AGENDA
Council on Postsecondary Education
May 22, 2006
10 a.m. (ET)
CPE Meeting Room A
Frankfort, Kentucky

CPE meeting materials are available on the Council Web site at http://cpe.ky.gov/about/cpe/meetings/.
CPE policy group meeting materials are available at http://cpe.ky.gov/committees/.

The Council Business

Other Business
Next Meeting – July 10, 2006
Adjournment

CPE meeting materials are available on the Council Web site at http://cpe.ky.gov/about/cpe/meetings/.
CPE policy group meeting materials are available at http://cpe.ky.gov/committees/.

The Council on Postsecondary Education met April 5, 2006, at 9 a.m. at the Council offices in Frankfort, Kentucky. Chair Greenberg presided.

ROLL CALL

The following members attended: Peggy Bertelsman, Bonita Black, Dan Flanagan, Ron Greenberg, Phyllis Maclin, Alois Moore, Ryan Quarles, Jim Skaggs, Joan Taylor, John Turner, and Mark Wattier. Walter Baker, Kevin Canafax, John Hall, and Gene Wilhoit did not attend.

APPROVAL OF MINUTES

The minutes of the March 24 Council meeting were approved as distributed.

2006-08 BUDGET UPDATE

Council president Tom Layzell said that the legislative conference committee has not completed its work on the 2006-08 budget. When available, the staff will provide an analysis of the funding recommended for postsecondary education.

TUITION AND FEE PROPOSALS – EKU, KSU, MuSU, NKU, UofL, WKU

Dr. Layzell presented the agenda items pertaining to the 2006-07 tuition and fee proposals for Eastern Kentucky University, Kentucky State University, Northern Kentucky University, University of Louisville, and Western Kentucky University.

Dr. Layzell said that Murray State University requested that action be taken on its 2006-07 proposal at the May Council meeting since its board had not yet acted on its proposal. Mr. Greenberg said that no exceptions should be requested from MuSU since all exceptions will be considered at this meeting. Tom Denton, MuSU Vice President for Finance and Administrative Services, confirmed that the MuSU proposal to be considered at the May meeting will include no exceptions to the Council's tuition policy. Later in the meeting, Dr. Denton requested that MuSU president Kern Alexander be allowed to make a presentation regarding tuition at a future Council meeting.

The tuition and fee proposals for the other institutions – Morehead State University, University of Kentucky, and the Kentucky Community and Technical College – were approved at the March 24 Council meeting.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for Eastern Kentucky University.

The EKU annual rates for full-time, resident undergraduates will increase from $4,660 to $5,192, an increase of $532 (11.4 percent). This increase is $1 less than the maximum parameter of $5,193. Nonresident rates will be $14,538, 2.8 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate. Revenue from tuition and fees is projected to increase from $74.8 million to $82.5 million or $7.7 million from 2006 to 2007. EKU is requesting an exception for nonresident students in targeted counties contiguous to Kentucky.

President Joanne Glasser addressed the needs of Eastern Kentucky University, its students, the region, and the Commonwealth. She said that this tuition increase is necessary so that EKU may continue to provide the high-quality educational services the EKU students need and deserve to preserve the integrity of an Eastern degree and to help meet the diverse needs of its primary service region. Given the fact that the EKU service region includes some of the poorest counties in Kentucky and the nation, EKU is especially sensitive to the financial burden postsecondary education places on many Kentucky families today. To ensure that EKU remains true to its heritage as a school of opportunity, EKU has set aside each of the past two years in its base budget $3 million for need-based financial aid. In addition to accessibility and affordability, EKU must be able to cover increases in fixed costs such as utilities, insurance, and employee benefits. It is critical that the institution be able to fund various academic initiatives to focus on the institution's academic quality as well as initiatives to improve retention and graduation rates.

President Glasser said that, as EKU developed its 2006-07 budget guidelines, based on this tuition increase and the anticipated increase in state appropriations, it gave careful consideration to the university's strategic plan as well as the objectives of HB 1 and the Public Agenda for postsecondary and adult education. The development of the budget involved the input and participation of all segments of the EKU campus, including faculty, staff, and students.

President Glasser pointed out that last year the EKU board approved a larger tuition increase of $400 per semester for 2006-07 at the time it set the 2005-06 tuition. That decision was made in part because of EKU's historical reluctance to raise tuition at the same rate

of other institutions. She said that the board felt that the increase was imperative to maintain and enhance academic quality, recruit and retain faculty, and deal adequately with aging facilities and infrastructure. She said that the board has expressed its displeasure with the fact that it is unable to move forward with its original two-year tuition plan. As a result of the cap imposed by CPE, EKU's gross tuition revenues will be $3.5 million less than they what would have been under the original board-approved tuition plan for 2006-07.

She said that this limits the institution's ability to fund a number of initiatives that would have otherwise been possible. President Glasser said that the tuition increase approved for 2006-07, together with the anticipated increase in state appropriations, will allow EKU to take some steps forward in academic programs and services, recruitment and retention of quality faculty and staff, and outreach services to the region and the Commonwealth, but with scarce resources to fund other initiatives.

Debbie Newsome, EKU Vice President for Financial Affairs, shared additional information concerning the EKU 2006-07 tuition rates.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for Kentucky State University.

The KSU annual rates for full-time, resident undergraduates will increase from $4,468 to $4,950, an increase of $482 (10.8 percent). This increase is $85 less than the maximum parameter. Nonresident rates will be $11,500, 2.32 times the rate charged to residents, which meets the Council's parameter. Revenue from tuition and fees is projected to increase from $13.4 million to $15.1 million or $1.7 million from 2006 to 2007. KSU indicated that the estimated increase in revenue is due to an increase in both tuition rates and enrollment. KSU is requesting no exceptions to the tuition policy.

President Mary Sias said that two student forums are scheduled in the near future. In addition, a number of campus forums will be held as the institution continues to prepare its final version of the budget to be presented to the KSU board at the end of April.

Dr. Layzell noted that the KSU SGA president spoke at the March 8

Council meeting and indicated that KSU students support the tuition proposal.

MOTION: Mr. Flanagan moved that the recommendation be approved. Mr. Quarles seconded the motion.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for Northern Kentucky University.

Under the NKU proposal, annual rates for full-time resident undergraduates will increase from $4,968 to $5,448, an increase of $480 (9.6 percent). This increase is $54 less than the maximum parameter. Nonresident rates will be $10,200, 1.87 times the rate charged to residents, which meets the Council's parameter. Revenue from tuition and fees is projected to increase from $81.7 million to $87.8 million or $6.2 million from 2006 to 2007. NKU is requesting an exception for nonresident students in the PACE (Program for Adult Centered Education) program.

President Jim Votruba said that about 30 percent of NKU's students generate about 44 percent of the institution's income. Like other institutions, NKU depends on that subsidy to augment its budget. Need-based financial aid is being increased by $250,000 and salaries are being increased by 3.5 percent. The campus involved various campus groups in the discussions about the tuition increase, including the Student Government Association and Faculty Senate.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for the University of Louisville.

Annual rates for full-time, resident undergraduates at UofL will increase from $5,532 to $6,252, an increase of $720 (13 percent). This increase is $132 less than the maximum parameter. Nonresident rates will be $16,072, 2.57 times the rate charged to residents, which meets the Council's parameter for nonresident rates. Revenue from tuition and fees is projected to increase from $125.9 million to $139.4 million or $13.5 million from 2006 to 2007. UofL requested no exceptions to the tuition policy.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve 2006-07 tuition rates for Western Kentucky University.

Annual rates for full-time, resident undergraduates at WKU will increase from $5,316 to $5,860, an increase of $544 (10.2 percent). This increase is equal to the parameter established by the Council. Nonresident rates will be $14,400, 2.46 times the rate charged to residents, which meets the Council's parameter for nonresident rates. Revenue from tuition and fees is projected to increase from $99.3 million to $111.9 million or $12.6 million from 2006 to 2007. WKU requested an exception for nonresident students covered by its tuition incentive program.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the Council approve tuition and fee exceptions for 2006-07 for Eastern Kentucky University, Morehead State University, KCTCS, Northern Kentucky University, and Western Kentucky University in order to extend current practice regarding selected nonresident populations pending further study.

Dr. Layzell said that nonresident tuition exceptions will be addressed again when tuition rates are considered for 2007-08 to determine if a uniform standard can be developed.

Eastern Kentucky University requested the nonresident rate be 1.59 times the resident rate for students in targeted counties in neighboring states. Based on 2005 enrollment, this exception will apply to 1,114 students. EKU said that the discounted rate is crucial to continue the recruitment and retention of students in these areas which contribute to campus diversity and bring high-performing students to Kentucky. If this exception is not approved, the tuition rate for EKU nonresident students from these counties will be the minimum rate allowable under the Council's parameters, 1.75 times the resident rate.

Morehead State University requested the nonresident rate be 1.25

times the resident rate for students in targeted counties in neighboring states and select urban areas. Based on 2005 enrollment, this exception will apply to 508 students.   MoSU said that the discounted rate is crucial to recruitment and retention of high-performing out-of-state students and also to the recruitment of minority students. If this exception is not approved, the tuition rate for MoSU nonresident students from contiguous counties and select urban areas will be the minimum rate allowable under the Council's parameters, 1.75 times the resident rate.

KCTCS requested that nonresidents in contiguous counties be charged 1.2 times the resident rate instead of the parameter of 1.75 times the resident rate. Based on 2005 enrollment, the exception will apply to 410 students. KCTCS said that a continuation of its current nonresident tuition structure will yield more tuition revenue than a strict adherence to the Council's parameter. The current nonresident tuition structure is 1.2 times the resident rate for students in contiguous counties and 3.0 times the resident rate for all other nonresident students. Twenty-five percent of all KCTCS nonresident students are from contiguous counties. If this exception is not approved, the tuition rate for KCTCS nonresident students from contiguous counties will be the minimum rate allowable under the Council's parameters, 1.75 times the resident rate or $191 per credit hour.

Northern Kentucky University requested that an exception be made for students in the PACE (Program for Adult Centered Education) program.   The PACE program is designed to serve adults who both live and work in Kentucky, live in Kentucky and work in Ohio or Indiana, or live in Ohio or Indiana but work in Kentucky. Students that live in Ohio or Indiana but work in Kentucky would be eligible for the discounted nonresident tuition proposed by NKU. This tuition rate would be 1.09 times the resident rate. This tuition rate is the product of a market analysis of similar programs within the region that suggested that a higher rate would price the program out of the market. Based on 2005 enrollment, this exception would impact 11 students.

Western Kentucky University requested that an exception be made to the tuition parameter in order to continue the practice of charging students from select counties in Tennessee (18 counties) and Indiana (15 counties), international students, and students from select urban areas at a rate that is 1.25 times the resident rate.   WKU argued that this exception is necessary to recruit the best and brightest to Kentucky and to promote diversity on campus. WKU also states that many of

these students stay and all contribute to the economic prosperity and intellectual capital of the community and state. Based on 2005 enrollment, 1,333 students would fall under this exception.

MOTION: Ms. Bertelsman moved that the exceptions for EKU, Morehead, KCTCS, NKU, and WKU for 2006-07 be approved. Ms. Maclin seconded the motion.

VOTE: The motion passed.

Ms. Bertelsman requested that all institutions provide an analysis of what happens to nonresident students educated in Kentucky when exceptions are again considered by the Council.

Dr. Layzell said that there are gaps in institutional information systems that make it difficult to separate resident and nonresident students and then to trace their continued presence or lack thereof in the state of Kentucky. This data is important now and in the future given the 2020 educational attainment projections and the obvious need to retain Kentucky graduates and to import people from out of state with necessary educational qualifications. Dr. Layzell said that the information systems will be improved and the staff will update the migration study that was last done about five years ago.

President Sias said that it is important to develop common measures in order to compare data for all institutions. She said that KSU will do further analysis on its nonresident enrollment and may come back with an exception when the 2007-08 tuition rates are considered.

President Votruba said that it is important to look at each institution because the factors that influence the setting of tuition vary greatly for each institution.

WKU president Gary Ransdell requested that the Council review the institutions' reciprocity agreements.

FUNDING POLICY DEVELOPMENT

Mr. Greenberg said that the Council has put together a list of policy issues for future funding models. The institutions have been asked to provide input. The Council staff will schedule a series of meetings to discuss each of these policy issues. The members of the Strategic Committee on Postsecondary Education (SCOPE) will be invited to attend these meetings to participate in discussions on each of these policy issues. These issues will form the framework for a funding model. Mr. Greenberg said that the Council hopes to develop a better funding model for the future that will provide the right guidance

to the executive and legislative branches so that in the future the budget recommendations of the Council and the executive and legislative branches will be better aligned.

NEXT MEETING   The next Council meeting is May 22, 2006.

ADJOURNMENT   The meeting adjourned at 10:10 a.m.

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Thomas D. Layzell
President

_____
Phyllis L. Bailey
Senior Associate, Executive Relations

Data Policy

On March 21, 2005, the Council approved a data access policy that detailed the procedures to follow in protecting and sharing confidential information from the Council's comprehensive database. On July 11, 2005, the Council received a copy of a letter written to Western Kentucky University by the Office of Family Compliance (OFC) in the U.S. Department of Education; that letter questioned some of the provisions of the data access policy. The attached revision of the policy brings the Council into compliance with federal law.

ACTION: The staff recommends that the Council approve the attached data policy.

