences.
- 45% of first-year students "never" discuss ideas from their classes or readings with a faculty member outside the classroom.
- 35% of all seniors only "occasionally" get prompt feedback from faculty members.
- Business and Engineering majors are well below their counterparts in other fields in terms of prompt feedback from faculty and the frequency with which they engage in integrative activities.
- Compared with when they were first-year students, fewer seniors work harder than they thought they could to meet an instructor's standards.

Percentage of Seniors who Participated in Various Educationally Enriching Activities

	Doc-Ext	Doc-Int	Master's	Bac-LA	Bac-Gen	Total
Practicum, internship, field experience	72%	72%	72%	74%	71%	72%
Community service/volunteer work	66%	60%	64%	77%	67%	66%
Research with faculty member	29%	26%	23%	39%	24%	27%
Learning community	25%	25%	27%	25%	28%	27%
Foreign language	44%	35%	35%	65%	36%	41%
Study abroad	18%	14%	14%	35%	15%	18%
Independent study/self-designed	24%	26%	26%	43%	30%	29%
Culminating senior experience	49%	58%	55%	73%	66%	60%

National Benchmarks of Effective Educational Practice

NSSE results fall into five key clusters of activities that research studies show are linked to desired outcomes in college.

Level of Academic Challenge

Challenging intellectual and creative work is central to student learning and collegiate quality. Colleges and universities promote high levels of student achievement by emphasizing the importance of academic effort and setting high expectations for student performance.

Active and Collaborative Learning

Students learn more when they are intensely involved in their education and are asked to think about and apply what they are learning in different settings. Collaborating with others in solving problems or mastering difficult material prepares students to deal with the messy, unscripted problems they will encounter daily, during and after college.

Student-Faculty Interactions

Students learn firsthand how experts think about and solve practical problems by interacting with faculty members inside and outside the classroom. As a result, their teachers become role models, mentors, and guides for continuous, life long learning.

Enriching Educational Experiences

Complementary learning opportunities inside and outside the classroom augment academic programs. Experiencing diversity teaches students valuable things about themselves and others. Technology facilitates collaboration between peers and instructors. Internships, community service, and senior capstone courses provide opportunities to integrate and apply knowledge.

Supportive Campus Environment

Students perform better and are more satisfied at colleges that are committed to their success and cultivate positive working and social relations among different groups on campus.

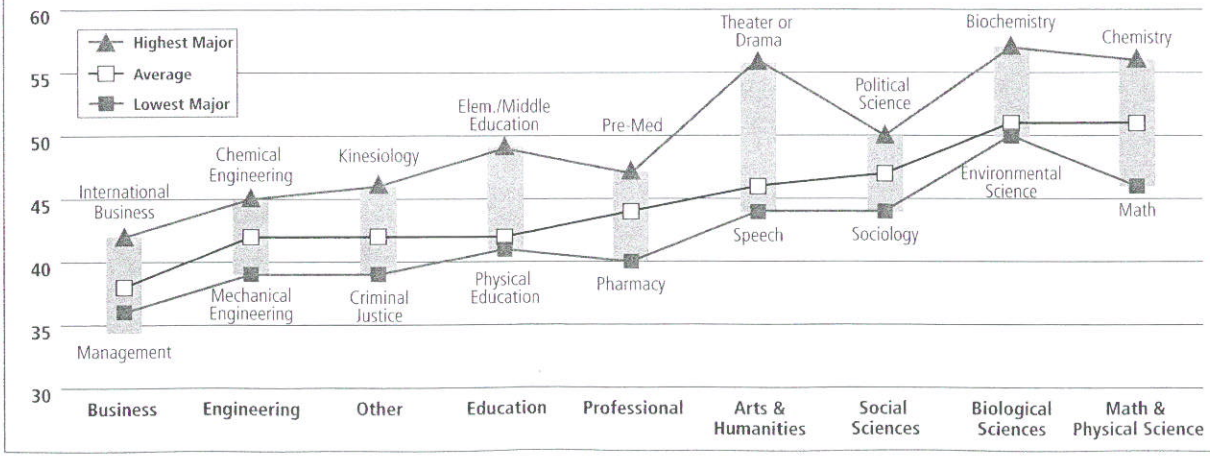
A detailed listing of the survey items that contribute to the National Benchmarks of Effective Educational Practice can be found on NSSE's Web site at www.iub.edu/~nsse.

Variation in Student Engagement Within Institutions

The variance in student engagement is much greater within individual institutions than between institutions. For example, student experiences vary significantly by major field of study, with some students consistently engaging more in effective educational practices than others. A great deal of variation also exists within similar clusters of majors.

Figure 1 displays average student-faculty benchmark scores for seniors by major, as well as the highest and lowest scores by major group. Substantial improvement in the overall quality of undergraduate education can be realized by focusing on the performance of our least-engaged students.

Figure 1



A Catalyst for Improvement and Accountability

One of NSSE's most important ongoing activities is to discover and share the different ways student engagement results are being used at the state, system, and institutional levels.

Ways to Use NSSE

- To **benchmark** performance against peer institutions
- To compare **first-year** and **senior** student experiences
- To expand and complement institutional approaches to **assessment**
- To contribute to **performance indicators** requested by governing boards and oversight agencies
- To focus conversations related to **general education** and **curricular reform**
- To emphasize effective educational practices in **self-studies, accreditation,** and **accountability** efforts
- To guide and monitor **institutional improvement**
- To inform **faculty development** initiatives
- To analyze and evaluate **retention** efforts
- To provide evidence for **research** and **grant** proposals
- To contribute to the national effort to improve undergraduate quality

Source: NSSE 2003 Institutional User Report Card

The NSSE Institute for Effective Educational Practice

The NSSE Institute was established to help maximize the use of student engagement information by working directly with colleges and universities in a number of ways:

Campus Audits:

Conducting comprehensive diagnostic reviews to identify institutional strengths and weaknesses and possible improvement initiatives

Consultations:

Assisting with the development, implementation, and evaluation of initiatives focused on enhancing student success and other institutional priorities

Workshops:

Developing practical, data-driven approaches to institutional improvement, including:

- Creating an institution-wide culture of evidence
- Enhancing campus diversity initiatives
- Promoting academic affairs-student affairs collaborations
- Developing action plans for minority-serving institutions
- Promoting educationally effective student-faculty interaction
- Identifying practices that can enhance persistence and educational attainment
- Incorporating student engagement and related information in assessment and accreditation

"NSSE is one of the most powerful tools available to stimulate and guide intellectually powerful and credible conversations to focus us on what needs to be changed and how." *—John N. Gardner, Executive Director, Policy Center on the First Year of College*

Looking Ahead

NSSE's priority in the coming years is to continue to administer and report the results of its annual undergraduate survey in ways that contribute to institutional improvement and greater public understanding of dimensions of collegiate quality. Toward these ends, we are pleased to be working with other initiatives that have complementary purposes. These include:

- The Foundations of Excellence project coordinated by The Policy Center on the First Year of College, which is working with two dozen schools from the Council of Independent Colleges and the American Association of State Colleges and Universities (AASCU) committed to improving the first-year experience.
- The AASCU American Democracy Project sponsored in part by *The New York Times*.
- A version of NSSE suitable to use in Canadian colleges and universities.
- An accreditation toolkit to increase the utility of student engagement information for purposes of program review and accreditation.
- A High School Survey of Student Engagement (HSSSE—pronounced "hessie") for use in secondary schools to allow a first-ever look at the performance of students from high school through college and to monitor the engagement levels of students as they move through various levels of the educational system. (www.iub.edu/~nsse/html/hssse_invitation.htm)
- A Law School Survey of Student Engagement (LSSSE) that is co-sponsored by the American Association of Law Schools and The Carnegie Foundation for the Advancement of Teaching (www.iub.edu/~nsse/lssse/).

"Without persuasive evidence of the patterns of student engagement, administrators and faculty remain blind to important aspects of the undergraduate experience."—*Lee S. Shulman, President, The Carnegie Foundation for the Advancement of Teaching*

- Project DEEP (Documenting Effective Educational Practice) and Project BEAMS (Building Engagement and Attainment of Minority Students) are collaborative efforts with the American Association for Higher Education to learn more about effective educational practices and help develop cultures of evidence in minority-serving institutions.
- Spanish and other language translations of the survey to make student engagement data available to an expanding number of institutions within the U.S. and abroad.

By converting data into action and expanding efforts to learn more about student engagement and effective educational practice, NSSE continues to help higher education become better by strengthening institutional accountability for learning.

Quick Facts

Survey

The College Student Report is available in paper and Web versions and takes about 15 minutes to complete.

Objectives

Provide data to colleges and universities to use for improving undergraduate education, inform state accountability and accreditation efforts, and facilitate national and sector benchmarking efforts, among others.

Partners

Established with a grant from The Pew Charitable Trusts. Current grants and contracts from Lumina Foundation for Education, the Center of Inquiry in the Liberal Arts at Wabash College, and the American Association for Higher Education. Cosponsored by The Carnegie Foundation for the Advancement of Teaching and the Pew Forum on Undergraduate Learning.

Participating Colleges and Universities

More than 430,000 students at 730 different four-year colleges and universities thus far. More than 460 schools are registered for the spring 2004 program.

Consortium & State or University Systems

Numerous peer groups (urban institutions, women's colleges, research institutions, Christian colleges, engineering and technical schools, etc.) and state and university systems (e.g., California State University, Indiana, Kentucky, Massachusetts, North Carolina, South Dakota, Texas, Wisconsin) have formed to ask additional mission-specific questions and share aggregated data.

Benchmarks of Effective Educational Practice

- Level of Academic Challenge
- Active and Collaborative Learning
- Student-Faculty Interaction
- Enriching Educational Experiences
- Supportive Campus Environment

Data Sources

Randomly selected first-year and senior students from hundreds of four-year colleges and universities. Supplemented by other sources such as institutional records, results from other surveys, and data from the Integrated Postsecondary Education Data System (IPEDS).

Administration

Indiana University Center for Postsecondary Research, in cooperation with the Indiana University Center for Survey Research and the National Center for Higher Education Management Systems (NCHEMS).

Validity & Reliability

The NSSE survey was designed by experts and extensively tested to ensure validity and reliability and to minimize non-response bias and mode of administration effects.

Response Rates

Average response rate for paper and web versions is about 43%, with a range of 15% to 89%.

Audiences

College and university administrators, faculty members, students, governing boards; external authorities such as accreditors and government agencies; prospective students and their families; college advisors, institutional researchers, and higher education scholars.

Participation Agreement

Participating institutions agree that NSSE will use the data in the aggregate for national and sector reporting purposes and other undergraduate improvement initiatives, institutions can use their own data for institutional purposes, and that results specific to each institution and identified as such will not be made public except by mutual agreement.

Cost

Institutions pay a minimum participation fee ranging from $3,000 to $7,500, determined by undergraduate enrollment.

New Initiatives

NSSE Institute for Effective Educational Practice is collaborating with the American Association for Higher Education on two major initiatives: Documenting Effective Educational Practice (DEEP) and Building Engagement and Attainment of Minority Students (BEAMS).

Special Services

Faculty survey, NSSE workshops, faculty and staff retreats, consulting, peer comparisons, norms data, and special analysis.

National Survey of Student Engagement

Indiana University Center for Postsecondary Research
1900 East 10th Street
Eigenmann Hall, Suite 419
Bloomington, IN 47406-7512

Phone: 812-856-5824
Fax: 812-856-5150
E-mail: nsse@indiana.edu
Web: www.iub.edu/~nsse

Council on Postsecondary Education
May 24, 2004

2004 Legislative Session

Following is a brief summary of bills and resolutions related to postsecondary education that passed during the 2004 Regular Session of the Kentucky General Assembly.

Senate Bill 63:

- Directs public and independent postsecondary institutions to disclose in writing to any potential lessee of an on-campus housing facility whether it is equipped with an automatic fire suppression system.
- Institutions that have properly functioning fire suppression systems in all on-campus housing facilities are exempt.
- At the end of each calendar year, the institution must make available the disclosure material at the request of the state fire marshal or local fire officials.

Senate Bill 96:

- Makes changes to the management of postsecondary student financial aid programs, including providing to the Kentucky Student Loan Corporation the authority to secure data from " . . . any other Commonwealth of Kentucky agency or instrumentality or from any other source in the furtherance of any purposes of the corporation related to any program or function administered by the corporation" unless specifically prohibited by law.
- Provides that when a postsecondary institution issues bonds for the purpose of construction but fails to transmit debt service payments when due, the Secretary of Finance has the authority to intercept state funds appropriated to the institution sufficient to pay the debt service.

Senate Bill 200:

- Directs the Council on Postsecondary Education to classify a postsecondary student as a Kentucky resident for the purpose of tuition if the student met the requirements for residency at the beginning of her or his last year in high school.
- Limits availability to those students who enroll in a Kentucky postsecondary institution within two years of high school graduation.

Senate Joint Resolution 80:

- Urges the Secretary of State to establish a committee to convene a Summit for Civic Literacy at Northern Kentucky University.
- Directs that the committee be composed of, among others, representatives of P-16 education.

Senate Joint Resolution 148:

- Establishes a suicide prevention advisory committee in the Cabinet for Health Services.

- Membership includes the president of the Council on Postsecondary Education or designee.

House Bill 149:
- Directs public and independent postsecondary institutions to provide to all first-time, full-time students information on the risk factors, symptoms, and treatment of hepatitis B, including recommendations from the United States Centers for Disease Control and Prevention or the American College Health Association.

House Bill 152:
- Makes changes to the authority of the Education Professional Standards Board.
- Makes changes to the processes for granting teacher certification based on "exceptional work experience" or successful completion of university alternative certification programs.

House Bill 167:
- Establishes the Kentucky Native American Heritage Commission "to promote awareness of significant Native American influences within the historical and cultural experiences of Kentucky."
- The Commission includes, among others, "three members from institutions of higher learning" appointed by the governor.

House Bill 178:
- Specifies that a high school student will not be considered a dropout for the purposes of reporting to the Kentucky Department of Education if the student is "enrolled in a district-operated or district-contracted alternative program leading to a certificate of completion or a General Education Development (GED) diploma or…is awarded a GED diploma by October 1 of the following school year."
- Specifies that no state or federal funds for adult education and literacy can be used for district-operated or district-contracted alternative programs.

House Bill 322:
- Directs public and independent postsecondary institutions to give priority for first floor housing to any student who informs the institution of a disability.
- Directs postsecondary institutions that do not have available first floor housing to allow such students to seek alternative on- or off-campus housing.
- Directs postsecondary institutions to maintain a record of on-campus housing assignments for such students and provide such records to appropriate safety and emergency personnel.

House Bill 342:
- Directs public and independent postsecondary institutions to provide information on meningitis vaccination to full-time students living on campus.
- Information must be included in student housing or enrollment application documents and must contain a space for the student to indicate whether the student has received a meningitis vaccination.
- Materials must include information and recommendations from the United States Centers for Disease Control and Prevention.

House Bill 434:

- Among other things, specifies that "employees of the Council on Postsecondary Education who were employees of the Department for Adult Education and Literacy and who were members of the Kentucky Teachers' Retirement System at the time the department was transferred to the council pursuant to Executive Order 2003-600" are members of KTRS.

House Bill 460:

- Changes the eligibility for the tuition waiver for the spouse or children of deceased or disabled veterans from individuals ages 17 – 23 to individuals under the age of 23.

House Bill 685:

- Creates the Kentucky Diabetes Research Board to administer the diabetes research trust fund.
- Membership on the board includes two representatives of the University of Kentucky College of Medicine and two representatives of the University of Louisville School of Medicine appointed by the governor.
- The board is attached to the Cabinet for Health Services for administrative purposes.
- Funds can only be used for diabetes research programs at UK and UofL.

House Concurrent Resolution 66:

- Confirms the appointment of John S. Turner to the Council on Postsecondary Education.

House Concurrent Resolution 67:

- Confirms the appointment of Ken W. Winters to the Council on Postsecondary Education.

House Joint Resolution 214:

- Directs the University of Kentucky Board of Trustees to transfer to the Kentucky Community and Technical College System the management and operation of Lexington Community College on or before July 1, 2004.

Staff preparation by Bill Swinford

Council on Postsecondary Education
May 24, 2004

Budget Update

Since no general operating budget for 2004-06 was adopted in the regular 2004 legislative session, two possible outcomes exist. First, the Governor could call a special session for the purpose of passing the 2004-06 budget, or he could develop an executive spending plan for the continuance of state government operations for fiscal year 2005 and then propose a budget for fiscal year 2006 to the 2005 General Assembly.

The latter possibility would be similar to what happened in FY 2003. If the latter possibility occurs, no new capital projects (including agency-funded projects) could be authorized in fiscal year 2005 since new projects must be approved by the legislature.

Staff preparation by Sandra Woodley

Council on Postsecondary Education
May 24, 2004

2004-05 Tuition Rates

This report identifies the estimated tuition rates and revenue for each institution for fiscal year 2004-05 and provides a summary of the process institutions used to establish their rates. In addition, an analysis is provided of the amount of tuition revenue dedicated to financial aid for financially needy students.