The Family Educational Rights and Privacy Act, commonly called FERPA, protects personally identifiable student information. Institutions are not permitted to disclose personally identifiable information without the express consent of a student or parent of a minor student to individuals or organizations except under conditions and rules contained in federal law, 20 U.S.C. 1232g and applicable federal regulations 34 CFR Part 99. One of the exceptions to the nondisclosure rule is that personally identifiable information may be released to "state and local educational authorities" for the purpose of auditing or evaluating postsecondary education programs. The Council is a state educational authority. FERPA rules for the protection of personally identifiable information apply equally to institutions that originate data and information and to state and local authorities such as the Council that receive information from institutions.

On March 21, 2005, the Council staff requested that the Council approve a data access policy that articulated agency practices in regard to the protection of personally identifiable information. The policy contained language detailing the circumstances under which the Council would share such information with third parties including other state educational authorities and third-party researchers.

On July 11, 2005, the Council staff received a copy of a letter addressed to Ms. Deborah Wilkins, general counsel at Western Kentucky University. The letter was from the FERPA enforcement office, the Office of Family Compliance (OFC) in the U.S. Department of Education, and responded to a request for guidance letter sent by WKU in November 2004 to the OFC. Institutions and state and local educational authorities, as well as individuals and other interested parties, may request from OFC guidance concerning different aspects of

FERPA. WKU requested guidance on the Council's stated intention to collect from the public universities end-of-term grades of students for each semester. The Council had first informed institutions of its intention to collect end-of-term grades for the purpose of analyzing predictors of student success in 2001. Eastern Kentucky University also had sent a request for guidance letter to the OFC in 2001.

The July 11, 2005, guidance letter from the OFC stated:

- The Council is a state educational authority within the meaning of FERPA and therefore is entitled to receive and use personally identifiable information on Kentucky students without prior consent of the students or parents of minor students.

- The collection of end-of-term grades is permissible and the Council's stated purpose in collecting this information is sufficient to justify the collection.

- The Council's data policy includes provisions for "using and redisclosing" information that fail to comply with FERPA.

- The Council may not provide student specific information provided by one institution to another institution (e.g., information on the success of transfer students at an institution may not be given to the institution the student transferred from).

- Institutions are the responsible parties for FERPA compliance and therefore should not disclose personally identifiable information to the Council "without assurances that CPE will not redisclose information in personally identifiable form except in accordance with FERPA requirements."

FERPA protections extend to data and information under the control of the Council. Further, the standard safeguards for protecting information and for complying with the provisions of FERPA apply to, and are observed by, the Council. The revised data policy does a number of things—eliminates the provision for sharing of personally identifiable information that was objectionable to the OFC, clearly states that sharing of personally identifiable information will conform to FERPA, and addresses the requirements for matching data with other state agencies for the purpose of evaluation of state and federal programs.

The institutions and the Council staff agree on the majority of the changes proposed to the data policy. The one remaining issue concerns the matching of data maintained by the Council with data maintained by other state agencies. The Council needs to share information with the Kentucky Department of Education and KHEAA, to name two agencies, for the purpose of matching individual student records, and thereby identify the group to be analyzed. This will allow the Council staff to develop information on student success across the P-16 system, study student transfer patterns, and track alumni. The Council may contract with firms to perform some of the matching functions required across data systems. In these instances, the sharing of information solely is for the purpose of conducting a match of

records. The Council does not intend to publish personally identifiable information or to make personally identifiable information available to other state educational authorities for their use. OFC allows such matching of student records across agency lines where the educational authority, in this case the Council, maintains an active participation in and effective control of the matching process so that there is no disclosure to other officials.

The OFC, in a letter to Chief State School Officers January 30, 2003, provided guidance on the requirements of such matching across agencies by saying in part:

> We conclude, therefore, that for the purposes of FERPA an 'authorized representative' of a state educational authority must be under the direct control of that authority, e.g., an employee or a contractor of the authority. Thus, the state educational authority could not, for example, designate a state department of labor to perform an audit or evaluation because the department of labor is not under the educational agency's direct control.

The guidance letter goes on to say that:

> Regarding the collection of data, a State educational authority that maintains the student records should conduct, oversee, or participate directly in the computer match to ensure that it is carried out consistent with FERPA requirements. Even if the computer match cannot be effected in a State educational authority's own facilities, the State educational authority is responsible for ensuring that any disclosure of education records of students to carry out an evaluation on its behalf complies with FERPA, and should maintain oversight and direction of the matching process. This is because FERPA requires that the information collected be protected in a manner that does not permit personal identification of individuals by anyone except the officials of the State educational authority and must be destroyed when no longer needed for the purposes listed in 34 CFR § 99.35(a).

The letter goes on to say that information that is effectively under the control of the state educational authority is not in effect disclosed to an outside entity and thus does not violate FERPA.

The data policy has been amended to ensure that it is clear that personally identifiable information provided to the Council will be under the control of the Council at all times, and that personally identifiable information matched at another location will not be disclosed to any person outside the Council.

The revision to the data policy to bring it into compliance with the OFC guidance and FERPA is the final step that needs to be taken before the Council staff can proceed with the collection of end-of-term grades.

The Council operates the Kentucky Adult Education program and thus has a different status than a state educational authority. In regard to KYAE, the Council is an educational agency. The same is true for the KYVU and the KYVL where information is originally gathered from students and is not collected from institutions. A separate data policy will be advanced at a later date for these areas.

Staff preparation by Dennis L. Taulbee

Council on Postsecondary Education
Data Policy—Institutional Data

Section 1: Purpose

This policy establishes the principles and practices related to collection, maintenance, use, analysis, and dissemination of data and information collected and maintained through the Kentucky Council on Postsecondary Education (CPE) comprehensive database system.

Section 2: Statutory Authority

KRS 164.020, KRS 164.095, and KRS 164.283

Section 3: Background

The CPE maintains and manages a unit record database containing public and private higher education institutional data used by the CPE for state and federal reporting, policy analysis, and decision-making. This database is referred to as the comprehensive database system.

The data and information collected through the comprehensive database system are used in support of improvements to instruction and to evaluate and measure performance within the system, all in support of postsecondary education reform. The data and information collected also is part of a comprehensive accountability system that the CPE is required to develop and maintain by KRS 164.020 and KRS 164.095.

The CPE protects all data and information in accordance with the Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 1232g, et. seq. and applicable state laws. Where the data collected contain individual data on students, it is subject to both privacy and confidentiality procedures.

Section 4: Definitions

A.   "Confidentiality" means how personally identifiable information collected by an authorized agency is protected and when consent by the individual is required.

B.   "Council," "Council on Postsecondary Education," or "CPE" refers both to the agency established in KRS 164.011, to the staff of the agency employed pursuant to KRS 164.013, and to agency representatives who are employed by the CPE and who are under the direct control of the agency.

C.   "Directory information" means information contained in an education record which would not generally be considered harmful or an invasion of privacy if disclosed to the public. The definition of directory information shall be specific to each institution.

D. "Education records" means those records directly related to a student and maintained by an educational agency or institution.

E. "Family Educational Rights and Privacy Act or FERPA" means the federal law codified at 20 U.S.C. 1232g and its implementing regulations found in 34 C.F.R. Part 99.

F. "Legitimate educational interest," for purposes of this policy, is an endeavor that furthers the understanding of educational practices, methods, and/or theory through formal, accepted research practice.

G. "Personally identifiable information" means information contained in an education record such as a personal identifier, characteristic, or other information that would make a student's identity easily traceable.

H. "Privacy" means the right of an individual to have personal information adequately protected to avoid the potential for substantial harm, embarrassment, inconvenience, or unfairness.

I. "Research" means a formal investigation designed to develop or contribute to general knowledge.

J. "State and local education authority" means an agency or other party with educational expertise and experience that is responsible for and authorized under state or local law to regulate, plan, coordinate, advise, supervise, or evaluate elementary, secondary, or postsecondary education programs, services, agencies, or institutions in the state.

K. "Third party" is a party other than the institution who provided the data to the CPE.

Section 5: Policy

A.   General

1. This policy shall apply to all data and information created, collected, and maintained by or for the CPE, whether in electronic, paper, or other format.

2. The CPE is authorized by KRS 164.020(6) and (26) and KRS 164.095 to perform research on postsecondary education related issues, to maintain an accountability system, and to evaluate the performance of institutions in regard to the goals of the *Kentucky Postsecondary Education Improvement Act of 1997* and the strategic agenda.

3. Data collected and maintained by the CPE shall be managed in a manner that supports the improvement of education in Kentucky consistent with the goals of the *Kentucky Postsecondary Education Improvement Act of 1997* and the *Adult Education Act of 2000*. The CPE shall promote access to and dissemination of nonpersonally identifiable information that improves the education-related decisions of parents, teachers, administrators, policymakers, and educational stakeholders as well as the general public.

4. Where access to personally identifiable information is restricted by federal and state law, the information shall be processed (e.g., aggregated, summarized, or characterized) to provide access while meeting the requirements for restriction.

5. This policy will adhere to restrictions on the releases of personally identifiable information identified in the FERPA, 20 U.S.C. 1232g, and KRS 164.283.

6. The CPE shall ensure that data and information remain at all times under the direction and control of the CPE, that personally identifiable information is not disclosed to officials other than the CPE staff or contractors assigned to a project, and that all information is destroyed when there is no longer a need for the data for the purpose outlined.

7. Data access provisions may change if mandated by federal statute, state law, or administrative rules, where those changes are not in conflict with FERPA. The CPE may, at its discretion, propose changes in the data policy but the new rules shall not apply to data or information collected under the old policy unless proper notice has been given.

B.   Security Requirements

1. Security includes measures to ensure that records are not lost, stolen, vandalized, illegally accessed, or otherwise rendered useless. Since the data are stored on computers, it is essential that there be a high level of protection that provides integrity and availability commensurate with the level of risk and magnitude of harm.

2. Data, copies of data, and all reports containing personally identifiable information shall be maintained in a secure environment to prevent unauthorized access. A secure environment includes any electronic media, personal computer, server, or network on which the data reside.

3. The CPE shall use encryption or other best practices when using personally identifiable information, and shall require institutions to use encryption or other best practices when transferring personally identifiable information to the CPE.

4. Private or confidential data on an individual shall not be created, collected, stored, used, maintained, or disseminated for any purpose other than for the stated purpose.

5. Disclosure in summary reports is designed to protect an individual's identity. The Council will establish a cell size standard for reporting of data when it is necessary to keep an individual from being identified.

6. Private or confidential data will not be released to the public, to a third party, nor to provider institutions except as provided for in 34 C.F.R. § 99.31 or to authorized staff of the postsecondary education institution who released the data to the CPE.

C. **Requests by Individuals to Examine Their Personal Data**

1. Upon request of individuals under Section 552a(f)(1) of the Privacy Act of 1974 or 34 CFR, Section 99.20 of FERPA to gain access to their records contained in the CPE comprehensive database system, the CPE will provide a copy of all or any portion in a comprehensible form and will consider requests, in consultation with the appropriate institution, to amend the record.

2. Individuals or groups requesting directory information contained in data files provided by institutions will be directed to the respective institution.

Certification: _____
              Thomas D. Layzell

Original Approval: ____March 21, 2005_____

Amended: _____

Council on Postsecondary Education
Data Policy—Institutional Data

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The data and information collected through the comprehensive database system are used in support of improvements to instruction and to evaluate and measure performance within the system, all in support of postsecondary education reform. The data and information collected also is part of a comprehensive accountability system that the CPE is required to develop and maintain by KRS 164.020 and KRS 164.095.

The CPE protects all data and information in accordance with the Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 1232g, et. seq. and applicable state laws. Where the data collected contain individual data on students, it is subject to both privacy and confidentiality procedures.

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C.   "Directory information" means information contained in an education record which would not generally be considered harmful or an invasion of privacy if disclosed to the public. The definition of directory information shall be specific to each institution.

D.   "Education records" means those records directly related to a student and maintained by an educational agency or institution.

E.   "Family Educational Rights and Privacy Act or FERPA" means the federal law codified at 20 U.S.C. 1232g and its implementing regulations found in 34 C.F.R. Part 99.

F.   "Legitimate educational interest," for purposes of this policy, is an endeavor that furthers the understanding of educational practices, methods, and/or theory through formal, accepted research practice.

G.   "Personally identifiable information" means information contained in an education record such as a personal identifier, characteristic, or other information that would make a student's identity easily traceable.

H.   "Privacy" means the right of an individual to have personal information adequately protected to avoid the potential for substantial harm, embarrassment, inconvenience, or unfairness.

I.   "Research" means a formal investigation designed to develop or contribute to general knowledge.

J.   "State and local education authority" means an agency or other party with educational expertise and experience that is responsible for and authorized under state or local law to regulate, plan, coordinate, advise, supervise, or evaluate elementary, secondary, or postsecondary education programs, services, agencies, or institutions in the state.

K.   "Third party" is a party other than the institution who provided the data to the CPE.

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3. Data collected and maintained by the CPE shall be managed in a manner that supports the improvement of education in Kentucky consistent with the goals of the *Kentucky Postsecondary Education Improvement Act of 1997* and the *Adult Education Act of 2000*. The CPE shall promote access to and dissemination of nonpersonally identifiable information that improves the education-related decisions of parents, teachers, administrators, policymakers, and educational stakeholders as well as the general public.

4. Where access to personally identifiable information is restricted by federal and state law, the information shall be processed (e.g., aggregated, summarized, or characterized) to provide access while meeting the requirements for restriction.

5. This policy will adhere to restrictions on the releases of personally identifiable information identified in the FERPA, 20 U.S.C. 1232g, and KRS 164.283.

6. The CPE shall ensure that data and information remain at all times under the direction and control of the CPE, that personally identifiable information is not disclosed to officials other than the CPE staff or contractors assigned to a project, and that all information is destroyed when there is no longer a need for the data for the purpose outlined.

7. Data access provisions may change if mandated by federal statute, state law, or administrative rules, where those changes are not in conflict with FERPA. The CPE may, at its discretion, propose changes in the data policy but the new rules shall not apply to data or information collected under the old policy unless proper notice has been given.

B. **Security Requirements**

1. Security includes measures to ensure that records are not lost, stolen, vandalized, illegally accessed, or otherwise rendered useless. Since the data are stored on computers, it is essential that there be a high level of protection that provides integrity and availability commensurate with the level of risk and magnitude of harm.

2. Data, copies of data, and all reports containing personally identifiable information shall be maintained in a secure environment to prevent unauthorized access. A secure environment includes any electronic media, personal computer, server, or network on which the data reside.

3. The CPE shall use encryption or other best practices when using personally identifiable information, and shall require institutions to use encryption or other best practices when transferring personally identifiable information to the CPE.

4. Private or confidential data on an individual shall not be created, collected, stored, used, maintained, or disseminated for any purpose other than for the stated purpose.

5. Disclosure in summary reports is designed to protect an individual's identity. The Council will establish a cell size standard for reporting of data when it is necessary to keep an individual from being identified.

6. Private or confidential data will not be released to the public, to a third party, nor to provider institutions except as provided for in 34 C.F.R. § 99.31 or to authorized staff of the postsecondary education institution who released the data to the CPE.

C.   Requests by Individuals to Examine Their Personal Data

1. Upon request of individuals under Section 552a(f)(1) of the Privacy Act of 1974 or 34 CFR, Section 99.20 of FERPA to gain access to their records contained in the CPE comprehensive database system, the CPE will provide a copy of all or any portion in a comprehensible form and will consider requests, in consultation with the appropriate institution, to amend the record.

2. Individuals or groups requesting directory information contained in data files provided by institutions will be directed to the respective institution.

Certification: _____
                        Thomas D. Layzell

Original Approval: _____March 21, 2005_____

Amended: _____May 22, 2006_____

Legislative Summary
2006 Kentucky General Assembly

This is a report on nonbudget actions related to postsecondary education resulting from the 2006 legislative session.

SB 83 – Postsecondary institution capital construction projects
Sponsor – Senator Jack Westwood
March 30 – signed by Governor (Acts Ch. 93)

- Increases the threshold for force accounts from $100,000 to $200,000.
- Provides an inflationary index that increases the threshold (unchanged since 1994) to today's standards.
- Allows institutions to implement projects at a level that is already given to other agencies of state government.

SB 84 – State capital construction projects
Sponsor – Senator Jack Westwood
April 21 – signed by Governor (Acts Ch. 199)

- Increases threshold for capital projects from $400,000 to $600,000, capital equipment from $100,000 to $200,000, and information technology systems from $400,000 to $600,000.
- Reduces the number of projects that are listed in the budget of the Commonwealth and provides additional flexibility for institutions to address small projects during the interim when the General Assembly is not in session.

SB 98 – Administrative regulations
Sponsor – Senator Vernie McGaha
April 21 – signed by Governor (Acts Ch. 197)

- Requires an administrative body which promulgates an administrative regulation relating to any aspect of state or local government to consider costs to the state or local government.

SB 105 – Education Cabinet Reorganization
Sponsor – Senator Dan Kelly
April 21 – signed by Governor (Acts Ch. 211)

- Codifies Governor Fletcher's 2005 Executive Order that moves the Council on Postsecondary Education, the Department of Education, and the Education Professional Standards Board within the Education Cabinet, and establishes the Department of Adult Education as an operating unit within the Council on Postsecondary Education.
- Clarifies that the agencies be governed by their respective substantive statutory chapters.

SB 130 – High School ACT Testing
Sponsor – Senator Dan Kelly
April 22 – signed by Governor (Acts Ch. 227)

- Requires that no later than 2007-2008 the assessment program under the Commonwealth Accountability Testing System (CATS) include a high school readiness exam to assess English, reading, mathematics, and science in grade 8; a college readiness examination to assess English, reading, mathematics, and science in grade 10; the ACT examination in English, reading, mathematics, and science in grade 11; and any other component necessary to comply with the federal No Child Left Behind Act.
- Permits students in grades 10, 11, or 12 to take the WorkKeys assessments in reading for information, locating information, and applied mathematics with the initial cost to be paid by the Kentucky Department of Education. Requires the issuance of Kentucky Employability Certificates to students meeting the WorkKeys threshold established by the Cabinet for Workforce Development.
- Requires a high school to offer students the opportunity to participate in a remedial program and to have intervention strategies for accelerated learning if they receive a score on the ACT in English, reading, or mathematics below the systemwide standard established by the Council on Postsecondary Education for entry into a credit-bearing course at a public postsecondary institution.
- Requires the Kentucky Department of Education, the Council on Postsecondary Education, and the public universities to provide technical assistance to schools and school districts in the development of remediation programs.

SB 171 – Statewide Mapping of Public Facilities
Sponsor – Senator Julie Denton
April 22 – signed by Governor (Acts Ch. 223)

- Requires the Commonwealth Office of Technology, to the extent money is available, to establish a statewide planning and mapping system for public buildings for use by response agencies that are called to respond to an act of terrorism or an emergency.
- Specifies that planning and mapping includes floor plans, fire protection information, building evacuation plans, utility information, known hazards, and information on how to contact emergency personnel, other guidelines and conditions for implementation and transfer of data, and training.

- To the extent funding is available, requires state agencies and political subdivisions to participate in the mapping system and to provide specified information for inclusion in the system.
- Allows state agencies or political subdivisions that have their own mapping systems to continue to use them unless money is made available for updates or modifications as necessary for inclusion in the statewide system.

HB 3 – Sex Offenses
Sponsor – Representative Joni Jenkins
April 18 – signed by Governor (Acts Ch. 182)

- Requires all initial hires at public institutions of postsecondary education to submit to state and national criminal history background checks. The institutions may require the applicants to bear the cost of the background checks.
- Specifies that the institutions may require a criminal history background check on contractors, employees of contractors, or volunteers for the institution or a program of the institution.
- Allows the institutions to deny employment, prohibit volunteering, or restrict access to the campus if the results of the criminal history background check show that the applicant, contractor, or their employee, volunteer, or visitor has been convicted of, pled guilty to, or entered an Alford plea to a sex crime as specified in KRS 17.500 or a violent offense as specified in KRS 439.3401.
- Requires all employment applications and renewal forms at public postsecondary institutions to prominently state that a national and state criminal background check is required as a condition of employment.
- Clarifies that institutions have the discretion of terminating the employment of any employee if convicted of, pleads guilty to, enters an Alford plea to, or is adjudicated guilty of an offense specified in subsection three of the legislation.
- States that a private college or university located in the Commonwealth may utilize at its discretion any of the provisions of this section, providing that it does so in a written institutional document.

HB 80 – Students Called to Military Duty
Sponsor – Representative Mike Denham
March15 – signed by Governor (Acts Ch. 19)

- Requires that a student called to federal military active duty receive credit for academic work and reasonable time to make up missed work.

HB 197 – End of Course Examinations
Sponsor – Representative Jon Draud
April 4 – signed by Governor (Acts Ch. 119)

- Requires the Kentucky Department of Education to begin developing end-of-course examinations in Algebra I, Algebra II, and Geometry. Requires the department to ensure that each test aligns with the standards, content, goals, and academic expectations for the course.
- Requires content teachers in the core courses and postsecondary faculty (including both subject matter specialists and teacher educators) to be involved in the development and review of items, with the majority to be content teachers in the core courses.
- Requires the initial test to be available and piloted in selected school districts no later than the end of the 2007-08 school year.

HB 555 – Teacher Retirement
Sponsor – Representative Frank Rasche
April 21 – signed by Governor (Acts Ch. 189)

- Allows the cost of providing the transitional funding for the state medical insurance fund stabilization contribution to be funded by annual appropriations from the state on an amortized basis.
- Requires the teacher retirement system to study pension obligation bonds.
- Provides an ad hoc and cost-of-living increase of 2.3 percent for the 2006-07 fiscal year and an ad hoc and cost-of-living increase of 2.1 percent for the 2007-08 fiscal year.
- Permits retirees who became eligible for disability retirement before July 1, 2002, to accrue income up to $40,000, rather than $27,000.

HJR 14 – Education Leadership
Sponsor – Representative Jon Draud
April 5 – signed by Governor (Acts Ch. 174)

- Requires the Executive Director of the Education Professional Standards Board, with the cooperation of the Commissioner of Education and the President of the CPE, to establish an interagency task force to coordinate the redesign of education leadership programs.
- Requires the interagency task force to provide a progress report to the Interim Joint Committee on Education by October 1, 2007, and as requested thereafter.

HJR 145 – Constitution and Democratic Process Education
Sponsor – Representative Jon Draud
April 5 – signed by Governor (Acts Ch. 174)

- Directs the CPE, KDE, and other P-16 partners to develop strategies and a timeline for improving Kentucky students' knowledge and understanding of the Constitution of the United States and the democratic processes.

- Requires a final report be submitted to the Interim Joint Committee on Education by August 1, 2007, and requires filing a draft implementation plan with the committee by December 1, 2007.

HR 159 – Education about the Holocaust
Sponsor – Representative Kathy Stein
March 8 – adopted by voice vote

- Encourages Kentucky postsecondary institutions to provide assistance to schools and teachers in developing, identifying, and disseminating age-appropriate classroom materials relating to the Holocaust.

HCR 287 – CPE Confirmation
Sponsor – Representative Frank Rasche
April 21 – signed by Governor (Acts Ch. 202)

- Confirms Jim Skaggs to the Council on Postsecondary Education.

HR 315 – Postsecondary Scholarships
Sponsor – Representative Tanya Pullin
April 11 – introduced in House; adopted by voice vote

- Encourages public universities in the Commonwealth to recruit and offer scholarships to athletically and academically gifted students from Kentucky.

HR 323 – KEES
Sponsor – Representative Tanya Pullin
April 11 – introduced in House; adopted by voice vote

- Encourages KHEAA to study the impact of permitting students to use KEES awards at out-of-state institutions having reciprocal in-state tuition agreements with Kentucky colleges and universities.

Bills of interest that did not pass:

- HB 15 - Requires the University of Kentucky's football team to play the University of Louisville's team in the first game of the football season.

- HB 20 - Requires public postsecondary institutions to reimburse the eligible dependents of disabled or deceased veterans if the request for reimbursement is made within eight years of the date of the last fee paid.

- HB 26 - Requires that the minimum qualifications for admission to a public postsecondary institution shall require a person to be a U.S. citizen, national, or permanent resident, or

Bills of interest that did not pass (continued):

meet other specified requirements. These requirements also apply to student aid eligibility.

- HB 39 - Directs the Council on Postsecondary Education to require a student who pays in-state tuition to prove legal residency in Kentucky and the U.S.

- HB 64 - Exempts educational institutions from paying prevailing wages on construction projects.

- HB 66 and HB 400 - Changes the process and requirements for approval of contracts.

- HB 71 - Allows Kentucky students attending postsecondary programs in contiguous states through Academic Common Market agreements to receive KEES awards.

- HB 75 - Allows universities to issue agency revenue bonds (auxiliary or hospital) if authorized by the General Assembly.

- HB 123 - Requires that 62 percent of general fund resources be used in support of education, including early childhood education, elementary and secondary education, postsecondary education, and adult education.

- HB 147 - Provides Kentucky residents married to members of the Kentucky National Guard, United States Armed Forces, or United States Armed Forces Reserve with free tuition (limited to 36 months) to any state-supported institution of postsecondary education.

- HB 156 and SB 8 - Makes forgery of an academic degree a Class D felony.

- HB 167 - Exempts a student at a state-supported institution of postsecondary education from payment of tuition and fees if he/she is a family member of a veteran with a 70 percent or greater service-connected disability.

- HB 182 - Requires certain emergency services personnel and devices for all physical fitness facilities; sets penalties for failure to comply.

- HB 185 - Gives preference to Kentucky small businesses in government contracts.

- HB 257 - Prohibits registered sex offenders from residing within 1,000 feet of a postsecondary education institution, private college, or university.

- HB 312 - Provides a tax credit for public school teachers for student loan payments; caps credit at $300.

Bills of interest that did not pass (continued):

- HB 346 and SB 7 - Authorizes gambling at horse racing tracks and casinos; requires that 40 percent of the gaming funds be dispersed to the Department of Education and the Council on Postsecondary Education.

- HB 352 - Establishes a goal to reduce the postsecondary remediation rate for recent high school graduates in Kentucky by 50 percent by 2011-12 and requires KDE and CPE to develop and implement a remediation reporting system.

- HB 399 - Prohibits sex-based wage discrimination on jobs of comparable worth.

- HB 441 - Permits the Kentucky Higher Education Assistance Authority to offer one-time grants up to $500 per academic year to independent financially needy Kentucky undergraduates enrolled on a less-than-half-time basis.

- HB 467 - Establishes collective bargaining for public employees at the state and local level.

- HB 477 - Establishes the Kentucky Cardiovascular Disease Initiative (KCDI) with the CPE chair serving as KCDI chair for the first year. The University of Kentucky, the University of Louisville, the comprehensive universities, and KCTCS also will have members on the KCDI.

- HB 525 - Requires the University of Louisville and the University of Kentucky to jointly establish and maintain a cancer tissue registry for cancer tissue donation for research purposes; specifies that cancer research associated with the registry shall not include stem cell research.

- HB 551 - Increases the threshold score on the ACT from 15 to 18 or above to be eligible for a KEES supplemental award; clarifies that KEES award eligibility terminates upon the expiration of five years following a student obtaining a GED.

- HB 602 - Clarifies that a faculty member of a public postsecondary governing board may vote on the compensation of the president, administrative leadership, and groups of faculty and staff.