Institutional Tuition Setting Process
Institutions reported that they convened forums with students, faculty, senior administration officials, and the public to discuss the rationale for tuition and fee rates for 2004-05. The institutions reported that they considered the following factors when setting tuition and fee rates.

Access/Affordability

- Determined the availability of need-based student financial aid.
- Reviewed increases against per capita personal income of the state and service region.
- Analyzed increases in other cost of attendance rates such as room and board.
- Analyzed revenue.
    - Changes in state appropriation.
    - Changes in enrollment.
- Projected expenditure requirements.
    - Increases in fixed costs.
    - Statewide goals.
    - Public safety.

Tuition analyses attached:

- Attachment A - Analysis to include estimated changes in tuition and required fees and revenue (semester (fall) and annual).
- Attachment B - Comparison and ranking of Kentucky institutions to benchmarks regarding tuition and fee increases.
- Attachment C - Comparison of tuition and fee increases to total public funds.
- Attachment D -
    1) Analysis of increases in tuition and fee revenue expected and amount of increase devoted to institutional aid for needy students (Pell-eligible students).
    2) Comparison of total estimated tuition and fee revenue and total estimated institutional aid for needy students.
    3) Estimated average total student financial aid for a needy student.
- Attachment E - Five-year history of tuition and fee revenue as a percent of total public funds.

Tuition Rates and Revenues
Average annual tuition and fees for full-time resident undergraduate students attending Kentucky public postsecondary institutions in 2004-05 will average 14.7 percent or $508 higher than 2003-

04. Estimated annual tuition increases for resident undergraduates for 2004-05 range from an upper and lower division average increase of $693 at the University of Kentucky to $312 at the Kentucky Community and Technical College System. The estimated annual tuition rates for full-time resident undergraduates and total tuition revenue in 2004-05 are detailed in Attachment A for each institution.

A comparison of each Kentucky institution's annual undergraduate resident tuition and fee rates for 2004-05 to their benchmark institution's annual undergraduate resident tuition and fee rates for 2003-04 is found in Attachment B. Attachment B illustrates that Kentucky institutions' position with respect to tuition and fee rates has moved upward at four out of eight universities and also at the KCTCS system. Attachment B also contains detailed comparisons between each institution and their benchmarks.

Tuition and fee revenue increases will be approximately $98.9 million, which is a 6.2 percent increase in total public funds and a 15.7 percent increase in total tuition and fee revenue in 2004-05. A detailed listing of percentage increases in tuition and fee revenue and total public funds is found in Attachment C.

Student Financial Aid

For 2004-05, the financial aid increase for needy students is estimated to be approximately $14.8 million in total for the system and $1.5 million on average for each institution. This is a 6 percent increase in the financial aid available for needy students. A detailed listing of average and total student financial aid increases for needy students follows.

Type of Student Aid	Percent Increase	Average Dollar Increase	Total Dollar Increase
Institutional	12.0%	$360,700	$3.6 M
State	7.0%	$356,200	$3.5 M
Federal	4.7%	$764,000	$7.6 M

Increases in tuition and fee revenue and institutional financial aid by institution from 2003-04 to 2004-05 are detailed in Attachment D.

For the purposes of this analysis, the federal definition of need was used. Students who were eligible for the Pell Grant were considered to be needy in this analysis. There are 60,755 Pell-eligible students attending Kentucky public postsecondary institutions that will receive an average of $5,087 in total student financial aid in 2004-05. Total estimated student financial aid per Pell-eligible student for 2004-05 by institution is detailed in Attachment D.

It is important to note that the financial aid depicted in this analysis does not document all financial aid awarded by the institutions or state and federal entities. Other scholarships and grants are awarded to students at each of the institutions that are not reflected in this analysis. The federal definition of need was used for comparison purposes and to capture the aid available to the most needy students.

Next Steps

The Affordability Policy Group will be conducting an in-depth study that will look at individual student records to learn more about how expenses for college in Kentucky compares to family incomes. This study will include all financial aid, both need and merit, not just aid to Pell-eligible students. In addition, based on this study and other dialogue, the policy group will likely make recommendations regarding tuition policies in the future. The policy group plans to make recommendations to the Council that will address specifically affordability concerns in the face of rising tuition costs and declining growth in appropriation levels from the state.

Some preliminary policy issues for the group stemming from this analysis:

- The Council's role with respect to mid-year tuition and fee increases.
- The proportion of tuition and fee revenue that should be devoted to financial aid in general and need based aid in particular, in the context of federal and state financial aid funding levels.

In addition, a handout may be available to detail the changes in fixed costs and salary increases that the institutions will face in FY 2005. This information is currently being collected and analyzed.

Staff preparation by Sandra Woodley and Jonathan Pruitt

REVISED May 24, 2004
Attachment A

Institution	Undergraduate Resident Tuition Rates Fall Semester Rates				Undergraduate Resident Tuition Rates Annual Rates				Annual Tuition and Fee Revenue $ Millions			
	Actual Fall 2003-04	Estimated Fall 2004-05	Percent Change	Dollar Change	Actual 2003-04	Estimated 2004-05	Percent Change	Dollar Change	Actual 2003-04	Estimated 2004-05	Percent Change	Dollar Change
Eastern Kentucky University*	$ 1,629	$ 1,896	16.39%	$ 267	$ 3,358	$ 3,792	12.92%	$ 434	$ 48.6	$ 61.2	25.93%	$ 12.6
KCTCS	948	1,104	16.46%	156	1,896	2,208	16.46%	312	97.1	110.1	13.39%	13.0
Kentucky State University	1,685	1,853	9.97%	168	3,370	3,707	10.00%	337	11.4	12.6	10.53%	1.2
Morehead State University	1,682	1,917	13.97%	235	3,364	3,834	13.97%	470	31.9	35.9	12.54%	4.0
Murray State University	1,718	1,992	15.95%	274	3,436	3,984	15.95%	548	44.5	50.3	13.03%	5.8
Northern Kentucky University	1,872	2,184	16.67%	312	3,744	4,368	16.67%	624	63.9	74.3	16.28%	10.4
University of Kentucky (Lower Division)	2,273	2,582	13.58%	309	4,547	5,165	13.59%	618	100.0	117.0	17.00%	17.0
University of Kentucky (Upper Division)	2,273	2,657	16.88%	384	4,547	5,315	16.89%	768	42.0	49.0	16.67%	7.0
Lexington Community College	1,220	1,382	13.28%	162	2,440	2,764	13.28%	324	15.0	17.2	14.90%	2.2
University of Louisville	2,225	2,520	13.26%	295	4,450	5,040	13.26%	590	105.0	116.6	11.05%	11.6
Western Kentucky University*	1,825	2,220	21.64%	395	3,850	4,596	19.38%	746	70	83.5	19.29%	13.5

* Western Kentucky University and Eastern Kentucky University increased student charges for the spring semester (mid-year increase) in FY 2004.

REVISED May 24, 2004
Attachment B

SUMMARY
KENTUCKY INSTITUTIONS
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative to Benchmarks compared to
2004-05 Kentucky Rates Relative to 2003-04 Benchmark Rates

Tuition and Fees

Institution	2003-04 In-State	2004-05 In-State	% Increase	Dollar Increase	2003-04 Rank	2004-05 Rank
Eastern Kentucky University	$3,358	$3,792	12.9%	$434	16 of 20	16 of 20
KCTCS	1,896	2,208	16.5%	312	9 of 10	8 of 10
Kentucky State University	3,370	3,707	10.0%	337	11 of 20	8 of 20
Morehead State University	3,364	3,834	14.0%	470	14 of 20	14 of 20
Murray State University	3,436	3,984	15.9%	548	13 of 20	11 of 20
Northern Kentucky University	3,744	4,368	16.7%	624	15 of 20	14 of 20
University of Kentucky*	4,546	5,239	15.2%	693	14 of 20	10 of 20
Lexington Community College	2,440	2,764	13.3%	324	8 of 20	4 of 20
University of Louisville	4,450	5,040	13.3%	590	14 of 18	14 of 18
Western Kentucky University	3,850	4,596	19.4%	746	16 of 20	16 of 20

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified).
*FY 2004-05 rate represents an average between upper and lower division tuition rates.

EASTERN KENTUCKY UNIVERSITY
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative to Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 EKU
Bowling Green State University-Main Campus	OH	$ 7,408	1	
Kent State University	OH	6,882	2	
University Of Akron	OH	6,682	3	
Ball State University	IN	6,050	4	
West Chester University of Pennsylvania	PA	5,748	5	
Eastern Michigan University	MI	5,605	6	
Illinois State University	IL	5,530	7	
Youngstown State University	OH	5,472	8	
Indiana State University	IN	5,422	9	
Northern Michigan University	MI	5,210	10	
Western Illinois University	IL	4,997	11	
Eastern Illinois University	IL	4,980	12	
Central Missouri State University	MO	4,980	13	
University of Northern Iowa	IA	4,916	14	
Southeast Missouri State University	MO	4,755	15	
Eastern Kentucky University	**KY**	**3,358**	**16**	**$ 3,792**
University of North Carolina-Greensboro	NC	3,123	17	
Appalachian State University	NC	2,811	18	
Western Carolina University	NC	2,799	19	
California State University - Fresno	CA	2,414	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative To Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees			
State	**2003-04 In-State**	**2003-04 Rank**	**2004-05 KCTCS**
Minnesota	$ 3,426	1	
Ohio	3,266	2	
Iowa	2,855	3	
South Carolina	2,829	4	
Connecticut	2,310	5	
Washington	2,259	6	
Colorado	2,169	7	
Virginia	1,936	8	**$ 2,208**
KCTCS	**1,896**	**9**	
North Carolina	1,173	10	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified).

Note: Rates for each state reflect an average.

KENTUCKY STATE UNIVERSITY
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative To Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 KSU
South Carolina State University	SC	$ 5,940	1	
Morgan State University	MD	4,644	2	
Indiana University-Kokomo	IN	4,463	3	
Virginia State University	VA	4,350	4	
Western Oregon State University	OR	4,305	5	
Delaware State University	DE	4,296	6	
Lincoln University - Missouri	MO	4,084	7	
University of Arkansas at Pine Bluff	AR	3,687	8	**$ 3,707**
Alcorn State University	MS	3,459	9	
Mississippi Valley State	MS	3,411	10	
Kentucky State University	**KY**	**3,370**	**11**	
University of North Carolina - Asheville	NC	3,140	12	
Southeastern Oklahoma State University	OK	2,947	13	
Savannah State University	GA	2,830	14	
North Carolina Central University	NC	2,801	15	
Fort Valley State University	GA	2,782	16	
Albany State University	GA	2,774	17	
Langston University	OK	2,762	18	
University of North Carolina-Pembroke	NC	2,494	19	
Fayetteville State University	NC	2,051	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified).

MOREHEAD STATE UNIVERSITY
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative To Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 MoSU
Rowan University - New Jersey	NJ	$ 7,258	1	
Ball State University	IN	6,050	2	
California University of Pennsylvania	PA	6,008	3	
Clarion University of Pennsylvania	PA	5,993	4	
Millersville University of Pennsylvania	PA	5,819	5	
West Chester University of Pennsylvania	PA	5,748	6	
Indiana State University	IN	5,422	7	
Central Connecticut State University	CT	5,384	8	
Northern Michigan University	MI	5,210	9	
Central Missouri State University	MO	4,980	10	
Eastern Illinois University	IL	4,980	11	
University of Northern Iowa	IA	4,916	12	
Southeast Missouri State University	MO	4,755	13	
Morehead State University	**KY**	**3,364**	**14**	**$ 3,834**
Jacksonville State University	AL	3,140	15	
Pittsburgh State University - Kansas	KS	2,962	16	
Western Carolina University	NC	2,799	17	
Columbus State University	GA	2,676	18	
Chicago State University	IL	NA	19	
Texas A & M University - Corpus Christi	TX	NA	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

MURRAY STATE UNIVERSITY
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative To Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 MuSU
California University of Pennsylvania	PA	$ 6,008	1	
Ball State University	IN	6,050	2	
Slippery Rock University of Pennsylvania	PA	5,801	3	
Indiana University of Pennsylvania	PA	5,785	4	
Shippensburg University of Pennsylvania	PA	5,746	5	
Wright State University	OH	5,472	6	
Indiana State University	IN	5,422	7	
Central Connecticut State University	CT	5,384	8	
Central Missouri State University	MO	4,980	9	
Southeast Missouri State University	MO	4,755	10	
University of Tennessee - Chattanooga	TN	3,852	11	**$ 3,984**
Eastern Washington University	WA	3,812	12	
Murray State University	**KY**	**3,436**	**13**	
University of North Carolina - Greensboro	NC	3,123	14	
Florida A&M University	FL	3,013	15	
University of West Florida	FL	2,855	16	
Western Carolina University	NC	2,799	17	
California State University - Bakersfield	CA	2,419	18	
Texas A & M - Commerce	TX	NA	19	
Texas A & M Corpus Christi	TX	NA	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

NORTHERN KENTUCKY UNIVERSITY
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative To Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 NKU
Rowan College - New Jersey	NJ	$ 7,258	1	
University of Massachusetts - Boston	MA	6,972	2	
University of Missouri - St Louis	MO	6,866	3	
Kean College - New Jersey	NJ	6,723	4	
University of Akron - Main Campus	OH	6,682	5	
West Chester University of Pennsylvania	PA	5,748	6	
Youngstown State University	OH	5,472	7	
Indiana State University	IN	5,422	8	
Central Connecticut State University	CT	5,384	9	
Oakland University - Michigan	MI	5,294	10	
George Mason University	VA	5,112	11	
University of Arkansas - Little Rock	AR	4,478	12	
Portland State University	OR	4,443	13	
Bridgewater State College	MA	4,342	14	**$ 4,368**
Northern Kentucky University	**KY**	**3,744**	**15**	
Wichita State University	KS	3,507	16	
University of North Carolina - Charlotte	NC	3,064	17	
University of Nevada - Las Vegas	NV	2,670	18	
California State University - San Bernadino	CA	2,595	19	
California State University - Hayward	CA	2,418	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

UNIVERSITY OF KENTUCKY
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative to Benchmarks Compared To
2004-05 Kentucky Rates Relative to 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 UK
Pennsylvania State University - Main Campus	PA	$ 9,706	1	
University of Michigan - Ann Arbor	MI	7,895	2	
University of Minnesota - Twin Cities	MN	7,116	3	
University of Illinois - Urbana-Champaign	IL	7,010	4	
University of Maryland - College Park	MD	6,759	5	
Ohio State University - Main Campus	OH	6,651	6	
University of Virginia	VA	5,964	7	
Purdue University - Main Campus	IN	5,860	8	
University of California - Los Angeles	CA	5,298	9	
University of Wisconsin - Madison	WI	5,136	10	**$5,239***
Texas A&M University	TX	5,051	11	
University of Iowa	IA	4,993	12	
University of Washington - Seattle	WA	4,968	13	
University of Kentucky	**KY**	**4,546**	**14**	
University of Texas - Austin	TX	4,188	15	
University of Georgia	GA	4,078	16	
University of North Carolina - Chapel Hill	NC	3,993	17	
North Carolina State University	NC	3,889	18	
University of Arizona	AZ	3,603	19	
University of Florida	FL	2,780	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

*This figure represents an average between upper and lower division tuition rates.

LEXINGTON COMMUNITY COLLEGE
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative to Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 LCC
Normandale Community College	MN	$ 3,545	1	
Hudson County Community College	NJ	3,048	2	
Bunker Hill Community College	MA	3,000	3	
Midlands Technical College	SC	2,761	4	**2,764**
Frederick Community College	MD	2,748	5	
Dutchess Community College	NY	2,666	6	
Jefferson State Community College	AL	2,520	7	
Lexington Community College	**KY**	**2,440**	**8**	
Tacoma Community College	WA	2,269	9	
South Puget Sound Community College	WA	2,234	10	
Prairie State College	IL	2,120	11	
Pellissippi State Technical Community College	TN	2,096	12	
J. Sargeant Reynolds Community College	VA	2,000	13	
Manatee Community College	FL	1,741	14	
Polk Community College	FL	1,672	15	
Kapiolani Community College	HI	1,410	16	
El Centro College	TX	900	17	
Evergreen Valley College	CA	574	18	
Shelby State Community College	TN	NA	19	
Baltimore City College	MD	NA	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

NOTE: LCC is in transition from the University of Kentucky to the Kentucky Community and Technical College System and will not be separately identified with benchmarks after this year.