- HB 671 - Creates the Kentucky Bioscience Development and Investment Fund for the promotion of bioscience research and related industries and commercial enterprises.

- HB 726 - Allows coal and mineral mining planning and activities in UK's E.O. Robinson Forest; royalties and other income from mining would be apportioned between the Robinson Agricultural Experiment Station (10 percent), the Robinson Scholars program (40 percent), and the University of Kentucky for research (50 percent).

Bills of interest that did not pass (continued):

- HB 740 - Allows a student to be eligible for a KEES award if he or she is enrolled at an out-of-state institution in a degree program in a field of study that is not available at a participating institution in Kentucky and is offered through the Academic Common Market. If a degree program in a field of study is not available at a Kentucky institution or through the Academic Common Market, a student enrolled in that field of study at any out-of state institution shall be eligible to receive a KEES award.

- HRC 9 - Calls for the Legislative Research Commission to study the cost of college textbooks and related instructional supplements.

- SB 115 - Requires KDE to establish a high school government and civics education pilot program and study and to select a university to develop the course curriculum, develop and implement professional development opportunities, and conduct a research evaluation of the pilot program.

- SB 149 - Requires colleges or schools of medicine, nursing, podiatry, pharmacy, chiropractics, and dentistry to include instruction in cultural competence in the curriculum.

- SB 227 - Allows an accredited college or university that offers the Marine Option Naval ROTC four-year program to be considered a "participating institution" for the purposes of KEES awards; allows a student enrolled at an accredited college or university and a participant in the Marine Option Naval ROTC four-year program to be eligible to receive a KEES award.

- SB 258 - Establishes the Kentucky Sports Agent Licensing Authority to regulate athlete agents. Broadens the definitions of "athlete agent" and "student athlete."

- Several bills related to embryonic and adult stem cell research were introduced but not heard.

2006-08 Budget Update

A summary of the enacted budget is provided in the following attachments:

      Attachments A and B - Operating funding for postsecondary education
      Attachments C and D - Capital funding for postsecondary education

The following is a summary of the major components of the enacted budget:

Council Agency Budget:

- Adult Education received an increase of $1 million in 2007 and an additional $2 million in 2008.
- The enacted budget added funding for the following statewide initiatives:
  - ➢ Contract Spaces
  - ➢ College Level Learning Assessment
  - ➢ College Access Initiative
  - ➢ Academic Innovation & Collaborative Grants
  - ➢ P-16 Engineering Pipeline
  - ➢ Collaborative Public Health Initiative
  - ➢ Faculty Development
  - ➢ Interlibrary Loan Services (KYVL)
  - ➢ Kentucky Postsecondary Education Network (KPEN)
  - ➢ KYVU/VL Databases
  - ➢ Minority Student College Preparation Program
  - ➢ SREB Minority Doctoral Scholars Program
  - ➢ Principal Leadership Institute

Institutional Funding:

- Base funding increases to the institutions of $88 million over the biennium ($20 million in 2007 and $68 million in 2008).
- Performance funding of $1 million in 2008.
- Regional stewardship funding (comprehensive institutions) of $1.2 million in 2007 and an additional $2.4 million in 2008.
- Research support for UK and UofL of $1.5 million in 2007 and an additional $1.5 million in 2008.
- Workforce development/transfer funding for KCTCS of $300,000 in 2007 and an additional $900,000 in 2008.

Capital Budget:

1. **Total State Bond Authority and Debt Service**
    - The enacted budget provided $480 million in state bonds compared to $507.1 million as recommended by the Council.
    - The enacted budget provided $22.5 million for debt service (23 projects, combination ½ year and full year debt service) compared to $55.6 million recommended by the Council (full-year debt service for 22 projects).

2. **Projects Recommended by the Council**
    - Nine of the 22 projects recommended by the Council are not in the enacted budget (HB 380).
    - Ten of the 23 projects included in the enacted budget (HB 380) were not recommended by the Council.

Vetoes:

- The Governor vetoed $108 million of state bond projects / pools and $204 million of agency bond projects.
- The Governor also vetoed language specifying the distribution of Regional Stewardship Program funds among institutions. Funding for the program was not vetoed.

Staff preparation by Sandra Woodley, Sherron Jackson, and Jonathan Pruitt

Analysis of HB 380
Additional State General Fund Appropriations

	Enacted FY 2005-06 Base	FY 2006-07 Increase			FY 2007-08 Increase			FY 2006-08 Biennial Increase		
		Council Recommendation	Enacted Budget	Percent of CPE Request	Council Recommendation	Enacted Budget	Percent of CPE Request	Council Recommendation	Enacted Budget	Percent of CPE Request
Base Funding (See Note)										
UK	$ 306,341,800	$ 13,722,200	$ 4,603,500	34%	$ 13,624,400	$ 20,875,700	153%	$ 27,346,600	$ 25,479,200	93%
UofL	154,434,900	13,491,900	3,390,600	25%	14,064,800	10,446,800	74%	27,556,700	13,837,400	50%
EKU	73,622,800	3,902,700	1,271,000	33%	3,902,700	4,867,600	125%	7,805,400	6,138,600	79%
KSU	24,374,800	1,440,400	1,733,700	120%	480,100	833,200	174%	1,920,500	2,566,900	134%
MOSU	43,428,300	2,171,400	624,800	29%	2,171,400	4,149,000	191%	4,342,800	4,773,800	110%
MUSU	52,744,600	2,581,500	624,900	24%	2,578,300	2,699,200	105%	5,159,800	3,324,100	64%
NKU	46,601,800	5,586,800	1,260,700	23%	5,586,800	5,737,000	103%	11,173,600	6,997,700	63%
WKU	74,836,600	6,861,700	1,716,600	25%	6,861,700	5,762,400	84%	13,723,400	7,479,000	54%
KCTCS	201,776,300	19,552,100	5,050,500	26%	19,552,100	12,704,300	65%	39,104,200	17,754,800	45%
Total Institutional Base Funding	**978,161,900**	**69,310,700**	**20,276,300**	**29%**	**68,822,300**	**68,075,200**	**99%**	**138,133,000**	**88,351,500**	**64%**
Specific Institutional Funding	-	-	8,900,000		-	1,750,000		-	10,650,000	
Performance Funding	-	-	-		3,500,000	1,000,000	29%	3,500,000	1,000,000	29%
Council Operations	10,844,700	2,841,800	(249,000)	-9%	489,500	394,000	80%	3,331,300	145,000	4%
Adult Education	22,026,000	4,000,000	1,000,000	25%	2,000,000	2,000,000	100%	6,000,000	3,000,000	50%
Totals	**$ 1,011,032,600**	**$ 76,152,500**	**$ 29,927,300**	**39%**	**$ 74,811,800**	**73,219,200**	**98%**	**150,964,300**	**103,146,500**	**68%**
Trust Funds / Incentive Funding Programs										
Endowment Match	-	12,000,000		0%	-	-		12,000,000	-	0%
Research Support (Nonrecurring)*	-	18,000,000		0%	-	-		18,000,000	-	0%
Research Support (Recurring)	-	4,000,000	1,500,000	38%	-	1,500,000		4,000,000	3,000,000	75%
Science and Technology	10,005,900	600,000	350,000	58%	250,000	-	0%	850,000	350,000	41%
Regional Stewardship	-	3,000,000	1,200,000	40%	15,000,000	2,400,000	16%	18,000,000	3,600,000	20%
Technology Trust Fund	2,050,500	2,701,600	1,085,500	40%	1,100,000	250,000	23%	3,801,600	1,335,500	35%
Workforce / Transfer Nonrecurring	-	500,000	300,000	60%	-	-		500,000	300,000	60%
Workforce / Transfer Recurring	-	-			3,500,000	$ 1,200,000	34%	$ 3,500,000	$ 1,200,000	34%
								0	0	
Totals	**$ 12,056,400**	**$ 40,801,600**	**$ 4,435,500**	**11%**	**$ 19,850,000**	**$ 5,350,000**	**27%**	**$ 60,651,600**	**$ 9,785,500**	**16%**
Special Initiatives / Pass Through										
Council Initiatives / Pass Through	6,228,300	1,660,700	589,300	35%	5,835,500	835,500	14%	7,496,200	1,424,800	19%
Institutional Special Initiatives**	-	500,000	500,000	100%	4,300,000	2,300,000	53%	4,800,000	2,800,000	58%
Totals	**$ 6,228,300**	**$ 2,160,700**	**$ 1,089,300**	**50%**	**$ 10,135,500**	**$ 3,135,500**	**31%**	**$ 12,296,200**	**$ 4,224,800**	**34%**
Grand Total	**$ 1,029,317,300**	**$ 119,114,800**	**$ 35,452,100**	**30%**	**$ 104,797,300**	**$ 81,704,700**	**78%**	**$ 223,912,100**	**$ 117,156,800**	**52%**

Note: This display is net of debt service.

*$6,000,000 of bond funds for research support initiative in Senate and Conference Budgets in FY08
**Academy of Math and Science (WKU)

Analysis of HB 380
Additional State General Fund Appropriations

	Enacted FY 2005-06 Base	FY 2006-07 Increase					FY 2007-08 Increase				
		Council Recommendation	Executive Budget	House Budget	Senate Budget	Enacted Budget	Council Recommendation	Executive Budget	House Budget	Senate Budget	Enacted Budget
Base Funding (See Note)											
UK	$ 306,341,800	$ 13,722,200	$ 4,603,500	$ 4,603,500	$ 4,603,500	4,603,500	$ 13,624,400	$ 2,472,100	$ 13,775,700	$ 23,986,100	$ 20,875,700
UofL	154,434,900	13,491,900	3,390,600	3,390,600	3,390,600	3,390,600	14,064,800	1,828,000	10,363,200	5,961,500	10,446,800
EKU	73,622,800	3,902,700	1,271,000	1,271,000	1,271,000	1,271,000	3,902,700	683,700	4,867,600	1,498,500	4,867,600
KSU	24,374,800	1,440,400	1,724,500	1,733,700	1,724,500	1,733,700	480,100	159,200	833,200	196,000	833,200
MOSU	43,428,300	2,171,400	624,800	624,800	624,800	624,800	2,171,400	335,300	4,149,000	968,000	4,149,000
MUSU	52,744,600	2,581,500	624,600	624,900	624,600	624,900	2,578,300	334,200	2,699,200	989,100	2,699,200
NKU	46,601,800	5,586,800	1,261,700	1,260,700	1,261,700	1,260,700	5,586,800	681,400	4,095,000	4,011,200	5,737,000
WKU	74,836,600	6,861,700	1,716,600	1,716,600	1,716,600	1,716,600	6,861,700	925,900	4,789,000	3,474,100	5,762,400
KCTCS	201,776,300	19,552,100	4,782,700	4,782,700	5,050,500	5,050,500	19,552,100	2,580,200	7,972,100	7,324,800	12,704,300
Total Institutional Base Funding	**978,161,900**	**69,310,700**	**20,000,000**	**20,008,500**	**20,267,800**	**20,276,300**	**68,822,300**	**10,000,000**	**53,544,000**	**48,409,300**	**68,075,200**
Specific Institutional Funding	-	-	1,038,000	4,949,000	2,150,000	8,900,000	-	574,200	1,738,500	1,500,000	1,750,000
Performance Funding	-	-	-	-	-	-	3,500,000	1,000,000	1,000,000	1,000,000	1,000,000
Council Operations	10,844,700	2,841,800	751,000	(249,000)	751,000	(249,000)	489,500	394,000	394,000	394,000	394,000
Adult Education	22,026,000	4,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Totals	**$ 1,011,032,600**	**$ 76,152,500**	**$ 22,789,000**	**$ 25,708,500**	**$ 24,168,800**	**$ 29,927,300**	**$ 74,811,800**	**$ 13,968,200**	**$ 58,676,500**	**53,303,300**	**73,219,200**
Trust Funds / Incentive Funding Programs											
Endowment Match	-	12,000,000	-	-	-		-	-	-	-	-
Research Support (Nonrecurring)*	-	18,000,000	-	-	-		-	6,000,000	6,000,000	6,000,000	-
Research Support (Recurring)	-	4,000,000	1,500,000	1,500,000	1,500,000	1,500,000	-	1,500,000	1,500,000	1,500,000	1,500,000
Science and Technology	10,005,900	600,000	350,000	225,000	350,000	350,000	250,000	-	-	-	-
Regional Stewardship	-	3,000,000	1,200,000	-	1,200,000	1,200,000	15,000,000	2,400,000	4,800,000	2,400,000	2,400,000
Technology Trust Fund	2,050,500	2,701,600	1,352,500	1,085,500	1,352,500	1,085,500	1,100,000	650,000	100,000	650,000	250,000
Workforce / Transfer Nonrecurring	-	500,000	300,000	300,000	300,000	300,000	-	-	-	-	-
Workforce / Transfer Recurring	-	-	-	-	-		3,500,000 $	1,200,000 $	1,200,000 $	1,200,000 $	1,200,000
Totals	**$ 12,056,400**	**$ 40,801,600**	**$ 4,702,500**	**$ 3,110,500**	**$ 4,702,500**	**$ 4,435,500**	**$ 19,850,000**	**$ 11,750,000**	**$ 13,600,000**	**$ 11,750,000**	**$ 5,350,000**
Special Initiatives / Pass Through											
Council Initiatives / Pass Through	6,228,300	1,660,700	1,089,300	284,900	589,300	589,300	5,835,500	1,335,500	500,000	835,500	835,500
Institutional Special Initiatives**	-	500,000	-	500,000	-	500,000	4,300,000	-	2,300,000	-	2,300,000
Totals	**$ 6,228,300**	**$ 2,160,700**	**$ 1,089,300**	**$ 784,900**	**$ 589,300**	**$ 1,089,300**	**$ 10,135,500**	**$ 1,335,500**	**$ 2,800,000**	**$ 835,500**	**$ 3,135,500**
Grand Total	**$ 1,029,317,300**	**$ 119,114,800**	**$ 28,580,800**	**$ 29,603,900**	**$ 29,460,600**	**$ 35,452,100**	**$ 104,797,300**	**$ 27,053,700**	**$ 75,076,500**	**$ 65,888,800**	**$ 81,704,700**

Note: This display is net of debt service.

*$6,000,000 of bond funds for research support initiative in Senate and Conference Budgets in FY08
**Academy of Math and Science (WKU)

General Fund Capital Project Priorities
2006-08

Institution/Project Name	Original Project Scope	CPE Recommend. St. Bond/G Fund	Enacted Budget St. Bond/G Fund	Debt Service	Enacted/Vetoed Budget St. Bond/G. Fund	Debt Service
Infrastructure Repairs/Replacement/Improvements (2 Projects)						
Capital Renewal, Replacement, and Maintenance Pool	$ 15,000,000	$ 15,000,000	13,927,000	1,297,000	$ -	$ -
Information Technology/Instructional Equipment Purchase Pool	25,000,000	25,000,000	10,000,000	917,000	-	-
Total - Infrastructure, Repairs, Replacement, & Improvements	*$ 40,000,000*	*$ 40,000,000*	*$ 23,927,000*	*$ 2,214,000*	*$ -*	*$ -*
E&G and Postsecondary Education Center Projects (38 Projects)						
MoSU Construct Center for Health, Education, and Research	$ 20,000,000	$ 15,000,000	$ 23,000,000	$ 1,071,000	$ 23,000,000	$ 1,071,000
KCTCS Construct Science/Allied Health Bldg Jefferson Community	25,557,000	25,557,000	25,557,000	1,190,000	25,557,000	1,190,000
KCTCS Construct Allied Health/Tech Ed Bldg, Somerset CC Laurel	13,815,000	13,815,000	14,015,000	653,000	14,015,000	653,000
NKU Renovate Old Science Building	15,000,000	15,000,000	-		-	
MuSU Construct New Science Complex Phase III	15,000,000	15,000,000	15,000,000	699,000	15,000,000	699,000
WKU Renovate Science Campus, Phase III	7,000,000	7,000,000	9,000,000	420,000	-	-
NKU Construct Health Innovation Center	20,085,000	20,085,000	-		-	
KSU Hathaway Hall Renovation, Phase III	4,920,000	4,920,000	4,920,000	231,000	4,920,000	231,000
EKU Construct Science Building	54,107,950	54,107,950	54,108,000	2,519,000	54,108,000	2,519,000
NKU Construct Center for Informatics	23,075,000	23,075,000	35,500,000	1,653,000	35,500,000	1,653,000
UK Construct Gatton Building Complex	79,289,750	40,452,750	-		-	
EKU/UK Dairy Research Project (Meadowbrook)	5,300,000	5,300,000	5,300,000	248,000	-	-
UofL Renovate Life Sciences Building	18,240,000	18,240,000	-		-	
KCTCS Construct Emerging Tech Cntr West KY Comm & Tech	16,518,000	16,518,000	16,518,000	770,000	16,518,000	770,000
WKU Replace College of Education - Tate Page Hall Building	22,750,000	22,750,000	35,000,000	1,630,000	35,000,000	1,630,000
UK Construct Law School Building	85,081,000	-	-		-	
MoSU Renovate & Add to Student Center, Phase II	16,800,000	-	-		-	
KSU Expand & Renovate Betty White Nursing Building	4,900,000	-	4,900,000	230,000	-	-
WKU Replace Ford College Business - Grise Hall Building	38,000,000	-	5,800,000	272,000	-	-
KCTCS Construct Mt Zion Campus Phase II Gateway CTC	36,523,000	-	28,000,000	1,304,000	28,000,000	1,304,000
UK Construct Medicine/Dentistry Building	202,410,000	-	-		-	
MoSU Renovate Combs Classroom Building	6,000,000	-	-		-	
KSU Expand & Renovate Bradford Hall	27,500,000	-	-		-	
NKU Renovate University Center	8,700,000	-	-		-	
KSU Renovate Jackson Hall	1,628,000	-	-		-	
EKU Renovate Donovan/Donovan Annex/Mattox Hall	19,900,000	-	-		-	
KCTCS Construct Tech Drive Campus Phase III Ashland CTC	14,833,000	-	17,600,000	820,000	17,600,000	820,000
MoSU Renovate & Expand Baird Music Hall	10,200,000	-	-		-	
MuSU Construct Public Safety Building	2,000,000	-	-		-	
UofL Construct Belknap Research & Classroom Building	66,420,000	-	-		-	
MoSU Renovate & Expand Camden Carroll Library, Phase I	6,000,000	-	-		-	
KSU Hill Student Center - 3rd Floor Build-Out	600,000	-	-		-	
WKU Construct Owensboro Advanced Technology Center	12,536,000	-	See KCTCS		See KCTCS	
EKU Construct Danville Postsecondary Education Center	11,000,000	-	-		-	
MuSU Construct Agriculture Tech Telecommunications Center	23,000,000	-	-		-	
EKU Construct University Activity Center, Phase II	15,400,000	-	-		-	
MuSU Construct Madisonville Postsecondary Education Center	25,000,000	-	-		-	
NKU Relocate Master Plan Infrastructure	6,130,000	-	-		-	
Total - (E&G) General Fund Projects Requested	*$ 981,218,700*	*$ 296,820,700*	*$ 294,218,000*	*$ 13,710,000*	*$ 269,218,000*	*$ 12,540,000*
Research & Economic Development Projects (7 Projects)						
UK Construct Biological/Pharmaceutical Complex, Phase II	$ 79,892,000	$ 79,892,000	$ 79,892,000	$ 3,720,000	$ 79,892,000	$ 3,720,000
UofL Construct HSC Research Facility IV	69,680,000	69,680,000	69,680,000	3,245,000	69,680,000	3,245,000
UofL Renovate Medical Dental Research Building, Phase IV	19,800,000	-	-		-	
WKU Construct Materials Characteristics, Phase II	4,500,000	4,500,000	4,500,000	211,000	-	-
MuSU Construct New Breathitt Veterinary Center	16,250,000	16,250,000	-		-	
UofL Construct Center for Predictive Medicine	35,200,000	-	-		-	
Subtotal - (R&ED) General Fund Projects Requested	*$ 225,322,000*	*$ 170,322,000*	*$ 154,072,000*	*$ 7,176,000*	*$ 149,572,000*	*$ 6,965,000*
UK Construct Bio-Medical Research Building (CPE Design only - cash)	*$ 95,000,000*	*$ 7,600,000*	*$ -*	*$ -*	*$ -*	*$ -*
System Total - Top 45 General Fund Projects Requested *	*$ 1,341,540,700*	*$ 514,742,700*	*$ 472,217,000*	*$ 23,100,000*	*$ 418,790,000*	*$ 19,505,000*

* The system total does not include the design amount for the UK Bio-Medical Research Building.

Institution/Project Name	Original Project Scope	CPE Recommend. St. Bond/G Fund	Enacted Budget St. Bond/G Fund	Debt Service	Enacted/Vetoed Budget St. Bond/G. Fund	Debt Service
Research Support Funding Program						
CPE Research Support/Lab Renovation & Equipment	$ 18,000,000	$ 18,000,000	$ 6,000,000	$ 551,000	$ -	$ -
Projects Not Reviewed or Recommended by CPE						
KCTCS Franklin Technology Center - Project Expansion	-	-	$ 2,700,000	$ 256,000	$ 2,700,000	$ 256,000
KCTCS Bluegrass Advanced Manufacturing Technology Center - Design	-	-	1,500,000	72,000	1,500,000	72,000
KCTCS Maysville Renovate Administration Building	-	-	5,008,000	235,000	5,008,000	235,000
MoSU Business Continuance Datacenter Collaborative with NKU	-	-	2,500,000	119,000	-	-
MoSU Business Continuance Datacenter-Design	-	-	-		-	
MoSU Space Science Center	-	-	3,400,000	160,000	3,400,000	160,000
UK Livestock Disease Diagnostic Center, Phase II	-	-	13,500,000	629,000	-	-
KCTCS Licking Valley Campus, Phase II - Maysville CTC	-	-	1,000,000	49,000	-	-
KCTCS Etown Construct Central Regional Postsecondary Ed Center, Phase II	-	-	20,000,000	932,000	20,000,000	932,000
KCTCS Madisonville Energy/Advanced Technology Center	-	-	4,000,000	188,000	-	-
KCTCS JCTC Carrollton County Campus, Design	-	-	12,000,000	559,000	-	-
KCTCS Big Sandy CTC Design New Facility	-	-	-		-	
KCTCS Maysville Rowan County Campus - Planning & Design	-	-	1,500,000	72,000	-	-
KCTCS Madisonville Postsecondary Ed Center - Design	-	-	300,000	GF	300,000	GF
EKU Construct Manchester Postsecondary Education Center	-	-	3,500,000	165,000	3,500,000	165,000
KCTCS Springfield Community & Technical College	-	-	14,500,000	676,000	14,500,000	676,000
KCTCS McCreary Center - Somerset CC	-	-	6,500,000	304,000	6,500,000	304,000
KCTCS Mercer County Technical Center	-	-	4,000,000	188,000	4,000,000	188,000
KCTCS Owensboro Advanced Technology Center	-	-	14,055,000	655,000	-	-
Total New Projects	*$ -*	*$ -*	*$ 109,963,000*	*$ 5,259,000*	*$ 61,408,000*	*$ 2,988,000*
Total Projects	*$ 1,359,540,700*	*$ 532,742,700*	*$ 588,180,000*	*$ 28,910,000*	*$ 480,198,000*	*$ 22,493,000*

Enacted Budget (HB 380)
Capital Projects - Agency Bond Authority
2006-08

Institution and Project Title	CPE Recomm. Agency Bonds	Enacted Budget Agency Bonds	Enacted/Vetoed Agency Bonds
Eastern Kentucky University			
1 Construct New Student Housing	10,520,000	10,520,000	-
Subtotal - EKU	$ 10,520,000	$ 10,520,000	$ -
Kentucky State University			
1 Construct Parking Structure	7,000,000	7,000,000	-
2 Construct New Residence Hall (Privatized)	20,000,000		
Subtotal - KSU	$ 27,000,000	$ 7,000,000	$ -
Morehead State University			
1 Construct Student Recreation Center	17,000,000	17,000,000	-
2 Construct Apartment Housing Complexes - Phase II	6,000,000		
3 Construct Parking Structure	7,000,000		
4 Renovate Student Housing Facilities	10,000,000	10,000,000	-
Subtotal - MoSU	$ 40,000,000	$ 27,000,000	$ -
Murray State University			
1 New Residential College (Replace Richmond Hall)	13,077,000	13,077,000	13,077,000
2 Renovate Waterfield Library	4,000,000		
3 Replace Franklin Hall	13,077,000	13,077,000	-
4 Renovate Curris Center and T-Room	750,000	750,000	-
Subtotal - MuSU	$ 30,904,000	$ 26,904,000	$ 13,077,000
Northern Kentucky University			
1 Construct New Student Union	16,250,000	17,360,000	17,360,000
2 Construct Parking Garage #3	15,400,000	15,400,000	15,400,000
3 Construct Parking Garage #4	9,200,000		
4 Expand Norse Commons	1,400,000	1,400,000	-
5 Construct Student Housing	23,000,000	23,000,000	-
Subtotal - NKU	$ 65,250,000	$ 57,160,000	$ 32,760,000
University of Kentucky			
1 Construct Patient Care Facility Phase II	150,000,000	150,000,000	150,000,000
2 Renovate Blazer Hall Cafeteria	3,010,000	3,010,000	-
3 Install HVAC in Keeneland Hall	7,013,000	7,013,000	-
4 Renovate Student Center Food Court	1,643,000		
5 Renovate K-Lair Building	4,650,000		
Subtotal - UK	$ 166,316,000	$ 160,023,000	$ 150,000,000
University of Louisville			
1 Construct Center for Predictive Medicine	13,000,000	13,000,000	13,000,000
2 Construct HSC Parking Structure II	26,113,000	26,113,000	-
3 Construct Residence Hall, 500 Bed	33,172,000		
4 Construct Basketball Practice Facility, Phase II	16,140,000	16,140,000	-
5 Renovate Medical Dental Research Building - Phase IV	19,800,000	19,800,000	-
6 Renovate Miller Hall (new)		11,541,000	-
Subtotal - UofL	$ 108,225,000	$ 86,594,000	$ 13,000,000
Western Kentucky University			
1 Renovate Academic/Athletic #2	25,500,000	25,500,000	25,500,000
2 Renovate Van Meter Hall	16,000,000	16,000,000	-
3 Renovate Ivan Wilson Center	8,000,000	8,000,000	-
4 Expand Preston Center	10,000,000	10,000,000	-
5 Acquire Prop. & Con. Parking	4,000,000	4,000,000	-
Subtotal - WKU	$ 63,500,000	$ 63,500,000	$ 25,500,000
System Total	$ 511,715,000	$ 438,701,000	$ 234,337,000

Kentucky High School Feedback Report

Postsecondary student data collected by the Council provides information to improve student success in college. The High School Feedback Report uses college enrollment data to help educators assess the preparation level of high school graduates who took the ACT for postsecondary work. This biennial report, designed in partnership with the Kentucky Department of Education and produced by ACT, was recently revised to provide clearer descriptions and interpretations of the content. The 2002 High School Feedback Reports are now available on the Council's Web site at: http://apps.cpe.ky.gov/hsfb2002/index.htm. Support materials were added to explain the tables in the report. Results for the 2004 class of high school graduates through fall 2006 will be posted later this year.