UNIVERSITY OF LOUISVILLE
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative To Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees

Institution	State	2003-04 In-State	2003-04 Rank	2004-05 UofL
University of Pittsburgh - Main Campus	PA	$ 9,274	1	
Temple University	PA	8,594	2	
University of Cincinnati - Main Campus	OH	7,623	3	
University of Illinois - Chicago	IL	6,934	4	
University of Missouri - Kansas City	MO	6,726	5	
University of Missouri - Columbia	MO	6,558	6	
SUNY - Buffalo	NY	5,856	7	
University of South Carolina - Columbia	SC	5,778	8	
Indiana University - Indianapolis	IN	5,703	9	
University of California - Irvine	CA	5,615	10	
University of California - San Diego	CA	5,508	11	
SUNY - Stony Brook	NY	5,304	12	
Wayne State University	MI	5,190	13	
University of Louisville	**KY**	**4,450**	**14**	**$ 5,040**
University of Alabama - Birmingham	AL	4,274	15	
University of South Florida	FL	2,982	16	
University of Nevada - Reno	NV	2,740	17	
Virginia Commonwealth University	VA	NA	18	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

WESTERN KENTUCKY UNIVERSITY
Annual Undergraduate Resident Tuition and Required Fees
2003-04 Ranking Relative To Benchmarks Compared To
2004-05 Kentucky Rates Relative To 2003-04 Benchmark Rates

Tuition and Fees				
Institution	**State**	**2003-04 In-State**	**2003-04 Rank**	**2004-05 WKU**
Bowling Green State University-Main Campus	OH	$ 7,408	1	
Kent State University	OH	6,882	2	
University of Akron	OH	6,682	3	
Ball State University	IN	6,050	4	
West Chester University of Pennsylvania	PA	5,748	5	
Eastern Michigan University	MI	5,605	6	
Illinois State University	IL	5,530	7	
Youngstown State University	OH	5,472	8	
Indiana State University	IN	5,422	9	
Northern Michigan University	MI	5,210	10	
Western Illinois University	IL	4,997	11	
Central Missouri State University	MO	4,980	12	
Eastern Illinois University	IL	4,980	13	
University of Northern Iowa	IA	4,916	14	
Southeast Missouri State University	MO	4,755	15	
Western Kentucky University	**KY**	**3,850**	**16**	**$ 4,596**
University of North Carolina-Greensboro	NC	3,123	17	
Appalachian State University	NC	2,811	18	
Western Carolina University	NC	2,799	19	
California State University - Fresno	CA	2,414	20	

Source: Tuition and Fees - The Annual Survey of Colleges of the College Board, 2003-2004 (tuition and fees are not separately identified)

REVISED May 24, 2004
Attachment C

Institution	TOTAL PUBLIC FUNDS PER FTE: Estimated Total Public Funds* 2005	TOTAL PUBLIC FUNDS PER FTE: FTE** Fall 2003	TOTAL PUBLIC FUNDS PER FTE: Estimated Total Public Funds* Per FTE** 2005	PERCENT INCREASE TUITION AND FEE AND TOTAL PUBLIC FUNDS REVENUE: Estimated Increase in Tuition Revenue 2004 to 2005	PERCENT INCREASE TUITION AND FEE AND TOTAL PUBLIC FUNDS REVENUE: Estimated Percentage Increase in Tuition Revenue 2004 to 2005	PERCENT INCREASE TUITION AND FEE AND TOTAL PUBLIC FUNDS REVENUE: Increase in Total Public Funds* As a Result of Tuition Revenue Increases 2004 to 2005
Eastern Kentucky University	$132,230,800	12,611	$10,485	$12,600,000	25.9%	10.5%
KCTCS	291,368,100	43,509	6,697	13,000,000	13.4%	4.6%
Kentucky State University	35,983,400	1,923	18,712	1,142,600	10.0%	3.4%
Morehead State University	77,478,900	7,776	9,964	4,047,700	12.7%	5.5%
Murray State University	101,596,700	8,309	12,227	6,939,700	15.6%	7.3%
Northern Kentucky University	119,368,500	11,038	10,814	10,400,000	16.3%	9.5%
University of Kentucky	460,575,300	22,338	20,618	23,434,000	16.5%	5.4%
Lexington Community College	26,272,600	6,517	4,031	2,240,500	15.0%	9.3%
University of Louisville	288,878,600	16,459	17,551	11,579,000	11.0%	4.2%
Western Kentucky University	152,378,400	15,299	9,960	13,500,000	19.3%	9.7%
TOTAL	**$1,686,131,300**	**145,779**	**$11,566**	**$98,883,500**	**15.7%**	**6.2%**

* Total public funds are comprised of tuition and fee revenue and state General Fund appropriation as contained in the Governor's Budget Recommendation. No appropriation bill has been passed by the General Assembly for FY 2004-06.
**The most recent Full Time Equivalent (FTE) student calculation is for Fall 2003.

REVISED May 24, 2004
Attachment D

ESTIMATED STUDENT AID FOR STUDENTS ELIGIBLE FOR A PELL GRANT

	Tuition and Fee Revenue and Institutional Financial Aid						Estimated Total Student Financial Aid Per Pell-eligible Student				
	Comparison of Increases 2004 to 2005			Comparison of Totals 2005							
Institution	Increase Revenue Tuition & Fees 2004 to 2005	Increase Institutional Student Aid* 2004 to 2005	Institutional Aid as % Increase in Revenue 2004 to 2005	Total Revenue Tuition & Fees 2005	Total Institutional Student Aid* 2005	Total Institution Aid As % of Total Tuition Revenue 2005	Estimated Total Student Financial Aid for Pell-eligible Students* 2005	**Enrollment for Undergraduates Enrolled in Six or More Hours Fall 2003	Estimated Pell-eligible Students 2005	Pell Eligible as % of Undergraduate Enrollment	Estimated Student Aid per Pell-eligible Student* 2005
Eastern Kentucky University	$ 12,600,000	$ 800,000	6.3%	$ 61,183,600	$ 2,482,300	4.1%	$ 25,841,500	12,004	5,112	42.6%	$ 5,055
KCTCS	13,000,000	700,000	5.4%	110,078,200	7,700,000	7.0%	90,481,400	41,590	28,963	69.6%	3,124
Kentucky State University	1,142,600	7,300	0.6%	12,568,500	1,467,600	11.7%	6,555,900	1,880	1,148	61.1%	5,711
Morehead State University	4,047,700	287,600	7.1%	35,928,600	2,131,300	5.9%	21,734,100	7,250	4,293	59.2%	5,063
Murray State University	6,939,700	731,300	10.5%	51,393,700	4,867,400	9.5%	13,850,700	7,505	2,598	34.6%	5,331
Northern Kentucky University	10,400,000	80,500	0.8%	74,300,000	812,200	1.1%	15,362,600	11,047	2,920	26.4%	5,261
University of Kentucky	23,434,000	450,000	1.9%	165,739,700	6,095,900	3.7%	24,012,800	17,152	3,499	20.4%	6,863
Lexington Community College	2,240,500	21,700	1.0%	17,212,000	563,700	3.3%	10,993,700	7,284	3,168	43.5%	3,470
University of Louisville	11,579,000	300,000	2.6%	116,615,400	5,275,500	4.5%	19,979,800	12,627	3,411	27.0%	5,857
Western Kentucky University	13,500,000	228,900	1.7%	83,500,000	2,300,000	2.8%	28,964,000	14,513	5,643	38.9%	5,133
TOTAL	**$ 98,883,500**	**$ 3,607,300**	**3.6%**	**$ 728,519,700**	**$ 33,695,900**	**4.6%**	**$ 257,776,500**	**132,852**	**60,755**	**45.7%**	**$ 5,087**

* Student financial aid presented above for needy students is defined by the federal government (students who are eligible for a Pell Grant). Institutions provide other need-based financial aid for students that are not eligible for a Pell Grant and that information is not incorporated in this analysis.
**Includes only undergraduate degree-seeking students enrolled for six or more credit hours.

REVISED May 24, 2004
Attachment E

TUITION AND FEES AS A PERCENT OF TOTAL PUBLIC FUNDS*

Institution	Tution and Fees as % of Total Public Funds* 2001	Tution and Fees as % of Total Public Funds* 2002	Tution and Fees as % of Total Public Funds* 2003	Tution and Fees as % of Total Public Funds* 2004	Estimated Tution and Fees as % of Total Public Funds* 2005
Eastern Kentucky University	36.1%	38.4%	39.8%	40.5%	46.3%
KCTCS	23.8%	27.7%	31.0%	34.4%	37.8%
Kentucky State University	26.1%	29.2%	32.2%	33.9%	34.9%
Morehead State University	36.8%	43.7%	41.7%	43.4%	46.4%
Murray State University	38.9%	40.6%	42.7%	47.0%	50.6%
Northern Kentucky University	51.5%	52.2%	55.4%	58.6%	62.2%
University of Kentucky	27.4%	29.1%	30.7%	32.7%	36.0%
Lexington Community College	58.5%	60.2%	60.9%	62.3%	65.5%
University of Louisville	31.4%	35.3%	36.5%	37.9%	40.4%
Western Kentucky University	38.8%	41.9%	45.2%	50.4%	54.8%
TOTAL	**32.0%**	**35.0%**	**37.0%**	**39.6%**	**43.2%**

* Total public funds are comprised of tuition and fee revenue and state General Fund appropriation as contained in the Governor's Budget Recommendation.
No appropriation bill has been passed by the General Assembly for FY 2004-06.

Council on Postsecondary Education
May 24, 2004

Comprehensive Funding Model Review

Over the coming year, the Council staff will work with Council members, institutional representatives, legislative representatives and staffs, and Governor's office representatives and staffs to develop policies and procedures to guide the development of the Council's 2006-08 biennial budget recommendation.

A comprehensive review of the Council's funding model will take place prior to the development of the 2006-08 budget recommendation. The process has already begun and will include participation from many groups as indicated in attachment A.

Attachment B provides a discussion draft of preliminary issues and questions that may be addressed in the review process. These issues are being discussed at each campus visit and with the Office of the State Budget Director and the Legislative Research Commission. All meetings will be completed prior to the June CBO retreat. A revised list of issues and questions, based on these discussions, will be discussed at length at this retreat so that a preliminary draft of the scope of work for the review can be prepared.

Staff preparation by Sandra Woodley

Attachment A

Meetings	Individuals/ Groups Involved	Dates
Council	Council members and staff - public meeting	May 23-24, July 18-19, Sept 19-20, Nov 7-8, Jan/Feb meeting
Chief Budget Officers (CBO)	Finance officers, LRC, OSBD, Education Cabinet, CPE staff	April 7, May 11, July 7, Aug 4, Sept 1, Dec 7
CBO Retreats	Finance officers, LRC, OSBD, Education Cabinet, CPE staff	June 10-11 and October 7-8
Presidents	Institutional Presidents, CPE staff, possibly CBOs	April 7, May 11, July 7, Aug 4, Sept 1, Dec 7
Chief Academic Officers	University and college academic officers, CPE staff	May 24, July 19, Nov 8
SCOPE	SCOPE members, legislators, Governor and staff, CPE staff - public meeting	June 14 and Sept 13
Campus visits	Individual meetings between CPE staff and each institution's staff to include president, finance, and planning staffs	NKU-April 8 UK-April 12 KSU-April 28 KCTCS-April 29 WKU-May 17 MuSU-May 18 UofL-May 19 EKU-June 7 MoSU-June 7
Budget Office (OSBD) and Legislative Research Commission (LRC)	Budget Director and staff, Interim Director of LRC and staff	OSBD- April 28 LRC- May 12

Attachment B

Comprehensive Funding Review
Preliminary List of Issues (Questions)

DRAFT FOR DISCUSSION

Benchmark Funding Model

1. Other funding formulas
    a. Should other funding formulas be considered instead of the Benchmark Funding model, and if so, which ones?

2. The process for selecting benchmarks
    a. Is the current process too subjective? If so, how can it be made more objective and equitable?
    b. Should benchmarks reflect actual instead of aspirational peers?
    c. Should the benchmark institutions be used to measure performance as well as funding adequacy?
    d. Should performance criteria be included in the selection process?
    e. Should performance related to benchmarks be reported?
    f. Should there be changes in the criteria used to select the universe of institutions on the list for selection?

3. Tuition
    a. Should the deduction remain 37 percent for most institutions and 30 percent for KCTCS and KSU?

4. Benchmark assumptions
    a. Should there be changes to the measure of central tendency or mandated program deductions?
    b. Should nonresident students be funded at a lower rate than resident students or be excluded from the funding model?
    c. Should there be some equity measure that provides an adjustment to institutions disproportionately below funding at benchmarks?

Other Funding Issues:

1. Funding Distribution Methodology
    a. Should there be a cap on percentages of increase that go to base adjustments (i.e., change the assumption that all base adjustments are covered first), across the board, and equity?
    b. Currently the equity index is weighted by the base appropriation. Should the equity distribution deal completely with the funding gap?

c. Should there be a change in the assumption that the first priority is to protect the base (i.e., revision to the points of consensus)?

2. Capital Funding Process
    a. Should there be changes in the space model and how information from the space model is applied to capital recommendations?
    b. Should there be a formal methodology for prioritizing projects, and if so, what should be the criteria for setting priorities?

3. Enrollment Growth and Productivity funding distribution
    a. Should there be changes to the current distribution methodology draft that is based on principles approved by the Council?
    b. Should the distribution be based on something other than goals and should a recommendation for enrollment growth funds consider past unfunded enrollment growth?

4. CPE reporting requirements
    a. How can CPE reduce the reporting burden on institutions, especially in the Endowment Match and other trust fund reporting?
    b. Are there changes in the finance reporting that need to be revised or revisited?

5. Tuition Policy
    a. Should there be changes in the current tuition setting processes such as more regulation or monitoring from CPE?
    b. Should mid-year increases be expressly approved by CPE prior to implementation?
    c. Should there be a connection between tuition policy and need-based financial aid?

Council on Postsecondary Education
May 24, 2004

Kentucky Postsecondary Education 2004 Strategic Planning Process

Action: That the Council staff be directed to coordinate a review of the systemwide public agenda and strategic implementation plans, institutional mission statements and action agendas, and key indicators of progress toward postsecondary reform, and recommend to the Council an updated set of plans and performance measures in late 2004 or early 2005. This review shall be based on a comprehensive analysis of the system's progress toward reform goals and comparisons to national and regional benchmarks and shall include broad participation of the postsecondary community and its primary constituents and stakeholders across the Commonwealth.

In 1998 the Council established the public agenda called for in House Bill 1. *2020 Vision: An Agenda for Kentucky's System of Postsecondary Education* links advanced education to statewide priorities and economic growth in the 21st century. It explains how students, graduates, employers, the education community, and the general public can expect to benefit from the system's energies and efforts. *2020 Vision* positions Kentucky's colleges and universities as providers of a public good and their work as a means to an end.

2020 Vision is now six years old. The Council's 2003-04 Plan of Work calls for an update of this public agenda and its companion document, *Action Agenda 2001-06*, and the key indicators of progress as framed by the Five Questions. This work will begin this spring and continue into the 2004-05 fiscal year.

As a starting point, the Council staff scheduled a series of meetings in April, May, and June with institutional presidents and other campus leaders (at the campuses), executive branch officials, legislative staff, and the Council to seek advice on the design of the planning process. Those discussions have been focused on: 1) the rationale for the update, 2) the objectives of the process, 3) who should be involved, 4) general timeline, and 5) deliverables. Outlined below is a reflection of the dialogue that has been occurring:

Why do we need to update 2020 Vision and the Action Agenda?

- HB1 requires the Council to review the strategic agenda every four years and the strategic implementation plan every two years. *2020 Vision* has been in place since 1998, and the

current action agenda covers the period 2001-06.

- Since the time that the original public agenda was established both the Council and the Commonwealth have new leadership.

- Kentucky's postsecondary system has made significant progress toward the goals and objectives established in the initial planning phases. A review of the current status of reform – its past accomplishments and future challenges – may suggest revised goals or new directions for the system.

- Developments in the U.S. and Kentucky since the first strategic plans were put in place – technological advances, homeland security and public health issues, fiscal constraints, employer needs – suggest a fresh look at Kentucky's postsecondary education system and its role in meeting the needs of the Commonwealth and her people.

- Legislation enacted since the passage of HB1 and the establishment of *2020 Vision*, particularly the Adult Education Act and the Kentucky Innovation Act (2000 General Assembly), provides new opportunities and challenges that should be considered in future plan development.

- The transfer of Kentucky Adult Education from the Workforce Development Cabinet to the CPE in 2000 (policy leadership) and in 2003 (total operations) broadens the scope of this planning initiative.

- The Program Review and Investigations Committee report of July 2003 recommended that the Council review the strategic agenda and implementation plans to assure adherence to HB1 goals.

What are the objectives of the planning process?

- To engage beneficiaries, constituents, partners, policy makers, and campus leaders and the Council in a dialogue about 1) the current status of postsecondary education and its contributions to addressing state needs, 2) what Kentucky postsecondary education needs to do to improve the standard of living and quality of life of Kentuckians as directed by HB1, and 3) what it will take for the system to perform at expected levels.

- To establish goals, objectives, and benchmarks for the next four to six years – both at the state level and for individual institutions.

Who should be involved in the process?

Policy makers, students and parents, small and large businesses, labor groups, the elementary and secondary community, economic development entities, non-profit and community leaders, faculty and staff of the public and independent colleges and universities, institutional alumni and governing boards, local P-16 councils, and concerned citizens will be invited to participate in this process. A series of forums will be held across the state to discuss the needs of the

Commonwealth – its communities, employers, workers, and general citizenry – and what the postsecondary community can do to respond.