Public two-year and four-year institutions and independent institutions provide information about Kentucky high school graduate course enrollments, performance, and retention rates into the second year of college. District and statewide results are included to allow comparisons of graduates' performance with that of their peers. This report serves to stimulate community conversations about the support needed to continue to improve the college-going rates of Kentucky's high school graduates and their success in college.

Questions addressed by the High School Feedback Report:
- How well did students from my school or district perform on the ACT?
- Which postsecondary institutions were graduates from my school or district likely to attend?
- What grades did graduates from my school or district earn in their first year of college?
- What percentage of students from my high school returned for a second year of college?

Helpful ways to use the information in this report:
- Comparisons to district and state level statistics are meaningful indicators of student readiness for college.
- The most-attended postsecondary institutions and degree status tables indicate student enrollment patterns after high school graduation.
- Prior year reports may be used to assess overall trends but should not be considered equivalent historical comparisons because of recent data refinements and changing lists of participating institutions.

Findings

This report included 15,343 spring 2002 graduates who entered a public or participating independent postsecondary institution in Kentucky in fall 2002. Approximately 77 percent of

the 2002 high school graduates who entered a Kentucky college are included in this report. High school graduates could not be included in this report if they did not take the ACT, enrolled in an out-of-state college, or enrolled in a nonparticipating Kentucky postsecondary institution. Unfortunately, information from only two independent institutions—Alice Lloyd College and Pikeville College—was included in this report. The Council staff is working with the Association of Independent Kentucky Colleges and Universities and hope that participation on the part of the independent institutions will improve in the future.

Reports are available for all Kentucky high schools where more than four graduates took the ACT and enrolled in a participating Kentucky college. Some high schools did not meet this threshold. District comparison information is available only for public high schools.

The report is divided into four sections:
1. College Attendance and Enrollment Patterns
2. College Performance Patterns at Four-Year Public Universities
3. College Performance Patterns at Two-Year Public Colleges
4. College Performance Patterns at Four-Year Independent Institutions

Students are divided into two categories: those with ACT scores of 18 or above and those with ACT scores below 18. Kentucky's mandatory placement policy established in 2000 requires institutions to reassess or offer remedial instruction to students with scores below 18.

While this report shows a college-going rate of the ACT-tested 2002 graduates of 55 percent, it is important to note that the actual college-going rate is higher. High school graduates who enrolled at an out-of-state institution or at a nonparticipating independent Kentucky institution are not included. Similarly, the first-year retention rate of 80 percent for the class of 2002 may change as more Kentucky institutions participate in the report. These figures are most useful as comparison figures between individual high schools, districts, and the statewide rates.

The report provides the most information about public four-year students, making these findings the most informative. According to the systemwide standard defining "prepared" (ACT 18 or above), 26 percent of the graduates entering public four-year universities were underprepared in English. Among these underprepared students, 57 percent enrolled in developmental English courses in their first year, and 81 percent of the students passed the course. In mathematics, 31 percent of the graduates were underprepared. Among these underprepared students, 85 percent enrolled in developmental mathematics courses in their first year, and 67 percent passed the course. These findings support other research on student performance that showed more high school graduates must be better prepared for college, and colleges must work harder to help these students once they enroll.

Resources for College Readiness

Consistently for all three sectors, first-year college grade point average and hours earned increased as ACT score increased. Efforts underway to improve college readiness can improve college success. Much has transpired since the class of 2002 graduated, which should improve performance for the 2004-06 report to be issued this fall. Through its P-16 initiatives, Kentucky developed a number of resources to help students prepare for postsecondary education and to assist their teachers, guidance counselors, principals, and superintendents.

- The Kentucky Board of Education voted to raise the state's minimum **High School Graduation Requirements.** These new requirements, which were endorsed by the State P-16 Council, include algebra I, geometry, algebra II, and mathematics every year. In the sciences, schools will be required to provide students with lab-based or inquiry-based learning experiences.

- The **Individual Learning Plan** is a required four-year curriculum plan that emphasizes academic and career development. This plan will guide the student's course of study and extracurricular activities throughout the middle and high school years, ensuring that each student receives individualized services and support. The name of the plan has been changed from "Individual Graduation Plan" to emphasize its role in preparing the student for a successful transition to college and work. In 2006, the plan will be available to all middle and high schools as a Web-enabled resource integrated with the GoHigher Web site (see below). Early adopters of this new resource can help improve high school student success in college.

- The **Kentucky Early Mathematics Testing Program** (www.mathclass.org) offers a free, voluntary diagnostic instrument to help tenth- and eleventh-graders and their teachers assess how prepared students are for college-level mathematics.

- **Kentucky's GoHigher Web Site** provides information, resources, and interactive tools to guide students through the college planning process. Students can visit the GoHigher Web site (www.gohigherky.org) to create their account, do career assessments, take virtual campus tours, submit financial aid forms, and apply for undergraduate admission. This site also provides resources for counselors. Educators are encouraged to promote accounts on the site for all students to ensure they take the right courses to prepare them for college and the skilled workplace.

- **GEAR UP Kentucky-II** (Gaining Early Awareness and Readiness for Undergraduate Programs) will serve a new cohort of 6,000 students in 52 schools beginning in the seventh grade and continuing six years. Academic counseling, enrichment programs, and ACT Educational Planning and Assessment System diagnostic assessments for the eighth and tenth grades will help these students to prepare for college enrollment and success. GEAR UP also supports teachers with meaningful intervention strategies. The first cohort of

GEAR UP participants enters college fall 2006. To learn more about GEAR UP Kentucky, visit the GoHigher Web site (www.gohigherky.org).

- **Kentucky's Statewide Placement Policy**, adopted by the Council in 2004 after extensive work with high school and college mathematics and English teachers, established clear, consistent standards of college-readiness so that students and their parents, teachers, guidance counselors, and others will know exactly what Kentucky institutions expect of entering students. Students admitted to Kentucky's two- and four-year public colleges and universities who can demonstrate specific skills in English language arts and mathematics (as indicated by statewide threshold scores on the ACT or SAT equivalents) will be guaranteed placement in college credit-bearing courses.

Staff preparation by Sherri Noxel and Dianne M. Bazell

P-16 Council Update

At its March 29 meeting, the P-16 Council continued to address its priority policy areas: developing a more rigorous high school curriculum, developing research-based policies for high school-college dual enrollment, providing an adequate supply of qualified educators, creating an integrated P-16 data system, and ensuring that students have affordable access to quality education through college.

P-16 Council Chair Dorie Combs noted the special section in the March 8 issue of *The Chronicle of Higher Education* devoted to school and college, in which Kentucky's State P-16 Council was one of three P-16 councils highlighted. Kentucky also was referenced for its Statewide Postsecondary Placement Policy.

Education Cabinet Secretary Virginia Fox commended both the work and the impact of Kentucky's P-16 Council, noting that several pieces of legislation called on the key partners— the Council on Postsecondary Education, the Kentucky Department of Education, and the Education Professional Standards Board—to implement various agendas together. She noted that this legislation would not have been developed without the P-16 Council.

Gene Bottoms, executive director of the Southern Regional Education Board's *High Schools That Work* initiative, reviewed SREB's report for Kentucky, "Building Transitions from High School to College and Careers for Kentucky's Youth." The report discussed findings of a March 2005 forum that convened 28 Kentucky education and policy leaders to discuss strategies to improve students' transitions from high school to postsecondary education. Over the past decade, Kentucky students' preparedness has improved, more students are taking the ACT, and more are enrolled in advanced placement and distance learning courses. The report also noted the increased use of employer-based credential assessments at both the high school and postsecondary levels. It commended the state's strong GEAR UP program, the Kentucky Educational Excellence Scholarship program, and the agreement among Kentucky's public postsecondary institutions on college-readiness standards in English and mathematics as a result of Kentucky's participation in the American Diploma Project.

Challenges remain, however, and the report recommended increased accountability for persistence and degree completion at both two- and four-year institutions; implementation of successful programs for retaining students, including programs targeting the needs of first-generation and nontraditional students; and improved developmental education courses. Dr. Bottoms noted that mathematics remains a challenge at both the high school and the postsecondary levels. He also emphasized the importance of impressing on students, teachers, and parents the level of preparation needed for college and career readiness.

Several recommendations in the SREB report had been approved (though not yet implemented) by the time of its presentation at the P-16 Council:

- Requiring a rigorous, college-preparatory curriculum for all students, developing a system of early diagnostic assessment.
- Using employer-based multi-state certification exams as part of the state's accountability system.
- Establishing standards for dual credit and dual enrollment courses.

The P-16 Council reviewed the revised high school graduation standards approved by the Kentucky Board of Education to go into effect for the class of 2012. Among the most significant changes is the addition of algebra II as a required mathematics course and the requirement that students take mathematics each year in high school. The Council discussed the responsibility of the postsecondary sector in producing the mathematics teachers to meet this requirement. Staff from local school districts showed examples of how student learning plans could be tailored to meet a variety of career aspirations while meeting more rigorous curricular standards.

CPE and KDE staff provided an update on the 2002 High School Feedback Report, scheduled to be released during the week of May 15 (see the agenda item beginning on page 40). The 2002 report was modified with input from KDE and from several superintendents. It provides information about the performance of Kentucky high school graduates who enroll in Kentucky postsecondary institutions. Increasing communication between the K-12 and postsecondary sectors, particularly with respect to high school curriculum and instruction and postsecondary enrollment and performance, will allow administrators in both sectors to modify their programs and practices to improve student success. The report also highlights the need for a unified P-16 data system to monitor student performance across multiple educational sectors.

Staff from the CPE, the KDE, and the EPSB reported on logistical and policy issues that need to be addressed for an integrated, cross-agency P-16 data system to be established and effective. These include creating a forum for ensuring the compatibility of separate agency data systems as they are designed and developed; agreements for owning, warehousing, maintaining, and sharing data across the partner agencies; developing software protocols that will be compatible across systems; and the critical issues of developing student identifiers that can be used across systems while ensuring student privacy and confidentiality. These challenges are gradually being met within each sector, as well as across them. The P-16 Council also asked the staff of the partner agencies to resume the development of a focused set of P-16 indicators of progress that will both reflect and integrate the agenda of the partner agencies.

The P-16 Council heard a report on Kentucky's GEAR UP program (presented at the CPE March meeting). The program is awaiting finalization of the federal budget. If the most recent version is passed, the current six-year GEAR UP grant will extend for two years.

Three local P-16 council initiatives were awarded start-up or continuation funding, thus obligating the remaining available funds for the 2006 fiscal year. Funding allocated in the joint budget proposal was not included in the 2006-08 budget. P-16 Council members discussed the need to secure support for staffing and sustaining this important mechanism for implementing the state P-16 agenda.

P-16 Council members heard results of a dual enrollment study and a survey conducted by CPE, as well as a task force convened by the KDE. In 2001, the CPE removed state-level restrictions on dual credit and allowed individual institutions and school districts to set their own articulation agreements. Dual enrollment in Kentucky has nearly doubled from 9,321 in 2001-02 to 18,291 in 2004-05. The study focused on the class of 2002. Preliminary results show that the Kentucky Community and Technical College System is the largest provider of dual enrollment courses to high school students and that technical and occupational courses constitute the most common type of course taken by dually enrolled high school students. The study showed, however, that academic courses correlated more positively with subsequent college enrollment than did other types of courses. The survey indicated that postsecondary institutions are challenged to find interested, available instructors for dual enrollment courses. Institutions also would welcome state-level policy direction regarding tuition and aid. The KCTCS institutions especially identified the absence of statewide standards for dual credit courses as a challenge. The CPE and KDE staff will determine how dual enrollment and dual credit opportunities should play a role in the Commonwealth's college-going strategies and what policies should be developed at the state level.

P-16 Council members received an update on the State Educational Leadership Redesign Initiative, a collaborative effort to redesign the preparation program for school principals. Recommendations will be presented to EPSB later this year.

Several pieces of legislation were reported just as the General Assembly was concluding. Perhaps the most significant bill that passed the Senate unanimously at the time of the Council meeting but did not pass the House until the last day of the session was Senate Bill 130, which requires all students to take the ACT in grade 11 and provides an option to take selected WorkKeys assessments. This, in combination with the recently revised P-12 assessment systems, will implement the entire Educational Planning and Assessment System in Kentucky, enable the KDE to collect student-level performance data, and make Kentucky the first state to fully align statewide assessment from middle school to college placement and the skilled workplace.

Staff preparation by Dianne M. Bazell

Kentucky Board of Education Report
Commissioner Gene Wilhoit
For
May 22, 2006 Council on Postsecondary Education Meeting

Major News Item

SEVEN SWORN-IN AS KENTUCKY BOARD OF EDUCATION MEMBERS--The first item of business at the Kentucky Board of Education Retreat, held May 10-11 at Natural Bridge State Park, was the swearing-in of seven members, recently appointed by Governor Fletcher and confirmed by the legislature.   The members who were sworn-in are:

C.B. Akins of Lexington
Kaye Baird of Pikeville
Joe Brothers of Elizabethtown
Jeanne Ferguson of Louisville
Judy Gibbons of Lakeside Park
Doug Hubbard of Bardstown
Keith Travis of Benton

Mr. Travis, the current board chair was reappointed but the rest of the members are new appointments.

April 11-12, 2006 Kentucky Board of Education Highlights:

> ➤ *704 KAR 3:303, PROGRAM OF STUDIES APPROVED*

At the April 11-12, 2006, meeting, the Kentucky Board of Education gave final approval to amendments made to the 704 KAR 3:303, Program of Studies. The Program of Studies, Grades P-12, outlines the minimum content standards required for all students for the required credits for high school graduation and the content standards for primary, intermediate and middle level programs that lead up to the high school requirements. The last time this document was updated was 1998.