What are the phases and timeline for plan development?

Working closely with the individuals and groups listed above, the Council staff will refine the system's public agenda and strategic implementation plans and present a draft to the Council for consideration in winter 2004. A preliminary timeline of the process is attached for Council discussion.

What are the deliverables?

Current Assessment – A comprehensive analysis of the current condition of educational attainment, income levels, and other demographic, economic, and educational statistics, including both trends in Kentucky and comparisons to other states. This analysis will be conducted early in the planning process and will be presented to various constituent groups for discussion about the future direction of the postsecondary system and its institutions.

Enrollment Projection and Impact Analysis – Using the current assessment as a foundation, this analysis will update existing estimates of the undergraduate enrollment numbers necessary if Kentucky is to reach the national average on a variety of education attainment and economic well-being indices by 2020. The analysis will address the following questions:

- How many students will be in the system by 2020 if Kentucky achieves its goal of being at or above the national average in educational attainment?

- Does Kentucky currently produce enough degrees annually to close the gap by 2020? How many more degrees (by level) need to be produced above and beyond the current level of production? In what areas? What increases in enrollment, retention, and graduation rates are needed?

- If these projections and goals are achieved, what impact will they have on Kentucky's per capita income and tax base?

Public Agenda – This will be a brief publication suitable for multiple audiences, including campus communities, education partners, local community groups, and current and potential employers. The public agenda shall focus on the needs of the Commonwealth and her people by describing how Kentucky's postsecondary education system can contribute to the creation of good jobs, the development of a skilled workforce to fill those jobs, and the continuing development of an educated, engaged citizenry. (This document will replace *2020 Vision* and encompass the Five Questions.)

Implementation Plans – These statements will outline more detailed objectives for implementing the public agenda and the six goals of HB1. These will replace the *2001-06 Action Agenda* folder with one-pagers for each public and independent institution, adult education, and KYVU. Implementation plans shall include:

- Statewide Action Agenda: A set of statewide action plans that describe what the Council and the system will do (and how the system will work with other education sectors, individual cabinets, and other agencies at the state level) to implement the public agenda and six goals of HB1.

- Institutional Action Agendas: Mission statement, goals, objectives, and benchmarks for each institution outlining what it will do to further the public agenda and the six goals of HB1 in the most effective and efficient manner.

Key Indicators of Progress – The key indicators of progress were streamlined for 2003-04; a comprehensive review of the key indicators will flow from the strategic planning process. The revised key indicators will reflect the objectives identified in the Public Agenda and the projections and goals established through the Enrollment Projection and Impact Analysis.

The Council staff seeks the advice and counsel of CPE members on the proposed planning process and timeline as outlined in this agenda item.

Staff preparation by Sue Hodges Moore

Kentucky Postsecondary Education
2004 Strategic Planning Process
General Timeline

CPE Meeting
Discussion Draft
5/24/04

Activity	2004									2005	
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Phase 1: Planning Process Design											
Staff discussion	✓	✓									
Draft planning process outline	✓	✓									
Campus visits	✓	✓	✓								
Legislative/Gov staff meetings	✓	✓	✓								
CPE discussion		✓									
Phase 2: Assessment of Current State of KY Postsecondary Education											
Data compilation	✓	✓									
Analysis of current data		✓	✓								
Enrollment impact analysis/projections		✓	✓	✓	✓						
Phase 3a: Development of Statewide Public Agenda											
Constituent conversations				✓	✓						
Circulation & review of draft public agenda					✓	✓	✓				
Regional forums					✓	✓	✓				
Governing boards discussion						✓					
Council approval								✓			
Publication and distribution									✓	✓	
Phase 3b: Development of State-level Strategic Implementation Plans and Key Indicators											
Constituent conversations			✓	✓	✓						
Regional forums					✓	✓	✓				
Circulation & review of draft state-level implementation plans & key indicators					✓	✓	✓				
Governing boards discussion						✓					
Council approval								✓			
Publication & distribution									✓	✓	
Establish key indicators goals									✓	✓	✓
Phase 4: Development of Institutional Action Agendas, Mission Statements, and Performance Goals											
Campus forums					✓	✓	✓				
Regional forums					✓	✓	✓				
Governing boards discussion						✓					
Circulation & review of draft institutional action agendas & performance indicators							✓	✓	✓	✓	
Establish institutional performance goals									✓	✓	✓
Council approval											✓
Publication & distribution											✓
Council Consultation/Oversight											
Executive Committee consultation			✓		✓		✓		✓	✓	
Full Council discussion/action		✓		✓		✓		✓			✓
Consultation with Presidents	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Council on Postsecondary Education
May 24, 2004

Accountability Initiatives

Kentucky has been invited to participate in two national initiatives that feature the Council's accountability system and knowledge resources.

National Commission on Accountability in Higher Education

With funding from the Ford Foundation, the State Higher Education Executive Officers organization has organized a 13-member National Commission on Accountability in Higher Education consisting of former governors, legislative leaders, state higher education executives, institutional leaders, and corporate executives. The Commission is co-chaired by the former Governor of Oklahoma, Frank Keating, and the former Governor of South Carolina and former U.S. Secretary of Education, Richard W. Riley. Council President Tom Layzell is a member of the Commission and also chairs the SHEEO working committee overseeing this project. (See Attachment A for a press release.)

The principal issues to be addressed by the Commission are:

1. What approaches to accountability (along with other actions) will help American higher education achieve national goals: greater educational attainment along with world-class research and service to the public?

2. What approaches will build and sustain confidence in the system and institutions that provide higher education in the United States?

The first meeting of the Commission was held May 10, 2004, in Washington, D.C. Sue Hodges Moore testified before the Commission about the Council's Key Indicators of Progress and the Five Questions that guide our reform work. (See Attachment B for written testimony, Attachment C for oral testimony, and Attachment D for an article about the May 10 meeting.)

Knowledge and Policy:
Using Knowledge Resources to Strengthen State Postsecondary Policy

Also organized by SHEEO, with funding from the Lumina Foundation for Education, Kentucky is one of eight states to be invited to participate in a planning grant aimed at improving postsecondary education knowledge resources in all states. The project will involve an examination of selected state practices and assistance to other SHEEO agencies in developing an effective knowledge base about postsecondary education for state policy development and decisions. A team will visit the Council offices in June to document Kentucky's approaches to

using knowledge resources that address issues of student preparation and success, higher education costs and finance, and other key policy areas. (See Attachment E for a summary of the project.)

The staff will keep the Council informed about these two initiatives as work progresses.

Staff preparation by Sue Hodges Moore

Attachment A

State Higher Education Executive Officers, 700 Broadway, Suite 1200, Denver, CO 80203

FOR IMMEDIATE RELEASE:
Date: February 24, 2004
Contact: Paul Lingenfelter, Executive Director, or Charles Lenth, Senior Associate, 303.299.3685
Email: plingenfelter@sheeo.org or clenth@sheeo.org
Fax: 303.296.9016
SHEEO website: www.sheeo.org

SHEEO Announces the National Commission on Accountability in Higher Education Co-chaired by Former Education Secretary Richard W. Riley and Former Oklahoma Governor Frank Keating

Denver, Colorado - With financial support from the Ford Foundation, the association of State Higher Education Executive Officers (SHEEO) has launched a National Commission on Accountability in Higher Education consisting of former governors, legislative leaders, state higher education executives, institutional leaders, and business representatives.

The Commission will be co-chaired by the former Governor of Oklahoma, Frank Keating, and the former Governor of South Carolina and former Secretary of Education, Richard W. Riley.

Valerie Lewis, Commissioner of Higher Education in Connecticut and current president of SHEEO, said, "Ambitious education goals, such as achieving more successful participation in higher education, are becoming an urgent priority in every state. This Commission will study what has been learned about using accountability systems to improve performance and make recommendations for future progress."

"In Oklahoma," Governor Keating commented, "our *Brain Gain* initiative is working to increase the percentage of citizens with a baccalaureate degree from 20.1% to 28% and to double the percentage holding an associate degree from 5% to 10% between 1998 and 2010. We need educational progress on this scale to sustain economic health in this country. It will take the very best thinking of educators and policymakers to do the job."

Secretary Riley indicated that the Commission will sort through the most effective approaches to improving performance and identify the ways that state and federal policymakers and educators can contribute to progress. "We need to be clear about goals and responsibilities, and we need to monitor results," Riley said. "Many people, ranging from instructors in the classroom to federal decision makers, play critical roles in achieving education progress. We need approaches on accountability that make sense for each of those levels and that help people become more successful in meeting their responsibilities."

In preparation for the Commission's work, SHEEO is systematically reviewing the accountability systems developed in the states and working to identify cases in which individual states have achieved improved educational performance. The Commission also will solicit testimony and assemble a panel of experts to provide further input.

"Setting objectives and measuring performance are fundamental to accountability," added Paul Lingenfelter, executive director of SHEEO. "But the point is not simply to monitor performance, but to improve it. We hope the report of this Commission will help policymakers and education leaders become more successful in getting the results they seek."

The first meeting of the Commission will be held May 10th in Washington, DC, and the final report is expected before the end of the calendar year.

Attachment A

A complete list of the Commission members follows:

National Commission on Accountability in Higher Education

Co-Chairs:

The Honorable Frank Keating, President, American Council of Life Insurers
Former Governor of Oklahoma

The Honorable Richard W. Riley, Senior Partner, Nelson, Mullins, Riley & Scarborough, L.P.
Former U.S. Secretary of Education and Governor of South Carolina

Commission Members:

Kenneth H. Ashworth, Adjunct Professor, University of Texas, LBJ School of Public Affairs; Adjunct Professor, George Bush School of Government and Public Service, Texas A&M University
Former Texas Commissioner of Higher Education

Dwight Evans, President, External Affairs Group, Southern Company

Stanley Ikenberry, President Emeritus, Professor of Education, University of Illinois
Former President, American Council on Education

Roberts Jones, Education & Workforce Policy, LLC
Former President, National Alliance of Business

Thomas D. Layzell, President, Kentucky Council on Postsecondary Education

The Honorable Carol Liu, Chair, California Assembly Committee on Higher Education

The Honorable Dave Nething, Senator, North Dakota Legislature
Former President, National Conference of State Legislatures

The Honorable Lana Oleen, Kansas Senate Majority Leader
Chair, Midwestern Higher Education Compact

Richard Pattenaude, President, University of Southern Maine

Martha Romero, Founding Director, Community College Leadership Development Initiatives; Professor, Claremont Graduate University

Blenda J. Wilson, President & CEO, Nellie Mae Education Foundation

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The State Higher Education Executive Officers, located in Denver, Colorado, is the national association of the chief executives of statewide governing boards and coordinating boards of postsecondary education. The mission of the association is to assist its members and the states in developing and sustaining excellent systems of higher education.

--END--

Accountability and Postsecondary Education in Kentucky
Written Testimony for the
National Commission on Accountability in Higher Education
Kentucky Council on Postsecondary Education

The Kentucky Council on Postsecondary Education uses five questions to guide postsecondary reform:

- Are more Kentuckians ready for postsecondary education?
- Are more students enrolling?
- Are more students advancing through the system?
- Are we preparing Kentuckians for life and work?
- Are Kentucky's communities and economy benefiting?

These questions function as a public agenda, succinctly expressing the Council's commitment to expand Kentuckians' access to postsecondary education and to ensure that the postsecondary education system improves lives and strengthens communities.

The Council's primary accountability initiative, the Key Indicators of Progress Toward Postsecondary Reform, is framed by the public agenda. Currently there are 19 indicators, divided among the five questions. Each indicator provides a specific, measurable objective for postsecondary reform. Some indicators (such as the percentage of Kentuckians with a baccalaureate degree or higher) are far-reaching, systemwide measures. Others (such as retention and graduation rates) are measured at system and institution levels. In all cases, the indicators emphasize the public agenda and progress toward broad reform goals, rather than comparisons of individual institutions' performance. Where possible, key indicator goals are aligned with national standards.

The key indicators prompt systemwide change in the following ways:

Question 1: Are more Kentuckians ready for postsecondary education? Too many Kentuckians are not prepared to take full advantage of postsecondary education. Too few high school students are ready for postsecondary education when they graduate and too many do not graduate. Indicators under question 1 foster accountability within the postsecondary system for the percentage of Kentucky adults functioning at low levels of literacy and with less than a high school diploma or GED. Additionally, the Council establishes performance goals to encourage more students to take courses in high school that prepare them for advanced education and improved performance on college entrance exams. Affordability measures – critical components of college access – are also included under question 1.

Question 2: Are more students enrolling? Too few Kentuckians continue education beyond high school. Increased postsecondary enrollment is an important component of Kentucky's reform effort and accountability projects. The Council encourages not only increased overall enrollment, but also improved enrollment levels among adult education recipients, minorities, and residents of disadvantaged Kentucky counties.

Question 3: Are more students advancing through the system? Too many students leave college without earning a credential or acquiring a marketable skill. Indicators under question 3 measure progression via retention and graduation rates. To foster cooperation among institutions, the Council uses a systemwide retention definition: first-time students are considered retained if they enroll anywhere in the state for a second year of study.

Question 4: Are we preparing Kentuckians for life and work? Too little is known about what students know and are able to do as a result of their college experience. Indicators under question 4 measure the prevalence of effective educational practice in Kentucky postsecondary institutions (as indicated by the National Survey of Student Engagement) and degree production in fields related to the knowledge-based economy and other state needs. The Council anticipates that Kentucky's participation in the National Forum on College-Level Learning's pilot study will yield further information for question 4.

Question 5: Are Kentucky's communities and economy benefiting? Kentucky needs better jobs and a workforce with the knowledge and skills to fill them. Indicators under question 5 include measures of research and development and public service expenditures.

Key indicator goals are established through a collaborative process involving the Council, institutions, and state and national reform partners. Systemwide goals are used as a framework for establishing institutional goals. The Council's long-term enrollment goal, for instance, is to enroll 240,000 undergraduates by 2015. Once the Council staff determines the systemwide enrollment increases necessary to sustain annual progress toward the goal, institutions are asked to designate the proportion of the systemwide increase they are willing to contribute. The Council reviews and officially approves all key indicator goals and regularly reviews goals as new baseline data warrant.

The system and individual institutions are held accountable for progress toward key indicator goals through regular progress reports to the Council; results are also posted on the Council Web site and included in the Council's annual accountability report to the legislature. Many of the available results suggest the Council's accountability efforts are effective:

- Kentucky's average ACT composite score rose in 2003, following several years of steady or declining scores. The average ACT score for Kentucky's 2003 high school graduates was 20.2, up from 20.0 in 2002. The gap between Kentucky's average score and the national average narrowed in 2003; the national average composite score remained unchanged at 20.8. Kentucky's scores improved even as an increased percentage of high school graduates took the ACT, defying the conventional expectation that scores will decline as participation broadens to include less-prepared students.

- Undergraduate enrollment increases continue to exceed expectations, prompting the Council to revise the timeline for achieving its long-term enrollment goal from 2020 to 2015.

- Graduate and first-professional enrollment increased by more than 3,000 students between 1998 (the year reform was initiated) and 2003.

- The percentage of GED completers enrolling in postsecondary education within two years has risen dramatically, to almost 22 percent in 2003.

- Kentucky has made progress in retaining more students—a key measure for continuing the momentum of reform. As Kentucky continues to provide access to all students, the Council and the institutions have been working harder to retain them. The systemwide retention rate rose from 67.7 percent in 1998 to 68.3 percent in 2003.

- The six-year graduation rate for Kentucky's public universities in 2002 remained below the national average at 43.5 percent, but was well above its 1998 level, 36.7 percent.

- Total federal research and development expenditures for the University of Kentucky and the University of Louisville rose from $82 million in 1999 to $139 million in 2002.

- Kentucky was one of only two states to show improvement since 2000 in all five categories measured by the National Center for Public Policy and Higher Education's *Measuring Up 2002*.

National Commission on Accountability in Higher Education
Sue Hodges Moore Testimony
Washington, DC
May 10, 2004

Thank you Governor Keating, Secretary Riley, members of the Commission.

This morning, I would like to elaborate on two elements of Kentucky's approach to accountability, both having to do with the Five Questions that you see at the top of the page of our written testimony and on the cards that I've passed around.

The first is – Why *questions*? Why did Kentucky back in 1999 decide to use questions as the framework for its accountability system? Why not goals or objectives or strategies or categories or themes?

The answer is simple really – we wanted people to remember them.

We wanted them remembered because they are more than simply an organizing device for our key indicators of progress – they are in fact our *public agenda*. They are, at once, both *policy objectives* and measures of progress.

We wanted plain language. No jargon, no voluminous planning documents, no "academic-ese." Just five sentences that the public could understand. Five touchstones, not five volumes, not five chapters, not five pages or even paragraphs. Deceptively simple and, we think, enormously powerful. A focusing device. Because we knew that if we were not focused ourselves, how could we expect others to be?

So our communications, the Council's meeting agendas, the fine print on the back of dinner programs and business cards, the label on our water bottles, the "so what" in virtually every presentation to our fellow Kentuckians and to every organization and public body that we appear before – all routinely and systematically focused attention on the public agenda – the five questions.

The second point is "Why THESE five questions?" Before I answer that, let's look at them:

- Are more *Kentuckians* ready for postsecondary education?
- Are more *students* enrolling?
- Are more *students* advancing through the system?
- Are we preparing *Kentuckians* for life and work?
- Are Kentucky's *communities* and *economy* benefiting?

We picked these five questions because they are focused on *people*. Not on institutions, not on policy topics (like access or quality or affordability), not on behavioral changes (like efficiency or cooperation), but on people –

… getting them ready, getting them in, keeping them in, making sure they are prepared when they leave us, and making sure that when they do leave us, they're able to get good jobs and lead productive, meaningful lives.

This focus on the people of the Commonwealth – not institutions – is what we believe makes it a public agenda, or I should say the public's agenda.

We have tried to maintain that focus by changing the discourse to one that centers on people.

For instance, we talk about *students* and *Kentucky's people*, not *headcounts* and *FTEs*.

We use little stick people in our powerpoints as much as we use bar graphs and pie charts.

The Council's tag line is One Mission: Better Lives, and our logo is a person reaching for a star, not a column or other architectural symbol that is traditionally used to represent academe.

This orientation crosses over into our goal-setting process as well. We start with the needs of the state and Kentucky's people in mind.

For example, under Question 2, we didn't set enrollment goals by asking how big does Eastern Kentucky University want to be? Or even how big *should* it be?

We asked "If Kentucky wants to be at the national average in education attainment by the year 2020, how many more *people* does this system need to serve over the next two years to get there?"

And only after we know the answer to that question do we ask Eastern what contribution it feels it can make to the fulfillment of that larger goal. How many students can it reasonably serve, given its mission and capacity? We ask this of each institution, we add up their proposals and, if the total puts us at or above our trajectory toward our broader 2020 goal, then we accept them. And so goes the goal-setting process.

It is this subtle but powerful change in discourse – away from ourselves and our institutions and toward those we serve – that has helped to translate the public's agenda into policy and action and results across our system.

It is this sort of discourse that reinforces the view that we are providers of a public good and our work is a means to an end, not an end in and of itself.

Speaking of ends, let me come to one –

We ask ourselves a lot at the Council if we would have made as much progress over the last six years if we didn't track the couple of dozen performance indicators that we do. I don't know the answer to that. There have been too many forces at place since the reform legislation was enacted to say whether any one policy or set of behaviors was the cause for the change. Our performance measures certainly could have played a part. We'd like to think so. On the other hand, one could argue that their existence wasn't the *reason* things improved but rather the evidence that they, in fact, did.

I don't know which perspective is accurate. But I do believe that the *five questions* have made a difference – that their simple, focused, and consistent message has played a small part in bringing about some of the positive changes that have occurred. That they have given us (as Jim Collins in the book *Good to Great* calls it) our BHAGS—Big, Hairy, Audacious Goals that are slowly but surely moving the system toward its singular mission: better lives for the people of Kentucky.

See how Johns Hopkins students work better together
Windows Server System

THE CHRONICLE OF HIGHER EDUCATION
Today's News

Tuesday, May 11, 2004

New Commission on College Accountability Debates Standards, Rewards, and Punishments

By MICHAEL ARNONE

Washington

American colleges must develop clearer means of communicating their value to lawmakers and the public if the institutions and the U.S. economy are to remain vital, college officials said on Monday at the first meeting of a new commission on college accountability.

More than 25 people, including leaders of state-college systems and experts from various college associations, are members of the new panel, called the National Commission on Accountability in Higher Education. The commission was organized by the State Higher Education Executive Officers association to influence public policy and is being paid for by the Ford Foundation.

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HEADLINES

New commission on college accountability debates standards, rewards, and punishments

Commencement speakers are announced by 30 colleges

Participants in Monday's meeting discussed how well American colleges are doing in making high-quality education both accessible and affordable, and in helping state and national economies. Those at the meeting also talked about how the institutions might do better by setting measurable performance goals, rewarding institutions that meet them, and punishing those that don't.

"We'd better take a hard look at what higher education is and is not doing so we can be globally competitive," said former Gov. Frank Keating, an Oklahoma Republican who is the commission's chairman. Accountability measures are necessary, he said, to ensure that American colleges retain the excellent academic programs that have made them the first choice for college students worldwide.

Colleges need to know how they contribute to the needs of their states, and communicate that clearly to policy makers, said Margaret A. Miller, director of the National Forum on College-Level Learning at the University of Virginia. As of now, not enough colleges do so, she said, adding: "It's outrageous that we don't know more about our chief

product."

Colleges and lawmakers should work together to create accountability standards, participants in the meeting said. But two commissioners disagreed on whether colleges should set standards on their own, or rely on government agencies to make sure that institutions set standards high enough so that students are well taught.

Because consumers want to attend good colleges, "we will not find it will be a race to the bottom" if colleges enforce accountability standards on their own, said Kenneth H. Ashworth, a former commissioner of higher education in Texas.

But Thomas D. Layzell, president of the Kentucky Council on Postsecondary Education, replied, "I don't think you'll find a race to the top, either," if colleges have no incentive to push students to work hard.

Accountability standards must be described in plain terms that drive home their importance to colleges, those attending the meeting said. Such clarity is especially important for faculty members, whose endorsement of accountability standards is crucial to success.

The standards need to offer not only punishments but also rewards, said Larry Isaak, president of the Midwestern Higher Education Council. He advised officials not to "base accountability measures on 'gotcha'" -- punishing poor performance without recognizing success.

In becoming more accountable, colleges face several challenges, said Stanley O. Ikenberry, a commissioner who is the former president of the University of Illinois at Urbana-Champaign. They must focus on the skills that students acquire, make sure institutional accountability standards and procedures are transparent, and articulate institutional core values well enough that those values can withstand government and business pressures, he said.

While all colleges must find common standards, Mr. Ikenberry said, each state and institution must handle the details of reaching those goals on its own.

The commissioners will meet again over the summer and write a draft report incorporating comments from Monday's meeting. They plan to distribute the draft at another meeting to be scheduled for October or November, gather comments, and then write a final version.

Background articles from *The Chronicle:*

- Graduation Rates Called a Poor Measure of Colleges (4/2/2004)
- Lawmakers Seek to Hold Colleges More Accountable (1/9/2004)

- House Republicans Issue Scathing Report on College-Cost 'Crisis' (9/12/2003)
- A Common Yardstick? The Bush Administration Wants to Standardize Accreditation; Educators Say It Is Too Complex for That (8/15/2003)
- Bush's Next Target? (7/11/2003)
- Republican Lawmakers Call for More Accountability in Higher Education (5/23/2003)
- Will Congress Require Colleges to Grade Themselves? (4/4/2003)
- Bush Administration's Proposals Reveal Growing Divide Between College Groups and U.S. Education Department (9/20/2002)

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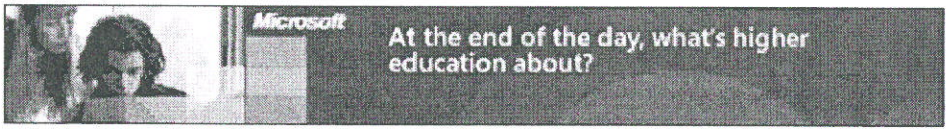

Knowledge and Policy

Using Knowledge Resources to Strengthen State Postsecondary Education Policy

State Higher Education Executive Officers (SHEEO)
Supported by a Grant from the Lumina Foundation for Education
Denver, Colorado
January 2004 (DRAFT)

Project Overview

Increasing enrollments, changing student needs, economic competition, and pressures in the current policy and fiscal environments are demanding more of postsecondary education. At the same time, expanding types and sources of data, new information technologies, and better ways of using information and knowledge give states the potential to analyze how their postsecondary systems operate with increasing sophistication and clarity. How well this potential is used affects how successfully these postsecondary education challenges are met.

Looking across the 50 states, we see many instances where new knowledge-based resources are having a positive effect on postsecondary policy making. For example:

- Many states are developing student-level data systems capable of analyzing complex patterns of postsecondary participation in relation to student socio-economic characteristics, academic preparation, and admission requirements. Such a *knowledge base* is essential in developing more effective policies to promote educational opportunity and student success more effectively.
- Other states are exploring alternative ways to document the expansion of financial aid and analyze the effects of enrollment management and "individualized" college pricing (or tuition discounting) relative to need, "merit," and other factors. In today's postsecondary education environment, being *knowledgeable* about these and other factors affecting college pricing and enrollment patterns is central to the development of tuition policy and to addressing issues of college affordability.
- All states are facing pressures to develop accountability reports that include indicators of student learning, institutional productivity, and system performance. These reports are intended not only to promote general *knowledge and understanding* of current performance in these areas, but also to provide the *knowledge base* for stimulating real improvements in practice and results.

Organizations engaged in these efforts along with a host of independent researchers and interested parties are producing data sources, information streams, graphic presentations, text documents, and analytic methods that together constitute the expanding *knowledge resources* relevant to postsecondary policy development and decision making. The question is, how can states use, share, and apply these *knowledge resources* effectively—most effectively—in their policy-making processes? How states answer this question, how they develop and use *knowledge* about postsecondary education, will affect the futures of many students, the funding for institutions, and the adequacy and effectiveness of our public investments in postsecondary education.

The Lumina Foundation for Education has provided a planning grant to enable SHEEO to examine state practices and help SHEEO agencies address this challenge. SHEEO will visit a cross-section of states and work with experts in information technology, knowledge management, and policy development in order to examine closely and systematically:

- The components of an effective knowledge base about postsecondary education for state policy development and decisions (including types of data, sources of information, and forms of analysis). We will explore how this knowledge base is changing in response to what needs and developments.
- Who produces, communicates and uses this knowledge, and what technologies, analytic capabilities, and communication or information-sharing practices are used. We will identify and analyze the tools and strategies that make the knowledge base highly accessible and usable.
- How the knowledge base and tools contribute to improving policy and performance. We seek to document and understand which approaches help states use knowledge resources more effectively in addressing questions of student preparation and success, higher education costs and financing, or other key policy areas.

Based on this research and the experience of states, SHEEO will work with a special ad hoc committee to outline recommendations and a plan of action for improving postsecondary education *knowledge resources* in all states. Additional information and updates on this project are available on the SHEEO website at www.sheeo.org.

The Organization and the Challenge

The State Higher Education Executive Officers (SHEEO) has been part of the evolution of postsecondary education data and information systems from paper-based systems of the 1970s to the electronic formats, web-based access, and interactive applications widely used today. Throughout this evolution, advancing the collection, analysis and use of postsecondary education data has been a core component of SHEEO's mission nationally and of SHEEO member roles in each state.

Through a variety of channels and activities, the SHEEO organization supports data access and use by state members, stimulates the sharing of information resources and technological innovations across states, and promotes better data use and research in postsecondary decision-making and policy development. These roles have benefited significantly from SHEEO's long-standing cooperation with the National Center for Education Statistics in coordinating federal and state data collection on higher education and in augmenting the tools available for data collection, accessing, analysis, and application at the state level.

Several of SHEEO's current initiatives involve the development of additional "tools" for accessing and analyzing multiple data sources relative to particular areas or needs in state policy. For example:

- SHEEO is becoming the primary source for comparative, state-level financial data on postsecondary education and will soon make available a system to access and analyze the expanding data on state funding for higher education. The first set of *State Profiles* will contain data through FY 2003 and be publicly available by mid-2004. This system will provide state-level comparative information and analysis on all sources of support to all sectors of postsecondary education.

- SHEEO has initiated planning of an electronic *State Data Resource Center* (SDRC) to help states and the federal government identify resources to address complex postsecondary policy issues not be effectively addressed through regular national and state data collections. Examples include the use of graduate or alumni surveys to augment data on college experience and outcomes, the tracking of institutionally-funded financial aid by income and other students characteristics, and linkages between K-12 and postsecondary data sets to analyze student preparation, access and successful participation.

- SHEEO also is moving ahead to develop a web-based "data mart" to provide fast, convenient and useable access to the rapidly expanding higher education datasets on postsecondary enrollment patterns and trends; minority, first-generation and adult participation; tuition levels and student financial aid; state operating and capital support; student transfer and graduation rates; and other data collected by SHEEO or its state members. The data-mart framework will be designed to provide access to both the most current data and to historical databases, and to display customized enrollment and tuition comparisons by state, sector, and over time.

These initiatives along with recent SHEEO reports (e.g., *Student Success: Statewide P-16 Systems*, and "Information Sources for Answering Key Financing and Financial Aid Policy Questions,") illustrate and confirm how rapidly new data sources and information technologies are contributing to our knowledge base about postsecondary education policy. These developments also suggest a growing need to assess how widely this knowledge base is used, and how it can be used more effectively at the state level.

Data from multiple sources, increasingly sophisticated analytic methods, relevant and understandable information presented in multiple forms to diverse constituencies, and other *knowledge resources* will be required to address the many vexing postsecondary policy issues that states now face. For example:

- States need to know how demographic, economic, and other social and technological changes affect the demand for postsecondary education.
- States need to be able to track whether public policies enable students with differing incomes, social backgrounds, and academic preparation to succeed in postsecondary education, and how to ensure them the preparation and opportunities to realize their full potential.
- States need to be able to analyze whether financial resources are adequate to maintain the quality of colleges and universities and the demands of a competitive world economy.
- States have to make decisions about how public financial resources can be allocated and used most effectively in conjunction with other sources of support.
- And, ultimately, states bear the responsibility for whether current public investments in postsecondary education will provide commensurate returns to individuals, communities, employers, and society in the future.

The growth, sharing and effective use of our collective *knowledge resources* relative to these and other key questions of postsecondary policy can put states in positions to deal with these analytic challenges more effectively than ever before.

Project Plans and Objectives

Working with our state-level membership, SHEEO will examine a set of key questions relative to states' postsecondary education information needs, analytic capacity, and policy development processes. These include:

1. What do states use as their "knowledge base" to define and analyze key postsecondary education issues, including such areas as access and participation, quality and costs, and institutional and system performance? What additional data, analysis, and policy information do they need?
2. What sharing of resources, data and information, analytic frameworks, policy tools, or communications practices will strengthen key state roles and polices? What data systems and practices will best reflect the needs of students, policy makers and the public at large?
3. How can these resources be developed collectively and disseminated widely through SHEEO in ways that will augment what states can do on their own, add value to national databases, and provide the basis for comparative statistics?
4. What support and leadership roles can the SHEEO organization provide for its members and nationally? How can analytic leadership and other policy development roles be exercised "collectively" across states on behalf of the critical postsecondary needs they face?

Using a structured interview and site-visit protocol, SHEEO will assemble answers and experience relevant to these questions in eight or more states during the ten-month period of this grant. An initial set of four states with comparatively well-developed policy information and "knowledge" systems will be visited during February and March 2004. Following review of our initial "observations and findings," a second set of four or more states with more diverse characteristics will be visited during April and May 2004.

State visits will involve two or more project staff in two-day visits that will include structured interviews, open-ended discussion, and information gathering with the agency's chief executive officer and other key staff. The areas examined will include types of information, areas of knowledge, and usefulness of the analysis across a broad set of policy areas. We will also explore what techniques and technologies are most useful in producing this knowledge, including:

- Data mining
  - Are SHEEO agencies accessing the most relevant data sources?
  - If not, how can additional access be facilitated?
  - Are the data in immediately usable forms and formats?
  - Are linkages made across data sets and uses?
- Policy mapping
  - Are data collected or available to identify the current status of state postsecondary policies?
  - Are national data used to "map" or compare the status of state policies and decisions relative to other states?
  - Are time-series maps or trends used to examine the status and effects of state policies over time?
- Comparative analytic frameworks
  - Are states using appropriate comparative frameworks?
  - Are states comparing the most appropriate "things" or data elements?
  - What additional analytic frameworks or conventions would help states to evaluate their position and policies relative to other states and nations?
- New approaches and practices
  - Do states have ways to identify promising new approaches?
  - What methods or conventions are used to determine relevance, effectiveness, and applicability?
  - What data are available for tracking the longer-term effects and consequences of new policy approaches?
- Processes for policy development
  - At what steps in policy development are data and information most useful? Are there data and information gaps?
  - Are the components and incremental processes in policy development sufficiently clear and distinct?

- What analytic approaches and information needs are most relevant to the numerous actors involved in state policy development? How can societal needs be met more effectively?

SHEEO will compile and analyze the results of these interviews and state visits. An external consultant with expertise in the application of knowledge management principles and practices will review and contribute to the analysis and interpretation of these materials, and help in the development of appropriate follow-up support and activities to be undertaken over a longer time period. Other individuals will contribute to appropriate aspects of the state-level site visits and organizations with expertise in higher education policy will provide third-party perspective and expertise. Since it is not likely that a single "silver bullet" solution will meet all the identified needs, the project will also assist in identifying and prioritizing the most important categories of next steps and proposed solutions, given the needs and requirements identified.