Changes to the *Program of Studies* were required due to previous amendments made by the Board in February to the minimum high school graduation requirements and adjustments made to the *Core Content for Assessment*. The Board discussed and participated in the revision process and reviewed early drafts from each content area.

The public was invited to provide input through a review process and survey found on the Department's website. All teachers and administrators were sent an email from Commissioner Wilhoit asking them to provide feedback.

One issue that arose at the meeting relative to the *Program of Studies* was consideration of whether to include a new method for designation of measured time called B.C.E. (Before Common Era) and C.E. (Common Era). This new system is being reflected by some national organizations [e.g., College Board (SAT and AP World History), Smithsonian Institute, U.S. Naval Observatory, National World History Standards]. At the meeting, Department staff brought forward the recommendation to include both the traditional system of measured time (B.C. – "before Christ" and A.D. – "Anno Domini or in the year of the Lord") and the new method. An example of how this would be reflected is "describe the contributions made by world civilizations prior to 1500 A.D./C.E...." Staff explained that this would allow Kentucky students to understand both systems when they encounter them in textbooks and national assessments such as the SAT. The Board approved the inclusion of both systems within the *Program of Studies*.

Further changes could still be made to this regulation at the June 13-14 meeting through comments received at the public hearing on May 30. It will be held at 2:00 p.m. in the State Board Room, 1st Floor, Capital Plaza Tower, 500 Mero Street, Frankfort, Kentucky. Individuals interested in being heard at this meeting shall notify this agency in writing five working days prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until May 31. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to Kevin M. Noland, Deputy Commissioner and General Counsel, Bureau of Operations and Support Services, Kentucky Department of Education, 500 Mero Street, First Floor, Capital Plaza Tower, Frankfort, Kentucky, 40601, phone 502/564-4474, fax 502/564-9321.

If you need more information on 704 KAR 3:303, contact Starr Lewis at 502-564-9850 (email - Starr.Lewis@education.ky.gov) or Michael Miller at 502-564-2106 (email – Michael.Miller@education.ky.gov).

➢ *703 KAR 5:010, WRITING PORTFOLIO PROCEDURES APPROVED*

Final approval occurred on 703 KAR 5:010, Writing Portfolio Procedures at the Board's April meeting. Due to design changes in the Kentucky Writing Portfolio, concerns from the field and instructional concerns of the Board, it was necessary to revise language in the regulation that governs writing portfolio procedures.

Primary areas of change included:

- Section 1. Appropriate Use of Time - Additional language was inserted into subsection (1) clarifying practices that can reduce student and teacher time in preparing the portfolio. A new subsection (4) was added that would preclude, beginning in the 2006-2007 academic year, the offering of classes for the sole purpose of completing a writing portfolio for accountability purposes.
- Section 2. School and District Writing Programs – A new subsection (4) requires that when a student transfers to another school or district, the working folder shall be sent to the receiving school along with the student's transcript. It further requires that writing instruction be included as a component of literacy instruction and not isolated for the purpose of assessment. The subsection also clarifies that the cluster leader is not required to be a teacher from the assessment grade levels. Subsection (7) clarifies that resource allocation is to be made based upon instructional needs as determined by data collection and needs analysis.
- Section 3. Writing Instruction - New language in subsection (1) clarifies that writing tasks will relate to standards-based units of study. Subsection (2) clarifies that writing tasks will allow opportunities for student choice in writing and publication to real audiences. In subsection (6), language has been revised to more clearly express the KBE's position regarding student revision of portfolio pieces.
- Section 4. Portfolio Design and Scoring – In subsection (3), language has been added to clarify that the teacher primarily responsible for overseeing the completion of a writing portfolio shall not serve as a scorer of record on that portfolio.

If more information is needed on 703 KAR 5:010, Writing Portfolio Procedures, contact Starr Lewis at 502-564-9850 (email - Starr.Lewis@education.ky.gov) or Cherry Boyles at 502-564-2106 (email – Cherry.Boyles@education.ky.gov).

➢ PRESCHOOL RATES INCREASED SIGNIFICANTLY

Due to a significant funding increase by the General Assembly, the Kentucky Board of Education was able to approve significantly larger preschool rates for 2006-07. Funding was increased from $51.6 million in 2005-06 to $75.1 million in 2006-07 and will remain at that level for 2007-08.

Specifically, this means that the rates for at-risk and disabilities will be at 150% of the poverty level as follows:

At-Risk	$3,168
Speech/Language	$3,327
Developmental Delay	$4,436
Severe/Multiple Disabilities	$6,020

For more information on this topic, contact Kim Townley at 502-564-8341 or via email at Kim.Townley@education.ky.gov.

➢ POLICY RECOMMENDATIONS APPROVED AFFECTING CATS, 2007 AND BEYOND

The new testing contracts for the 2007 and beyond state assessment continue the Commonwealth Accountability Testing System with the improvements requested by educators, the public, legislators and the Kentucky Board of Education. During the negotiation process with the vendors, staff engaged in conversations with the National Technical Panel on Assessment and Accountability (NTAPAA) and gleaned additional information from vendors. Several important issues arose during these discussions that pointed toward some redundancies in the test design, especially with regard to the norm-referenced test (NRT) and the diagnostic predictive assessments, since both provide norms based on nationally representative samples. Thus, the state board was presented with some policy recommendations to eliminate these redundancies.

The policy recommendations approved at the April meeting were:

- replace the current norm-referenced test (NRT) at grade 9 with diagnostic/predictive tests at grades 8 and 10;
- eliminate the norm-referenced test at the end-of-primary (grade 3), except for those used to aid in the identification of Gifted and Talented students, which would be provided to local districts at no cost, at least in the short term;
- move the norm-referenced test given in grade 6 from the spring to the fall to provide a national comparison as students move from elementary to middle school;
- assess language mechanics by utilizing on-demand writing (multiple choice items and analytically-scored writing response) at grades 5 and 8, the reading/language arts portion of the NRT at grade 6, and the English portion of the diagnostic/predictive tests at grades 8 and 10; and
- bring forward the necessary regulation amendments to a future meeting to make these policies legally effective for the tests given in 2007 and beyond and to specify those elements that are to be part of accountability.

If more information is needed on this topic contact Pam Rogers at 502-564-2256 or Pam.Rogers@education.ky.gov via email.

➢ CHANGES AFFECTING NO CHILD LEFT BEHIND (NCLB) REPORTING FOR 2005-06 TESTING APPROVED

The Kentucky Board of Education approved four changes that will impact *No Child Left Behind (NCLB)* reporting in August 2006. However, these changes must also be approved by the United States Department of Education (USDOE) in order for them to be implemented. Conversations on the requested changes with USDOE are in process.

Briefly, the four changes are:

- Calculating a 2% proxy for special education students.
  The procedure for calculating a proxy allows states to determine the percentage of special education students (as defined in the Individuals with Disabilities Education Act) that is equivalent to 2.0 percent of all students assessed; then this percentage is added to the actual percentage of students with disabilities who are proficient and distinguished in the schools that did not make AYP based only on the SWD subgroup. This adjusted percent proficient (actual percent plus percentage equivalent to 2 percent) will then be used to reexamine if the school made AYP for the 2005-06 school year. The process to calculate and apply the proxy is done for reading and mathematics separately and also repeated at the district level, as needed. The actual percent proficient will be reported to parents and the public and Kentucky may also report the adjusted percent proficient.

  In the interim, Kentucky has formed a work group made up of Department staff and stakeholders to examine possible approaches for assessing special education students. The Department will need to define guidelines for identifying students who may be eligible for a modified assessment, the appropriate alternate standards for this population, and the accommodations or modifications to the state assessment that will best meet the needs of these students.

- Invoking the Wellstone Amendment.
  To meet the NCLB requirements of annual testing in reading and mathematics at grades 3-8, in the spring of 2006 Kentucky will use an Augmented Norm Referenced Test (A/NRT) in the grades where the Kentucky Core Content Test does not already assess these content areas. This approach was previously approved by both the Kentucky Board of Education (KBE) and USDOE. The Augmented Norm Referenced Test is considered a one-year solution to this NCLB requirement and KBE has approved a test design to begin in 2007 that annually assesses reading and mathematics in grades 3-8 with a Kentucky Core Content Test.
  NCLB legislation requires that annual testing of reading and mathematics occur in 2006 and that results be reported; however, the "Wellstone Amendment", Section 1111(b)(2)(J)(ii), indicates that if a state has an accountability plan that includes averaging data for the previous one or two years immediately preceding a current school year to make AYP determinations and there is no data available for that period of time, the state may use the existing grade levels for accountability purposes until such data are available.

  Because Kentucky has always been committed to providing schools with the most stable data possible, it is requesting to invoke the available flexibility offered by the Wellstone Amendment for Adequate Yearly Progress (AYP) determinations in 2005-06. Since Kentucky is using the new Augmented NRT assessments at the added grade levels this spring for the first time, there will only be one year of data

available in those grade levels. Thus, even though Kentucky will report the results for the added grade levels to schools and districts, for 2005-06 Kentucky proposes to use the current Kentucky Core Content Test data at existing grade levels, as we have done in the previous two years, to determine AYP status.

- Modifying reporting to reflect all tested students.
  A recent Title I monitoring visit to Kentucky highlighted a compliance issue related to how data is displayed on state performance reports. In order to provide as much information as possible to parents and the public, in the future Kentucky plans to report information on student achievement of all tested students at each performance level on the state academic assessments (disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and status as economically disadvantaged). All tested students includes the students that have been in a school or district for a full academic year (any 100 instructional days) plus students that have not completed a full academic year but participated in testing at the school or district. In Kentucky, accountability for schools and districts is based on students that have been enrolled for a full academic year. Information on all students tested has previously been available to schools and districts in electronic format with the Student Data Tool. NCLB Reports and the Kentucky Performance Report that are publicly released display disaggregated information for students for which the school or district is accountable. Kentucky's asking USDOE to modify reporting to display data for all tested students.

- Revising the standard setting plan for the augmented NRT.
  To meet the requirements of NCLB regarding standards and assessment and to appropriately establish performance level cut scores that will place students in the category of Novice, Apprentice, Proficient or Distinguished, Kentucky wishes to revise its standard setting process for the Augment NRT that was previously described and approved in Kentucky's State Application Accountability Workbook that must be approved by USDOE. The revised standard setting process consists of two phases:

  ➢ In Phase One, performance level descriptions for the four performance levels - *Novice, Apprentice, Proficient,* and *Distinguished (NAPD)* - are drafted, and the cut scores for new grade levels are interpolated from existing cut scores. The Kentucky Department of Education and its contractor will work in collaboration to develop preliminary *NAPD* performance level descriptions, use field-test data to interpolate and extrapolate cut scores in the new grade levels, and select an interpolation/extrapolation procedure.

  ➢ In Phase Two, committees of Kentucky educators will convene to study the cut scores in each grade level using a modification of the Bookmark Standard Setting Procedure. Committees of Kentucky educators will work to validate the preliminary cut scores on the operational test scale. These educators will

recommend changes to the cut scores, if needed, and will write final *NAPD* performance level descriptions.

A decision from USDOE on the four changes described above is expected soon.

If more information is needed on this topic, contact Pam Rogers at 502-564-2256 or Pam.Rogers@education.ky.gov via email.

Next meeting: June 13-14, 2006 - Frankfort

Tuition and Fee Proposal
Murray State University

ACTION: The staff recommends that the Council approve 2006-07 tuition rates for Murray State University.

Proposed 2006-07 tuition and mandatory fees for Murray State University fall within the parameters established by the Council.

Undergraduate Resident Rates

Under the Murray State University proposal, annual rates for full-time, resident undergraduates will increase from $4,428 to $4,998, an increase of $570 (see Attachment A). This increase is $4 less than the maximum parameter of $5,002.

Undergraduate Nonresident Rates

Under the proposal, nonresident rates will be $13,566. This is 2.71 times the rate charged to residents. This rate meets the Council's parameter that requires nonresident rates be at least 1.75 times the resident rate.

Graduate Rates

Attachment A is a complete listing of rates, including graduate programs.

Mandatory Fees

A complete listing of mandatory student fees for 2005-06 and 2006-07 may be found in Attachment B.

Tuition Revenue

Revenue from tuition and fees is projected to increase from $60.1 million to $68.1 million or $8.0 million from 2006 to 2007.

2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)

Institution/Level/Residency Status	Fall 2006 Rates	Spring 2007 Rates	Annual 2006-07 Rates	Annual 2006-07 Parameter	Dollar Variance Rate & Parameter
Murray State University					
Undergraduate					
Resident					
Full-time	$ 2,499	$ 2,499	$ 4,998	$ 5,002	$ (4)
Per Credit Hour	208	208	416	417	
Nonresident					
Full-time	6,783	6,783	13,566	8,753	4,813
Per Credit Hour	565	565	1,130	729	
Graduate					
Resident					
Full-time	2,840	2,840	5,680	N/A	N/A
Per Credit Hour	316	316	631		
Nonresident					
Full-time	7,983	7,983	15,966	N/A	N/A
Per Credit Hour	857	857	1,714		

MURRAY STATE UNIVERSITY
2006-07 MANDATORY FEE SCHEDULE

Level	2005-06 Mandatory Fees		2006-07 Mandatory Fees		Condition for Payment
Undergraduate					
Student Activity	$	122	$	122	Required of all students
Athletics		94		110	Required of all students
Technology		66		89	Required of all students
Wellness Center		36		36	Required of all students
Total	$	318	$	357	

2006-07 Tuition and Fee Changes

The Council has approved tuition and mandatory fee rates for the 2006-07 academic year for Kentucky public postsecondary education institutions. These rates were established in accordance with the Council's tuition parameters. Tuition for full-time resident undergraduates will increase by an average of $573 at four-year institutions and $11 per credit hour at KCTCS.