To provide assistance and organizational guidance to this project, SHEEO will appoint an ad hoc advisory committee, from among current members of its Executive Committee and Committee on Data and Information Systems along with the SHEEO in each of the participating states. Based on a collaborative review of the information gathered and collective expertise, SHEEO organizational leadership and staff will outline and make recommendations on the need, appropriate steps, and decision points relative to a multi-year commitment to work with states to develop and implement effective postsecondary knowledge resource systems. SHEEO believes that the experience and knowledge gained through these planning and development steps will contribute to national awareness and state capacities to address the issues of postsecondary access, quality and costs, and that larger gains can be achieved through a continuing commitment of organizational effort and financial resources to a multi-year, multi-state initiative.

Council on Postsecondary Education
May 24, 2004

P-16 Council Update

The Statewide P-16 Council met March 22 and discussed several issues including the implementation of the American Diploma Project and the professional needs of K-12 teachers. The Council staff also is working on other ways to raise student achievement.

The P-16 Council is overseeing the implementation of the American Diploma Project recommendations. The implications of the project broadly affect not only P-12 curriculum and assessment but also the education of teachers, the education of adult learners and adult education providers, college placement policies, and the certification of high school graduates for employment.

At the March meeting of the P-16 Council, members reviewed the final report of the ADP recommendations and benchmarks in mathematics and English language arts. Staff from the Kentucky Department of Education presented work they are undertaking with postsecondary faculty in several disciplines to clarify the characteristics of analytical writing that may be included in the KDE writing portfolio. They also presented a comparison between the Kentucky Core Content for Assessment standards in mathematics and the ADP benchmarks in mathematics.

The staff of the P-16 Council partner agencies presented a broad overview of the state of teacher recruitment, preparation, certification, and professional development in Kentucky. As part of that overview, NKU Professor Steve Newman and UK Professor Paul Eakin reported on two significant partnerships between Kentucky P-12 teachers and college faculty to improve the quality of learning and teaching. The Kentucky Early Mathematics Testing Program, funded by the Council on Postsecondary Education and administered by NKU, with online capacity provided by UK, completed its second full year. Designed as a high school diagnostic tool for tenth and eleventh graders to assess readiness for college level mathematics, it has helped teachers target appropriate intervention for their students. Participation of high school mathematics teachers in developing test questions linking high school mathematics teaching with postsecondary expectations has created a new form of content-based professional development for high school mathematics teachers. UK also partners with the Appalachian Research Systemic Initiative and eight other postsecondary institutions in a $22 million National Science Foundation grant to provide professional development for mathematics and science teachers in 52 school districts in Kentucky, Tennessee, and Virginia.

Representatives from the local P-16 council network reported on the work of local councils. Many local councils are examining the ADP benchmarks. Barbara Stonewater of the Northern Kentucky Council of Partners in Education reported on the work that teachers and faculty in that region have undertaken to raise high school graduation standards to meet the ADP benchmarks in mathematics and to pilot the use of a modified writing portfolio for postsecondary admissions and placement purposes.

Immediately following the P-16 Council meeting, Professors Newman and Eakin met with Secretary Fox, President Layzell, Commissioner Wilhoit, and staff from their agencies. They proposed a partnership with the KDE, the CPE, and the Education Cabinet to help implement the ADP recommendations in mathematics by aligning the P-12 standards with the ADP benchmarks and by providing online capacity through UK to assess student competencies for diagnostic, instructional, and accountability purposes. Beginning with high school mathematics, the proposal could expand to include other content areas and all grade levels. Several follow-up meetings have been held to define what the Cabinet, the KDE, the CPE, and postsecondary institutions would do respectively to create a system whereby UK's technological capacity could provide a comprehensive assessment tool for Kentucky's P-12 system whose exit standards would be linked to postsecondary and workplace entry-level expectations.

In other activities related to P-16, a request for proposals for merging the previous Go Higher Community and local P-16 council selection into one process was issued in early February. Six proposals have been received and are under cross-agency review.

Following up on the charge of the CPE, the Council staff asked representatives from each of the public postsecondary institutions to develop a statewide placement policy in mathematics and English. The Council staff also will convene institutional representatives to review how best to meet the postgraduate professional development needs of practicing teachers and administrators.

Staff preparation by Dianne M. Bazell

Council on Postsecondary Education
May 24, 2004

Public Outreach Initiative

The Council on Postsecondary Education is discussing with the The Courier-Journal an initiative to help promote awareness of GEAR UP, Kentucky Adult Education, and postsecondary education. Tentative plans include promoting the GO HIGHER Web site, GEAR UP activities, adult education opportunities, and a college and career expo. The proposed media mix includes the newspaper, Newspaper In Education channels, special publications, radio, and an online presence on the newspaper's Web site. The Kentucky Higher Education Assistance Authority also is a member of the partnership and other business/private sector partners may be sought to help fund the proposal.

Staff preparation by Sue Patrick

Council on Postsecondary Education
May 24, 2004

Kentucky/Tennessee Reciprocity Agreement

Action: The staff recommends that the Council approve a one-year extension of the tuition reciprocity agreement between Kentucky and Tennessee.

Tuition reciprocity allows students from Kentucky counties bordering Tennessee to attend participating Tennessee postsecondary institutions at tuition rates charged to Tennessee residents. Similarly, residents of Tennessee counties bordering Kentucky can attend a participating Kentucky institution and pay tuition rates charged to Kentucky residents. This agreement (see attachment) is important to reform efforts because it expands access to postsecondary education to both Kentucky and Tennessee 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 agreement between Kentucky and Tennessee expires June 30, 2004. In May 2000, the Council approved the Kentucky/Tennessee agreement for four years.

Due to legislative interest in reciprocity agreements during the 2004 session of the General Assembly, the Council took the following action in March:

> Because the Council is committed to tuition reciprocity agreements with bordering states and institutions as a means of broadening access to academic programs for Kentucky citizens and reducing unnecessary program duplication and costs and because of concerns about equity, the Council staff was directed to review all tuition reciprocity agreements in which Kentucky is a party to ensure that there is equitable benefit for participating states and to bring recommendations back to the Council through its Affordability Policy Group by the end of the 2004 calendar year.

In light of this action, the staff recommends a one-year extension of the Kentucky/Tennessee tuition reciprocity agreement to allow for the review of all reciprocity agreements by the Affordability Policy Group. Kentucky institutions included in the agreement are Murray State University, Western Kentucky University, Hopkinsville Community College, and Southeast

Community College. Tennessee institutions included in the agreement are Austin Peay State University, University of Tennessee Martin, and Volunteer State Community College.

Representatives of the participating states developed the agreement over the past several weeks. Provisions of this agreement will be effective July 1, 2004, through June 30, 2005.

In fall 2003, 445 undergraduate and graduate Kentucky students attended Tennessee institutions while 2,278 undergraduate and graduate Tennessee students attended Kentucky institutions. The Council staff will continue to monitor enrollment at the participating institutions and report the findings of the Affordability Policy Group with regard to all reciprocity agreements in which Kentucky is a party.

Staff preparation by Sandra Woodley and Jonathan Pruitt

TUITION RECIPROCITY AGREEMENT
BETWEEN KENTUCKY AND TENNESSEE
2004-2005

I. Parties

For Kentucky: Council on Postsecondary Education, Murray State University, Western Kentucky University, and the Kentucky Community and Technical College System

For Tennessee: Tennessee Higher Education Commission, the University of Tennessee, and the Tennessee Board of Regents

II. Purpose

The Commonwealth of Kentucky and the State of Tennessee desire to provide postsecondary opportunities for the residents of designated counties in both states. Under this agreement, eligible students from either state will be able to attend designated institutions in the other state while paying in-state tuition rates (i.e., in-state rates for the receiving institution). This agreement describes how both states will provide such opportunities.

III. Period Covered By Agreement

July 1, 2004 - June 30, 2005

IV. Eligible Students

A. To be eligible for reciprocal tuition under the terms of this agreement, students must (1) reside in one of the counties designated as an eligible county, (2) be accepted by the eligible institution, and (3) enroll at that institution.

B. Eligible students may enroll in any program (undergraduate or graduate) offered by the eligible institution.

C. Eligible students may enroll on a full-time or part-time basis.

D. Under this agreement, eligible students from one state will be charged tuition and fees at in-state rates by eligible institutions in the other state.

E. In the remainder of this document, eligible students are called "reciprocity students."

V. Terms Of Agreement

A. The State of Tennessee:

1. Has identified eligible Tennessee institutions and Kentucky counties as provided in the Tennessee Code Title 49, Chapters 8 and 9. (See Appendix A.)

B. The Commonwealth of Kentucky:

1. Will agree to a list of eligible counties consisting of Tennessee counties bordering Kentucky and lying wholly or in part within 30 miles of the county of the eligible Kentucky institution. (See Appendix A.)

C. The Commonwealth of Kentucky and the State of Tennessee:

1. Will jointly monitor cross-border student flows under this agreement.

2. Will meet periodically to assess the progress of this agreement and to consider changes as might be appropriate.

D. Each designated public postsecondary institution:

1. Will treat reciprocity students as in-state students when assessing tuition and fees.

2. Will treat reciprocity students as in-state students for admission and placement purposes.

3. Will treat reciprocity students as in-state students with respect to registration, refunds, student records, and academic advising.

4. Will assist with the record keeping necessary to monitor cross-border student flows and will report data as deemed necessary by the Kentucky Council on Postsecondary Education and the Tennessee Higher Education Commission.

5. Will continue to report reciprocity students as out-of-state students when reporting enrollment data to the Kentucky Council on Postsecondary Education and the Tennessee Higher Education Commission based upon existing reporting requirements.

6. Will meet periodically with the appropriate state higher education agency to discuss the agreement and its impact, and to recommend changes as might be appropriate.

VI. Termination Or Renewal Of Agreement

A. This agreement will begin on July 1, 2004, and end June 30, 2005, unless mutual agreement exists to renew for the following one-year period.

B. This agreement is subject to review and revision on an annual basis. Any party must notify the other parties by January 1 of its intention to change any term of the agreement to be effective the following July 1.

C. This agreement may be terminated by action of the Kentucky Council on Postsecondary Education or the Tennessee Higher Education Commission.

VII. Signatures

Thomas D. Layzell Date
President
Kentucky Council on Postsecondary Education

Richard G. Rhoda Date
Executive Director
Tennessee Higher Education Commission

King Alexander Date
President
Murray State University

Charles Manning Date
Chancellor
Tennessee Board of Regents

Gary Ransdell Date
President
Western Kentucky University

John Petersen Date
President
University of Tennessee System

Michael McCall Date
President
Kentucky Community and Technical College System

APPENDIX A

ELIGIBLE INSTITUTIONS AND COUNTIES

Kentucky Institutions and Tennessee Counties

Murray State University

Henry County
Obion County
Stewart County
Weakley County

Western Kentucky University

Macon County
Robertson County
Sumner County

Hopkinsville Community College

Montgomery County
Robertson County
Stewart County

Southeast Community College

Campbell County
Claiborne County

Tennessee Institutions and Kentucky Counties

Austin Peay State University

Christian County
Logan County
Todd County
Trigg County

University of Tennessee at Martin

Fulton County
Hickman County
Graves County

Volunteer State Community College

Logan County
Simpson County
Allen County

Council on Postsecondary Education
May 24, 2004

Collaborative Academic Programs Report

Using funds from the Technology Trust Fund and the Kentucky Virtual University Revolving Loan Fund, the Council staff issued a request for proposals to stimulate collaborative approaches to address state workforce needs and increase the capacity of high demand academic programs. This item reports on this funding program.

As reported to the CPE at its September 21, 2003, meeting, the Council staff issued a request for proposals November 24, 2003, to provide incentive funds that advance postsecondary reform goals. The two-fold purpose of this funding initiative is to encourage institutions: 1) to work together to increase capacity within the system and 2) to address workforce needs.

The Request for Proposals

The RFP sought proposals that offered nontraditional approaches to increase the capacity of high demand academic programs. Enrollment increases place enormous pressure on institutions to augment course offerings in general education areas like composition, mathematics, science, and foreign language. Traditionally this means adding course sections staffed with adjunct and part-time faculty. New models are available for offering high quality instruction in these peak demand areas that allow fewer faculty to effectively teach larger numbers of students. Those studying the role of educational technologies indicate that it is in these high demand, high enrollment courses that innovative uses of technologies in course delivery make the most educational and economic sense. In addition, for the system to fulfill its commitments to create a workforce that supports a knowledge-based economy, it must partner with private and public sector organizations to develop the right academic programs with the right content accessible to those who need them.

The request was also designed to stimulate partnerships among postsecondary institutions, private sector, and public sector organizations that address current and projected workforce needs. The Council staff defined areas of workforce need drawn from the Office of the New Economy and the Cabinet for Workforce Development, identified programs in Kentucky currently providing funds for workforce development, and identified partners with which postsecondary institutions could work to better design and deliver programs meeting pressing workforce needs.

Review Process

In March, the Council staff received 13 proposals. A committee representing the Council, the Kentucky Virtual University, the Kentucky Workforce Investment Board, and the Kentucky Department of Technical Education reviewed the proposals and selected three finalists.

Based on the committee's review, the Council staff has recommended modifications in the proposals and scheduled the three finalists for discussion of their programs and budgets. Assuming these conversations are fruitful, the programs are expected to be funded and underway in the next fiscal year.

The Initiatives

1. *Growing the IT Workforce – JCC to UofL to Employment*

A recent technology assessment by Greater Louisville, Inc., shows that the Louisville area lags behind similar U.S. metropolitan regions in the production of bachelor degrees in technology areas. This program establishes a partnership between the Jefferson County Public School System, the Jefferson Community College, and the University of Louisville that enables high school students to obtain an associate's degree and a bachelor's degree in Computer Information Systems in less than five years. Ensuring advanced placement opportunities in high schools and JCC and implementing a transfer agreement between JCC and the UofL CIS program will accomplish this. A key to the successful implementation of the program is the involvement of Louisville businesses represented by the Technology Network (TeN) of Louisville. These partners are providing ample co-op educational opportunities for the students and the donation of equipment to help develop a state-of-the-art technology laboratory for the program. Program funds will complete the laboratory and support start-up operations. Outcome measures will include enrollments at each tier, retention and graduation rates, and follow up surveys with learners and businesses to ensure accurate program content.

2. *Improving Capacity and Efficiency of Academic Programs Through Innovative Course Redesign and the Kentucky Collaborative Online General Education Core (K-CORE)*

The University of Kentucky, Murray State University, and the Kentucky Community and Technical College System have formed a partnership to provide general education courses that are modular in design, deliverable online, competency-based, and student-centered. Two courses will be designed as "start-ups," one in English and one in mathematics. Rigorous and detailed assessment will reveal how these courses can increase course capacity, efficiency, and student learning especially for high-demand general education courses. Modular in design, the courses will not depend on academic semester calendars but instead be available at the convenience of the learner. Courses will be aligned with the American Diploma Project. Program funds will support the multi-institutional workgroup in its work and provide for outcomes assessment technology. Outcome measures will include both formative and summative efforts for the faculty during the course designing stages. Once the courses are available, they will include learner outcomes competency assessments and learner experience surveys to improve usability.

3. *Modular Entrepreneurship and Supervisory Certificate Programs*

The modular Entrepreneurship Certificate is designed to assist new and growing small-business owners and the Supervisory Certificate to provide business and industry with first-line supervision online training. Both certificates will expand capacity, improve access, and provide educational flexibility. The project will create modules that are deliverable both online and in

classroom formats and focus on outcomes-based competencies. The program's partnerships include the KCTCS, the Kentucky Virtual University, and the Kentucky Small Business Development Centers. The 15 SBDCs are located throughout the state with the mission to provide Kentucky's entrepreneurs and small businesses with high quality one-on-one management and environmental consulting and educational and business resources to maximize their competitiveness. The Ford Motor Company is also a featured partner offering access to, and support for, this program. The Council staff will work with the proposal sponsors to link this effort to UofL's nationally recognized entrepreneurship program. Program funds will support curriculum development and outcomes assessment instruments. Outcome measures will include the number of modules created, the number of certificates awarded, the number of businesses and individuals participating, and follow up surveys to ensure accurate program content and delivery.

Staff preparation by Bennett G. Boggs

Council on Postsecondary Education
May 24, 2004

Distance Learning Advisory Committee Report

At its May 11, 2004 meeting, the Distance Learning Advisory Committee concluded a review of postsecondary distance education issues and opportunities with a recommendation to the Council that the scope of DLAC be expanded beyond its enacted role.

Action: The Distance Learning Advisory Committee recommends that the Council approve the expansion of the scope of DLAC to include not only its statutory mandate to advise the Council on the operations of the Kentucky Virtual University but also to address the coordination of policies, programs, support services, and infrastructure in support of distance education across all Kentucky postsecondary education institutions.

At its October 1, 2003, meeting, DLAC established an eLearning Steering Team to lead a review and exploration of the status and role of distance education coordination across Kentucky's postsecondary education institutions and agencies. Over 70 participants, appointed by DLAC members, conducted the review. The participants were organized into a writing team, an eLearning Steering Team, and four work groups (policy, programs, support services, and infrastructure). The findings of this review were presented to DLAC at the May 11, 2004, meeting in the report: "Issues & Opportunities: The Kentucky eLearning Strategic Framework." A copy of the report is available at: http://unity.kctcs.edu/docushare/dsweb/View/Collection-4592.

In order to better address and support the distance education opportunities identified in the report, the eLearning Steering Team has recommended the following goals for DLAC:

1. Develop the policies and relationships that fully utilize statewide institutional and agency resources.
2. Encourage and effectively support collaboration and coordination of distance education across the Commonwealth.
3. Support the identification, development, and delivery of high-quality distance education programs.
4. Ensure that Kentucky's teachers, faculty, and learners have access to support which enables success in learning and teaching across a multi-level, multi-course, multi-institution, multi-agency, and multi-site system of distance education.

The eLearning Steering Team also recommended a set of action items related to the goals (see attachment). DLAC endorsed the goals, the expansion of its scope, and the action items and established a Distance Learning Steering Team (constituted from the current eLearning Steering Team members) to address their implementation.

The work of the last several months has documented the growing use and broad scope of distance education in Kentucky. The expansion of the scope of DLAC's work will provide much needed coordination of distance education efforts and better integration of the KYVU into Kentucky's distance education plan.

Staff preparation by Myk Garn

DLAC Goal	Proposed Actions
I. Develop the POLICIES AND RELATIONSHIPS which fully utilize statewide institutional and agency resources.	Ensure consistent distance education data collection, analysis and reporting. A. Produce a Kentucky Distance Education Annual Report that provides decision-making data and analysis for DLAC and institutional distance education planning. B. Work with statewide information technology committees to increase the coordination of statewide eLearning and distance education infrastructure throughout the Commonwealth.
II. Encourage and effectively support COLLABORATION and COORDINATION of distance education across the Commonwealth.	Support and actively sustain the Kentucky distance education community. A. Establish a Distance Learning Steering Team as the operational forum for addressing distance education issues. B. Utilize a Kentucky distance education listserv to increase awareness, understanding and participation in statewide distance education efforts. Increase the advocacy of, and for, Kentucky distance education. C. Expand the Kentucky presence in regional and national distance education policy and regulatory issues.
III. Support the identification, development and delivery of HIGH QUALITY distance education programs.	Encourage the creation of distance education programs that meet the learning and training needs of Kentucky workers, employers, communities and citizens. A. Conduct a needs assessment to identify academic and workforce development program needs that can be addressed by distance education. B. Support the investigation of instructional models that are highly efficient, effective, scalable and economical; especially those that increase the efficiency of high demand courses and programs through redesign of instructional delivery (such as an online general education core). C. Address the effective communication and marketing of distance education programs, and their value, to Kentucky education communities.
IV. Ensure that Kentucky's teachers, faculty and learners have meaningful ACCESS AND SUPPORT which enables success in learning and teaching across a multi-level, multi-course, multi-institution, multi-agency, multi-site system of distance education.	Be a catalyst in establishing a network of Statewide Student Support Services. A. Conduct distance education student focus groups as a precursor to statewide acquisition, management and maintenance of key support services. B. Work with teacher and faculty development work groups to identify and address faculty training issues. C. Address issues of accessibility in Kentucky distance education.

Council on Postsecondary Education
May 24, 2004

Progress Report on Key Indicators: Graduation Rates

Updated results for six-year graduation rates, an indicator under Question 3 (Are more students advancing through the system?) show improved systemwide performance in 2003.

Indicator 3D measures six-year graduation rates for bachelor's degree students. The system experienced significant progress in this critical measure between 2002 and 2003. The systemwide graduation rate rose to 45.3 percent in 2003 from 43.5 percent in 2002. These results indicate that the system continues to make significant progress compared to the baseline year for reform (1998), when the systemwide graduation rate was 36.7 percent.

Graduation rates increased between 2002 and 2003 at seven institutions: Eastern Kentucky University, Kentucky State University, Morehead State University, Murray State University, University of Kentucky, University of Louisville, and Western Kentucky University (see attached for detailed results by institution). Six institutions exceeded their performance goals for 2003: Eastern, Kentucky State, Morehead, Murray, UK, and Western. (The Council on Postsecondary Education approved revised graduation rate goals for 2004-06 at its February 2004 meeting. This agenda item compares institutional performance with pre-existing goals for performance in 2003.)

Staff preparation by Christina E. Whitfield

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

3D Six-Year Graduation Rates of Bachelor's Degree Students

	Actual						Goal
Institution	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2003**
Eastern Kentucky University	26.8%	31.5%	30.0%	37.2%	33.1%	37.1%	33.5%
Kentucky State University	17.7%	31.3%	31.2%	33.5%	27.2%	39.0%	33.0%
Morehead State University	40.1%	44.0%	38.6%	45.6%	43.8%	44.2%	43.0%
Murray State University	38.5%	40.9%	46.3%	55.0%	55.4%	56.3%	48.4%
Northern Kentucky University	30.1%	32.3%	35.4%	40.5%	37.8%	33.3%	36.5%
University of Kentucky	50.8%	52.2%	55.3%	57.2%	57.8%	61.1%	56.8%
University of Louisville	29.9%	31.6%	30.8%	33.3%	32.8%	34.9%	36.7%
Western Kentucky University	39.1%	37.7%	41.5%	40.8%	41.0%	43.4%	41.8%
Systemwide	36.7%	39.3%	39.8%	44.1%	43.5%	45.3%	

Source: CPE Comprehensive Data Base

Council on Postsecondary Education
May 24, 2004

Ph.D. in Theatre Practice
University of Kentucky

Universities are required to submit all new degree programs beyond their specified program bands to the Council for approval. The Doctor of Philosophy in Theatre Practice proposed by the University of Kentucky will prepare students for academic and professional positions in theatre.

Action: The staff recommends that the Council approve the Doctor of Philosophy in Theatre Practice (CIP 50.0501) proposed by the University of Kentucky.

The University of Kentucky proposes a Doctor of Philosophy in Theatre Practice. This is the first doctoral theatre degree to be offered in the Commonwealth.

The proposed program is designed to prepare students to serve as professional playwrights, educators, theatre directors, critics, literary managers for regional theatres, and scholars in theatre history, criticism, or performance studies.

The program will emphasize the role of theatre in society and its ability to educate communities through art. UK would be only the twelfth university in the nation to adopt this focus, joining such independent institutions as Yale, Stanford, Cornell, Brown, and Columbia, and public universities such as the University of Illinois, University of Michigan, and University of California at Berkeley.

The proposed program builds on the existing Master of Arts degree in Theatre. The projected enrollments are limited to five new students per year. No additional faculty positions are required. Expenses will be met through tuition and internal reallocations within the department. The newly completed fine arts library is a significant resource for the program.

Students will be recruited from related master degree programs at UK and the University of Louisville and undergraduate programs at Eastern Kentucky University, Morehead State University, Murray State University, Northern Kentucky University, UK, UofL, and Western Kentucky University. The proposed program will begin as a traditional in-residence program, developing extended internship and distance learning opportunities as enrollments increase.

The UK Board of Trustees approved the program at its October 29, 2003, meeting.

Staff preparation by Bennett G. Boggs and Deborah Jackson

Council on Postsecondary Education
May 24, 2004

Reallocation of 2002-04 Agency Bond Authority

The Council, at the March 2004 meeting, allocated the unneeded portion of institutional agency bond authority to other projects that can be completed during the 2002-04 biennium. This action makes adjustments to the allocation to keep the projects within the legislatively authorized agency bond authority.

Action: The staff recommends that the Council approve the reallocation of $24,127,000 from the 2002-04 Agency Bond Pools to be used in part to complete projects in student housing, life safety, infrastructure, renovation, and new construction at EKU, UK, and UofL.

The Council, at the March meeting, authorized Eastern Kentucky University, the University of Kentucky, and the University of Louisville to issue agency bonds to complete additional capital projects authorized by the 2002-04 Appropriations Bill (HB 269). The list of projects is attached. House Bill 269, enacted by the 2003 General Assembly, authorized a $155 million agency pool for postsecondary education institutions. Agency bonds are issued by the institution and the resulting debt service is funded by institutional revenue - no debt service is provided by the state.

Following action at the March 15 meeting, Council staff became aware that $5,530,000 of reallocated agency bond authority would not be used and that the scope of projects at three institutions needed to be adjusted to keep the Council recommendation within the total legislatively authorized agency bond amount of $155 million. The debt service for the projects will be funded from institutional revenue. The proposed action adjusts the allocations to the three institutions as agreed to by Council staff and the institutions.

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

REVISED: May 18, 2004

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

Institution and Project Title	Original 2002-2004 Agency Bond Authority	Other Funds	Midterm Agency Bond Adjustment	Revised 2002-2004 Agency Bond Authority	Source of Debt Service	Current Status: Issued	Current Status: Issue by 6-30-04
Eastern Kentucky University							
High Voltage Electrical Distribution System	$ 10,500,000		$ (3,000,000)	$ 7,500,000	Agency Funds		X
Replace Student Housing, Brockton	8,250,000		(8,250,000)				
Greek Row	1,800,000		(1,800,000)				
Maintenance Pool			3,891,000	3,891,000	Agency Funds		X
EKU Subtotal	**$ 20,550,000**	**$ -**	**$ (9,159,000)**	**$ 11,391,000**			
Kentucky State University							
Young Hall Renovation	$ 9,886,000		$ (5,339,000)	$ 4,547,000	H&D Revenue	HB 395 Reauthorization	
KSU Subtotal	**$ 9,886,000**	**$ -**	**$ (5,339,000)**	**$ 4,547,000**			
Morehead State University							
Expand Life Safety: Auxiliary Facilities	$ 3,800,000		$ (800,000)	3,000,000		X	
Comply with ADA - Auxiliary Facilities	1,200,000		(1,200,000)				
Renovate Button Auditorium	750,000			$ 750,000	Agency Funds		X
MoSU Subtotal	**$ 5,750,000**	**$ -**	**$ (2,000,000)**	**$ 3,750,000**			
Murray State University							
Renovate Springer Hall - Piping, Fixtures, etc.	$ 800,000		$ (800,000)				
Renovate Winslow Cafeteria	2,500,000			$ 2,500,000	H&D Revenue	X	
MuSU Subtotal	**$ 3,300,000**	**$ -**	**$ (800,000)**	**$ 2,500,000**			
Northern Kentucky University							
Construct Parking Deck	$ 9,100,000			$ 9,100,000	Agency Funds	X	
NKU Subtotal	**$ 9,100,000**	**$ -**	**$ -**	**$ 9,100,000**			
University of Kentucky							
Student Housing Facility	$ 46,000,000			$ 46,000,000	H&D Revenue	X	
Construct Parking Structure (1)	15,917,000	$ -	363,000	16,280,000	Parking Revenue	X	
Replace Steam and Condensate Pipe (3)		1,924,000	6,000,000	3,426,000	Agency Funds		X
Replace Central Facilities Management System (3)		1,661,000		1,339,000	Agency Funds		X
Improve Central Heating Plant (3)		1,710,000		1,040,000	Agency Funds		X
Replace High Voltage Wiring (3)		246,000		195,000	Agency Funds		X
Construct Parking Structure III - Hospital (1)		3,350,000	4,000,000	4,000,000	Parking Revenue		X
Enterprise Resource Planning System		7,400,000	(5,530,000)	0			
UK Subtotal	**$ 61,917,000**	**$ 16,291,000**	**$ 4,833,000**	**$ 72,280,000**			

REVISED: May 18, 2004

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

Institution and Project Title	Original 2002-2004 Agency Bond Authority	Other Funds	Midterm Agency Bond Adjustment	Revised 2002-2004 Agency Bond Authority	Source of Debt Service	Current Status Issued	Current Status Issue by 6-30-04
University of Louisville							
Expand HSC Parking Garage - Add Two Floors	$ 4,794,000			$ 4,794,000	Parking Revenue	X	
Construct Cardinal Park Natatorium	19,703,000	$ 121,000	$ (8,288,500)	10,060,000	Agency Funds	X	
Property Acquisition/Land Purchase Floyd Street (2)			2,633,500	2,493,000	Agency Funds		X
Property Acquisition (2)			(940,000)	555,000			
Cardinal Nest (Billy Minardi Hall)			3,000,000	3,000,000	Agency Funds		X
Purchase Land and Construct Baseball Facility			5,000,000	5,000,000	Agency Funds		X
UofL Subtotal	**$ 24,497,000**	**$ 121,000**	**$ 1,405,000**	**$ 25,902,000**			
Western Kentucky University							
Student Parking Structure	$ 10,000,000			$ 10,000,000	Parking Revenue	X	
Renovate Downing University Center	7,000,000			7,000,000	Agency Funds	X	
Materials Characterization Center	3,000,000			3,000,000	Agency Funds	X	
WKU Subtotal	**$ 20,000,000**	**$ -**	**$ -**	**$ 20,000,000**			
Unallocated Bond Authority			$ 5,530,000	$ 5,530,000			
System Total	**$ 155,000,000**	**$ 16,412,000**	**$ (5,530,000)**	**$ 155,000,000**			

Notes:

1. The University of Kentucky will combine these projects to be completed as a single capital project.
2. The University of Louisville will combine these projects into a single project to address the Floyd Street area.
3. The University of Kentucky will combine these projects to be completed as a single capital project.

Council on Postsecondary Education
May 24, 2004

Western Kentucky University
Renovate/Expand Downing University Center Dining Facilities

The following interim project recommendation will authorize Western Kentucky University to use funds available from private sources to renovate Downing University Center dining facilities to provide an alternative dining experience for students, faculty, and staff.

Action: The staff recommends that the Council approve the request of Western Kentucky University to renovate Downing University Center dining facilities with $1,200,000 of private funds.

Western Kentucky University proposes a project of approximately 22,000 square feet to develop a restaurant, exterior deck, and patio area in Downing University Center (DUC) on the main campus using $1,000,000 of private funds and $200,000 of restricted agency funds.

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing $400,000 or more regardless of fund source. Since 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 project involves the development of an "order from the menu" style restaurant to complement the recently completed dining facilities in DUC. The restaurant area will contain 7,500 square feet, the deck area 4,500 square feet, and the patio area 10,000 square feet. The development, using existing DUC space, is intended to provide an alternative dining experience for students, faculty, and staff. The additional space supports student services. The restaurant will be located adjacent to the existing dining facility in the southeast corner of the DUC.

Western Kentucky University has certified that the private funds ($1,000,000) for the project are available; the restricted agency funds ($200,000) also are available. WKU and Aramark, the contracted dining services provider, have reached agreement on the term of a contract amendment that will make the private funding available. The contracts to complete the project will be awarded by Aramark and will be consistent with prevailing wage rates. A similar project, "Aramark Educational Services Food Service Contract Renovations," was approved by the Capital Projects and Bond Oversight Committee at its meeting on September 17, 2002, and by CPE at its meeting on November 4, 2002, allowing leasehold improvements to Downing University Center with private funds. Developing the restaurant area will not increase the need for operations and maintenance costs from the state General Fund.

This project is included in the university's six-year capital plan, the Council's 2004-06 capital recommendation to the Governor and General Assembly, and the Governor's 2004-06 capital recommendation to the 2004 General Assembly (HB 395). The source of funds cited in HB 395 is other/private funds and is not changed by this request. However, the cost of the project has been adjusted downward to $1,200,000 from the original $2,000,000 price estimate. Because the proposed 2004-06 Executive Branch Budget (HB 395) has not been enacted, the university is requesting interim authority to complete the project. Authorization is needed to allow construction to take place during the prime construction period when students are on summer break. Construction during the summer months will make the facilities available for use by students, faculty, and staff when the fall 2004 semester begins.

Following Council approval, 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

Council on Postsecondary Education
May 24, 2004

University of Kentucky
Replace Memorial Coliseum Court Lighting

The following interim project recommendation will authorize the University of Kentucky to use restricted funds available from private sources to replace the outdated lighting system above the basketball court at Memorial Coliseum.

Action: The staff recommends that the Council approve the request of the University of Kentucky to replace the Memorial Coliseum court lighting system with $600,000 of private funds.

The University of Kentucky proposes to replace the lighting system over the basketball playing court at Memorial Coliseum located on the main campus using $600,000 of private funds.

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing $400,000 or more regardless of fund source. Since 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.

This project is not included in the university's six-year capital plan and it was not included in HB 395 (the proposed capital budget for 2004-06). UK had submitted its 2004-06 capital projects request and the CPE had made its capital recommendations before the problem that is being addressed by this project arose. This project involves the removal of the existing lighting system and installation of a new lighting system over the playing court. The project will alleviate concerns about the safety of the lighting system at Memorial Coliseum and provide proper lighting amenities similar to other facilities.

The University of Kentucky certifies that funding for the project ($600,000) is available from private sources, pending action by the University of Kentucky Athletics Board. This project will not increase the need for operations and maintenance costs from the state General Fund.

Following Council approval, 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

Council on Postsecondary Education
May 24, 2004

University of Kentucky
Electronic Access Rural Demonstration Project

The following interim project recommendation will authorize the University of Kentucky to use federal funds to develop electronic access sites in rural locations for the College of Law.

Action: The staff recommends that the Council approve the request of the University of Kentucky to develop an electronic access rural demonstration project phases I and II for the College of Law with $1,989,500 of federal funds.

The University of Kentucky proposes to develop electronic access sites in rural locations and an electronic access information hub and classroom and office improvements for the College of Law using $1,989,500 of federal funds. Expenditures will include such items as renovations, teleconferencing equipment, smart classrooms, and computer terminals for access to the law library.

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing $400,000 or more regardless of fund source. Since 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.

This project is not included in the university's six-year capital plan and it was not included in HB 395 (the proposed capital budget for 2004-06) because the project and its funding were identified after the capital plan and the capital projects request were completed. The electronic access sites will provide access from remote locations to the College of Law's virtual reference service and enhanced Web site and will include dedicated interactive videoconferencing technology. The project involves upgrades in the infrastructure and some renovations in the College of Law facilities on the UK main campus. Phase I will establish two sites in rural courthouse locations and also complete the necessary renovations and infrastructure modification in the College of Law facilities. Phase II will add three additional sites, add information origination and destination nodes, and expand access to students and faculty users.

The University of Kentucky certifies that funding for Phase I of the project ($1,000,000) is available from a National Institute of Justice "Eagles Tek" grant (awarded to EKU with UK as a subcontractor) and funding for Phase II ($989,500) is available from a U. S. Department of Justice Community Oriented Policing Services Technology Program Grant awarded to UK. The cost of operations and maintenance ($2,000 per year) will be paid from the grant, as permitted, and university general restricted funds. State General Funds are not required.

Following Council approval, 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

Council on Postsecondary Education
May 24, 2004

University of Kentucky
Renovate IRIS Project Facility

The following interim project recommendation will authorize the University of Kentucky to use private funds to renovate the integrated resource information systems facility in downtown Lexington, Kentucky.

Action: The staff recommends that the Council approve the request of the University of Kentucky to renovate and expand the integrated resource information systems facility (IRIS) with $1,253,000 of private funds.

The University of Kentucky proposes to renovate the integrated resource information systems facility and add a 1,500 square foot mezzanine using $1,253,000 of private funds.

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing $400,000 or more regardless of fund source. Since 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.

This project is included in the university's six-year capital plan and it is included in HB 395 (page 181, line 21, project #244). The project will renovate 3,850 square feet of the IRIS facility and construct a 1,500 square foot mezzanine. The facility, recently acquired by UK, is located at 630 South Broadway. The facility will house the project team that is managing and implementing the university's new "Enterprise Resource Planning" (ERP) computer software to replace the aging independent software programs and manual processes for administrative functions including financials, human resources, student services, cross systems, supply chain management, grants and contracts, and alumni development/advancement. Very few of these operations are integrated with each other and the current environment does not provide adequate, timely, or efficient tracking of available resources. Also, space will be provided in the facility for specialized testing of the software functions and training UK employees to use the ERP system. The facility will not house any other functions.

The University of Kentucky certifies that funding for the project ($1,253,000) is available from private sources. Also, the university is requesting $136,250 of recurring state General Funds to pay the cost of operations and maintenance of the 12,500 square foot building.

Following Council approval, 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

NEW ITEM

Council on Postsecondary Education
May 24, 2004

Western Kentucky University
Renovation of Baseball Facilities

The following interim project recommendation will authorize Western Kentucky University to use funds available from private sources to renovate the university baseball facilities to accommodate a minor league baseball team franchise in Bowling Green, Kentucky.

Action: The staff recommends that the Council approve the request of Western Kentucky University to renovate the university baseball facilities to accommodate a minor league baseball team franchise in Bowling Green, Kentucky, with $2,000,000 of private funds.

In June or July 2004, Bowling Green, Kentucky, may be awarded a minor league baseball franchise by the managing group of "Play Ball! '05." If awarded the franchise, the team will be relocated to Bowling Green before the 2005 season and will need to utilize the WKU facilities. WKU would enter into an agreement, by late summer 2004, to lease its baseball facilities to the franchise as the home playing field until the franchise builds a new stadium. Improvements to the WKU facilities must be completed by February 2005. WKU proposes a project to allow the franchise management team to make improvements to the university baseball facilities to accommodate the needs of a minor league baseball team using $2,000,000 of private funds. This represents a collaborative effort between a private business, the city, the county, and WKU.

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing $400,000 or more regardless of fund source. Since 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 project will occur on state owned property that was purchased for the benefit and use of WKU. Ownership of the improvements will accrue to the university when the new franchise builds a new stadium. The project will provide an additional 2,000 seats, new locker facilities, new concession facilities, and renovation of the dugout. The improvements would be considered leaseholder improvements necessary for the vendor to conduct business in the facilities. The agreement between WKU and "Play Ball! '05" will not affect the Memorandum of Agreement relating to the bond issuance by the City of Bowling Green to renovate Diddle Arena. The university indicated that there are no financial implications to the institution on this project.

WKU certifies that the private funds ($2,000,000) for the project will be made available by the managing group of "Play Ball! '05" if the franchise is awarded to Bowling Green, Kentucky. The contracts to complete the project will be awarded by the managing group of "Play Ball! '05"

and will be consistent with statutory requirements, including prevailing wage and all applicable codes, and university standards. The improvements will increase the cost of operations and maintenance. The new franchise will pay any associated increased costs based upon the pro-rata use of the facilities. After termination of the lease, the university will absorb the associated recurring costs for operations and maintenance. No additional state General Funds will be requested for operations and maintenance costs.

This project is not included in the university's six-year capital plan, the Council's 2004-06 capital recommendation to the Governor and General Assembly, or the Governor's 2004-06 capital recommendation to the 2004 General Assembly (HB 395). Authorization is needed to allow improvements to take place during the summer and fall in time for the 2005 professional baseball season.

Following Council approval, 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

Council on Postsecondary Education
May 24, 2004

CEO Report

At its April 20 meeting, the Committee on Equal Opportunities reviewed the status of The Kentucky Plan and the Partnership Agreement with the Office for Civil Rights, reviewed the impact of the FY 2003-04 reduction of general fund support for equal opportunity programs, discussed the June meeting, and the October meeting and campus visit, and received a special report on the institutional campus police departments.

Partnership Status: The Committee on Equal Opportunities met April 20. The Council staff reported that the Commonwealth had not received formal notice of its status regarding the partnership with the U.S. Department of Education's Office for Civil Rights. The OCR asked to be kept informed about the progress of the Kentucky General Assembly toward enacting an executive branch budget for 2004-06, which includes the Council's recommendations on renovation of KSU's Hathaway Hall classroom building and the Young Hall dormitory. Also, the OCR asked for the most recent results of the PRAXIS certification for the KSU teacher education program.

Status of The Kentucky Plan: The committee agreed to begin planning for the next iteration of the statewide equal opportunity plan. They indicated that the 1997 plan, although extended to support the partnership, should be revised in anticipation that the partnership may end. However, if the partnership continues, the statewide plan needs to be revised to address other areas of equal opportunity planning that are of interest to the Commonwealth. A draft outline of the process is to be discussed at the committee's June 14 meeting.

Kentucky Plan Special Reports: The Council staff presented reports on the impact of the FY 2004 general fund budget reduction on the equal opportunities programs at CPE and at institutions. Equal opportunity programs at most institutions did not receive a budget cut in FY 2004. There is not an enacted budget for 2004-06; therefore, the impact in FY 2005 is uncertain. Also, a report describing the process for officer selection and initial training, ongoing training and development, the racial composition of campus police forces, and an analysis of citations and arrests and their disposition by race was given to the committee.

Endowment Match Program Diversity Plans: The Council staff presented a report describing institutional diversity plans for its Endowment Match Programs, as required by language placed in HB 269 of the 2003 Session of the General Assembly. The plans were presented to the Council at its March 15 meeting.

Campus Visits*:* The CEO conducted a combined regular meeting and campus visit at Western Kentucky University. The committee was pleased with the progress of WKU but also identified several areas that need improvement. The campus visit report will be placed on the June 14

agenda of the CEO for consideration. The report will be made available to Council members following the June meeting.

Transfer of LCC to the KCTCS: Staff shared the March 15 CPE agenda item endorsing the transfer of Lexington Community College by the University of Kentucky to the Kentucky Community and Technical College System.

Western Kentucky University Special Report: GMSCPP Project AIMS (Activating Interest in Minority Students): The CEO heard presentations from Ms. Tracey Williams (AIMS program director) regarding the status of student and parent participation in the program. The report provided a general discussion of program success, collaboration with local schools, and community organizations. WKU is hosting the 2004 Proficient Seniors and Juniors Conference June 18-19, 2004. Over 300 students and parents are expected to attend.

Fall 2004 CEO Campus Visits: The CEO agreed to conduct two campus visits during fall 2004 and early winter 2005. The first campus visit is NKU in conjunction with the regularly scheduled October meeting. The committee instructed staff to work with NKU staff to plan the meeting and campus visit.

The Committee on Equal Opportunities will meet Monday, June 14, 2004, at 8:30 a.m. (ET) in CPE Conference Room A, Frankfort, Kentucky.

Staff preparation by Sherron Jackson and Rana Johnson

Council on Postsecondary Education
May 24, 2004

KSU/CPE Oversight Committee Report

The KSU/CPE Comprehensive Assessment Implementation Oversight Committee reviewed the status of the implementation of the Baker & Hostetler report recommendations and provided instructions to staff for establishing the date of its next meeting. The committee was pleased with the progress. Dr. Mary Evans Sias, Kentucky State University's new president, made remarks.

The committee met April 29 and reviewed the status of the implementation of recommendations from the 2003 Baker & Hostetler report. The committee's report will be presented to the CEO June 14 and to the KSU Board of Regents at its next meeting.

Status of B&H Report Recommendations: KSU's vice president for academic affairs and the special assistant to the president discussed with the committee the university's progress toward implementing the Baker & Hostetler report recommendations. The committee also was informed that the 2004 General Assembly adjourned without enacting a budget for the executive branch of state government (including postsecondary education).

KSU Board of Regents Appointments: The terms of two members of the KSU Board of Regents will end June 30, 2004. The Partnership Agreement asks the Council to recommend possible candidates for appointment to the Governor and the Governor's Postsecondary Education Nominating Committee. The committee agreed that the KSU board should provide suggestions by May 15 to be considered by the Council for inclusion in its correspondence to the Governor and the Governor's Postsecondary Education Nominating Committee.

Activities Related to Academic Program Review: KSU administrators indicated that they are actively discussing the opportunities for KSU students to take advantage of professional programs offered by the University of Kentucky, the University of Louisville, and Northern Kentucky University. Also, KSU is addressing concerns related to the Council's degree program productivity review. Among the universities, KSU has the fewest number of programs that have been identified for review by the CPE.

The university has received favorable reports on accreditation reviews for the degree program in nursing. Other accreditation reviews are expected to be favorable as well.

New Degree Programs: KSU is implementing several new degree programs. The programs are in the review stage but expect to receive favorable support and subsequently be implemented. More information will be provided as the review process is concluded.

The committee will meet quarterly at the CPE offices. The committee's meeting agenda will be shared with members of the Council, the KSU board, and the CEO.

Staff preparation by Sherron Jackson and Rana Johnson

Council on Postsecondary Education
May 24, 2004

Progress Report on Key Indicators: Research and Development Expenditures

Updated results for two indicators under Question 5 (Are Kentucky's communities and economy benefiting?) show improved performance in research and development expenditures.

Indicator 5B measures extramural research and development expenditures at the University of Kentucky and the University of Louisville. The long-term goal is to reach $1 billion in combined expenditures by 2020. Figures reported by UK and UofL to the National Science Foundation for fiscal years 2002 and 2003 show progress toward this goal. Extramural expenditures at UK increased to $162 million in 2002 and $187 million in 2003, exceeding UK's goals for both years. UofL also exceeded its 2002 and 2003 goals, with extramural expenditures rising to $58 million in 2002 and $63 million in 2003. Combined extramural research and development expenditures were $220 million in 2002 and $250 million in 2003, exceeding the statewide goals for 2002 and 2003 (see attached for detailed information).

Both UK and UofL reported increases in federal research and development expenditures for 2002 and 2003 (indicator 5C). Federal research and development expenditures at UK increased to $100 million in 2002 and $120 million in 2003, exceeding the established goals. Federal research and development expenditures at UofL rose to $39 million in 2002 and $40 million in 2003. UofL exceeded its goal for 2002, but did not meet its 2003 goal. Combined research and development expenditures ($139 million in 2002 and $160 million in 2003) exceeded the statewide goals.

Staff preparation by Christina E. Whitfield

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

5B Extramural Research and Development Expenditures
(in $ thousands)

	Actual					Goals						
	1999	2000	2001	2002	2003	2002	2003	2004	2005	2006	2010	2020
University of Kentucky	$120,446	$142,803	$150,713	$162,441	$187,028	$158,523	$174,242	$189,962	$205,682	$221,402	$300,000	$600,000
University of Louisville	$28,892	$30,615	$34,314	$57,992	$62,515	$46,080	$55,296	$66,355	$79,626	$95,551	$200,000	$400,000
Total	$149,338	$173,418	$185,027	$220,433	$249,543	$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, University of Louisville

5C Federal Research and Development Expenditures
(in $ thousands)

	Actual					Goals						
	1999	2000	2001	2002	2003	2002	2003	2004	2005	2006	2010	2020
University of Kentucky	$66,184	$73,858	$86,239	$100,426	$120,003	$87,172	$100,486	$113,801	$127,115	$140,429	$207,000	$414,000
University of Louisville	$15,536	$17,713	$25,116	$38,978	$39,924	$35,832	$42,998	$51,598	$61,918	$74,301	$154,071	$304,000
Total	$81,720	$91,571	$111,355	$139,404	$159,927	$123,004	$143,484	$165,399	$189,033	$214,730	$361,071	$718,000

Source: National Science Foundation, University of Kentucky, University of Louisville

Council on Postsecondary Education
May 24, 2004

Homeland Security Consortium

A consortium of Kentucky's postsecondary education institutions, facilitated by the Council, is preparing a set of collaborative proposals to the national Department of Homeland Security to create a "virtual laboratory" to address homeland security priorities. Federal funding in the amount $4.5 million will be available to support collaborative efforts including research, technology, and commercialization. This initiative will allow Kentucky to respond rapidly to federal funding opportunities.

Staff preparation by Linda H. Linville

NEW ITEM

Council on Postsecondary Education
May 24, 2004

2003-04 Agency Audit

The Council solicited bids for audit services for the 2003-04 agency audit. Council staff reviewed both bids that were received and, based on an internal evaluation, recommends Moore Stephens Potter, LLP.

Action: The staff recommends that the Council authorize the president to enter into a personal service contract with Moore Stephens Potter, LLP, to perform the Council's independent audit for fiscal year ending June 30, 2004, in the amount of $49,000.

The Council solicited bids, via a Request for Proposal, from independent accounting firms to perform a financial audit for fiscal year 2003-04, inclusive of all operating units and all sources of funds. Only two responses were received: Moore Stephens Potter, LLP, and Carpenter, Mountjoy, & Bressler. The firms quoted almost identical pricing proposals; therefore, cost became an insignificant point. However, based on the other specified evaluation criteria, the proposal by Moore Stephens Potter, LLP, (formerly Potter & Company) was evaluated to be superior to the other proposal and is therefore the recommended choice.

Moore Stephens Potter, LLP, has extensive experience with state agencies (including the Council for the past three years), higher education, and federal audits. The firm has highly qualified personnel in both the Lexington and Louisville offices who are knowledgeable in audits of governmental entities. The firm proposed a specific detailed plan of services, with appropriate estimates of time and completion dates, and a listing of work papers needed from the Council staff. The familiarity the firm already has with the Council will significantly reduce the amount of background work that would otherwise be needed, yielding a time savings and more productive fieldwork. Furthermore, previous performance of the Moore Stephens Potter firm has been satisfactory.

The cost of the audit proposed by Moore Stephens Potter, LLP, is $49,000. This amount is slightly less than the Council paid for the previous audit.

Staff preparation by Diann Donaldson and Sandra Woodley

Council on Postsecondary Education
May 24, 2004

Evaluation Committee Report

Ron Greenberg, chair of the president evaluation committee, will give a report on the annual evaluation of President Tom Layzell.

Staff preparation by Phyllis Bailey

Council on Postsecondary Education
May 24, 2004

Election of Council Chair and Vice Chair

John Hall, chair of the nominating committee, will present recommendations for Council chair and vice chair for the coming year. Those elected will serve from July 1, 2004, through June 30, 2005.

Staff preparation by Phyllis Bailey