Attachment A provides an overview of institutional increases in tuition and required fees for resident undergraduates for 2006-07.

Attachment B provides the details for all rates by institution.

Resident Undergraduate Tuition and Fee Rates
Kentucky Public Postsecondary Education Institutions
2006-07

Institution	2005-06	2006-07	Percent Change	Dollar Change
University of Kentucky (Lower Division)	5,812	6,510	12.0%	698
University of Kentucky (Upper Division)	5,980	6,698	12.0%	718
University of Louisville	5,532	6,252	13.0%	720
Eastern Kentucky University	4,660	5,192	11.4%	532
Kentucky State University	4,468	4,950	10.8%	482
Morehead State University	4,320	4,870	12.7%	550
Murray State University	4,428	4,998	12.9%	570
Northern Kentucky University	4,968	5,448	9.7%	480
Western Kentucky University	5,316	5,860	10.2%	544
KCTCS*	2,940	3,270	11.2%	330
KCTCS (per credit hour)	98	109	11.2%	11

*Rate reflects charges for a student taking 30 credit hours per year.

2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)

Institution/Level/Residency Status	Fall 2,006 Rates	Spring 2,007 Rates	Annual 2006-07 Rates
Eastern Kentucky University			
Undergraduate			
Resident			
Full-time	2,596	2,596	5,192
Per Credit Hour	216	216	
Nonresident			
Full-time	7,269	7,269	14,538
Per Credit Hour	606	606	
Nonresident - Targeted Areas			
Full-time	4,130	4,130	8,260
Per Credit Hour	344	344	
Online Programs			
Justice and Safety Online Courses (per credit hour)	350	350	350
Other Online Courses (per credit hour)	260	260	
Graduate			
Resident			
Full-time	2,805	2,805	5,610
Per Credit Hour	311	311	
Nonresident			
Full-time	7,955	7,955	15,910
Per Credit Hour	883	883	
Full-time - Incentive Grant Counties	4,462	4,462	8,924
Per Credit Hour - Incentive Grant Counties	495	495	
Online Programs			
Justice and Safety Online Courses (per credit hour)	500	500	500
Other Online Courses (per credit hour)	375	375	
Kentucky State University			
Undergraduate			
Resident			
Full-time	2,475	2,475	4,950
Per Credit Hour	180	180	
Nonresident			
Full-time	5,750	5,750	11,500
Per Credit Hour	430	430	
Online Programs			
Per Credit Hour	225	225	
Graduate			
Resident			
Full-time			
Per Credit Hour	285	285	
Nonresident			
Full-time			
Per Credit Hour	685	685	

Morehead State University
Undergraduate

Resident			
Full-time	2,435	2,435	4,870
Per Credit Hour	205	205	
Nonresident			
Full-time	6,475	6,475	12,950
Per Credit Hour	540	540	
Nonresident -Targeted Counties			
Full-time	3,056	3,045	6,101
Per Credit Hour	255	255	
Online Programs			
Per Credit Hour	240	240	240

Graduate

Resident			
Full-time	2,640	2,640	5,280
Per Credit Hour	295	295	
Nonresident			
Full-time	7,065	7,065	14,130
Per Credit Hour	785	785	
Online Programs			
Per Credit Hour	330	330	330

Murray State University
Undergraduate

Resident			
Full-time	2,499	2,499	4,998
Per Credit Hour	208	208	
Nonresident			
Full-time	6,783	6,783	13,566
Per Credit Hour	565	565	

Graduate

Resident			
Full-time	2,840	2,840	5,680
Per Credit Hour	316	316	
Nonresident			
Full-time	7,983	7,983	15,966
Per Credit Hour	857	857	

Northern Kentucky University
Undergraduate

Resident			
Full-time	2,724	2,724	5,448
Per Credit Hour	227	227	
Nonresident			
Full-time	5,100	5,100	10,200
Per Credit Hour	425	425	
Nonresident - PACE Program			
Full-time	2,964	2,964	5,928
Per Credit Hour	247	247	

Graduate

Resident			
Per Credit Hour	293	293	N/A
Nonresident			
Per Credit Hour	573	573	N/A
Metro - Nonresident			
Per Credit Hour	413	413	N/A

Business

Resident			
Per Credit Hour	312	312	N/A
Nonresident			
Per Credit Hour	643	643	N/A
Metro - Nonresident			
Per Credit Hour	413	413	N/A

Law

Resident			
Full-time	5,556	5,556	11,112
Per Credit Hour	463	463	
Nonresident			
Full-time	12,120	12,120	24,240
Per Credit Hour	1,010	1,010	
Metro - Nonresident			
Full-time	9,156	9,156	18,312
Per Credit Hour	763	763	

University of Kentucky

Undergraduate (Lower Division)			
Resident			
Full-time	3,255	3,255	6,510
Per Credit Hour	258	258	
Nonresident			
Full-time	6,985	6,985	13,970
Per Credit Hour	569	569	
Undergraduate (Upper Division)			
Resident			
Full-time	3,349	3,349	6,698
Per Credit Hour	266	266	
Nonresident			
Full-time	7,078	7,078	14,156
Per Credit Hour	577	577	
Graduate			
Resident			
Full-time	3,518	3,518	7,036
Per Credit Hour	368	368	
Nonresident			
Full-time	7,577	7,577	15,154
Per Credit Hour	819	819	
MBA			
Full-time Students in 'Day' Program			
Resident	3,776	3,776	7,552
Nonresident	7,839	7,839	15,678
Other Returning Students and all Part-time Students (were full-time in fall 2004)			
Resident	4,068	4,068	8,136
Nonresident	9,046	9,046	18,092
Master of Arts in Diplomacy and International Commerce and			
Master of Science in Physician Assistant Studies			
Resident	3,690	3,690	7,380
Nonresident	7,753	7,753	15,506
Master of Science in Radiological Medical Physics and			
Master of Science in Health Physics			
(College of Health Sciences, Division of Radiation Sciences)			
Resident	4,095	4,095	8,190
Nonresident	8,156	8,156	16,312
Law			
Students - entering classes of Fall 2005 and 2006			
Resident	6,421	6,421	12,842
Nonresident	11,636	11,636	23,272
Other Returning Students			
Resident	6,253	6,253	12,506
Nonresident	11,400	11,400	22,800
Medicine			
Students - entering classes of Fall 2005 and 2006			
Resident	10,656	10,656	21,312
Nonresident	20,661	20,661	41,322
Other Returning Students			
Resident	10,373	10,373	20,746
Nonresident	20,264	20,264	40,528
Dentistry			
Students - entering classes of Fall 2005 and 2006			
Resident	9,767	9,767	19,534
Nonresident	21,057	21,057	42,114
Other Returning Students			
Resident	9,509	9,509	19,018
Nonresident	20,694	20,694	41,388
Pharmacy			
Students - entering classes of Fall 2005 and 2006			
Resident	8,154	8,154	16,308
Nonresident	15,530	15,530	31,060
Other Returning Students			
Resident	6,745	6,745	13,490
Nonresident	13,832	13,832	27,664
Professional Doctoral			
Resident	4,587	4,587	9,174
Nonresident	10,470	10,470	20,940

2006-07 TUITION & MANDATORY FEE RATES
(Fall 2006 and Spring 2007)

University of Louisville

Undergraduate

Resident
Full-time	3,126	3,126	6,252
Per Credit Hour	261	261	

Nonresident
Full-time	8,036	8,036	16,072
Per Credit Hour	670	670	

Distance Education
Per Credit Hour	339	339	

Graduate

Resident
Full-time	3,393	3,393	6,786
Per Credit Hour	377	377	

Nonresident
Full-time	8,674	8,674	17,348
Per Credit Hour	964	964	

Distance Education
Per Credit Hour	490	490	

Law

Resident
Full-time	5,705	5,705	11,410
Per Credit Hour	571	571	

Nonresident
Full-time	11,777	11,777	23,554
Per Credit Hour	1,178	1,178	

MBA

Resident
Full-time	4,545	4,545	9,090
Per Credit Hour	505	505	

Nonresident
Full-time	10,583	10,583	21,166
Per Credit Hour	1,176	1,176	

Medicine
Resident	10,193	10,193	20,386
Nonresident	21,375	21,375	42,750

Dentistry
Resident	8,544	8,544	17,088
Nonresident	20,484	20,484	40,968

Western Kentucky University

Undergraduate

Resident
Full-time - Main Campus	2,930	2,930	5,860
Part-time - Main Campus (per credit hour)	244	244	
Part-time - Distance Learning (Online Courses)	298	298	

Nonresident
Full-time - Main Campus	7,200	7,200	14,400
Full-time - Incentive	3,638	3,638	7,276
Part-time - Main Campus (per credit hour)	600	600	
Part-time - Incentive (per credit hour)	303	303	
Part-time - Distance Learning (Online Courses)	298	298	

Graduate

Resident
Full-time	3,260	3,260	6,520
Part-time (per credit hour)	326	326	
Part-time - Distance Learning (Online Courses)	391	391	

Nonresident
Full-time - Domestic	3,570	3,570	7,140
Full-time - International	7,910	7,910	15,820
Part-time (per credit hour) - Domestic	357	357	
Part-time (per credit hour) - International	404	404	
Part-time - Distance Learning (Online Courses)	391	391	

Kentucky Community and Technical College System (KCTCS)

Resident
Full-time	1,635	1,635	3,270
Per Credit hour	109	109	

Nonresident - Contiguous Counties
Full-time	1,965	1,965	3,930
Per Credit hour	131	131	

Nonresident - Other
Full-time	4,905	4,905	9,810
Per Credit hour	327	327	

Council on Postsecondary Education
May 22, 2006

May Graduates

Based on preliminary information from the public colleges and universities, Kentucky had the largest graduating class this spring in its postsecondary education history. Nearly 24,000 students earned a degree, certificate, or diploma in spring 2006. This represents a 19.9 percent increase over spring 2005 with more than 8,000 students completing a bachelor's degree – this reflects a 12 percent increase in the number of bachelor's degrees awarded over last spring.

Improving the educational attainment of Kentucky's population is one of the most important measures of success of postsecondary education reform. The goal of reaching the national average in terms of the percent of adults with a bachelor's degree or above by 2020 requires all of the institutions to increase degree production significantly.

More than half of all degrees are awarded during the spring semester in May at the institutions. Spring completions figures are a good gauge of how well the institutions are doing in terms of expected increases or decreases in degree production for the year. These counts are preliminary and they may change slightly before the official counts are submitted for the 2005-2006 academic year.

SPRING DEGREES CONFERRED BY LEVEL
Kentucky Public Institutions
Spring 1998 - Preliminary Spring 2006

Institutions		Diploma	Certificate	Associate	Baccalaureate	Master's/Spec	Doctoral	First-Prof	Total
Eastern Kentucky University	1998		1	114	762	128			1,005
	1999			110	815	151			1,076
	2000		2	116	780	158			1,056
	2001		17	104	824	147			1,092
	2002		7	93	759	143			1,002
	2003		1	87	821	137			1,046
	2004		3	108	804	250			1,165
	2005		3	119	899	230			1,251
	Preliminary 2006		4	108	1,060	320			1,492
One Year Percent Change - 2005-2006			33.3	-9.2	17.9	39.1			19.3
Five Year Percent Change - 2001-2006			-76.5	3.8	28.6	117.7			36.6
Kentucky State University	1998			62	149	15			226
	1999			41	120	24			185
	2000			41	141	16			198
	2001			32	142	18			192
	2002			50	147	23			220
	2003			38	140	27			205
	2004			38	136	26			200
	2005			40	137	35			212
	Preliminary 2006			46	133	16			195
One Year Percent Change - 2005-2006				15.0	-2.9	-54.3			-8.0
Five Year Percent Change - 2001-2006				43.8	-6.3	-11.1			1.6
Morehead State University	1998			59	446	70			575
	1999			51	437	76			564
	2000			51	455	79			585
	2001			45	409	68			522
	2002			47	427	76			550
	2003			54	412	95			561
	2004			73	479	79			631
	2005			81	535	120			736
	Preliminary 2006			90	567	159			816
One Year Percent Change - 2005-2006				11.1	6.0	32.5			10.9
Five Year Percent Change - 2001-2006				100.0	38.6	133.8			56.3
Murray State University	1998			15	566	187			768
	1999			11	607	170			788
	2000			16	739	194			949
	2001			13	650	209			872
	2002		2	11	714	218			945
	2003		1	14	718	231			964
	2004			20	783	217			1,020
	2005			17	759	212			988
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One Year Percent Change - 2005-2006				-11.8	2.8	14.2			5.0
Five Year Percent Change - 2001-2006				15.4	20.0	15.8			18.9
Northern Kentucky University	1998			147	603	92		86	928
	1999		1	143	590	97		91	922
	2000		2	138	573	70		88	871
	2001			135	625	80		67	907
	2002			178	646	83		70	977
	2003			195	698	137		89	1,119
	2004		9	134	695	185		84	1,107
	2005		3	164	767	185		122	1,241
	Preliminary 2006			193	869	192		143	1,397
One Year Percent Change - 2005-2006				17.7	13.3	3.8		17.2	12.6
Five Year Percent Change - 2001-2006				43.0	39.0	140.0		113.4	54.0

SPRING DEGREES CONFERRED BY LEVEL (continued)
Kentucky Public Institutions
Spring 1998 - Preliminary Spring 2006

Institutions		Diploma	Certificate	Associate	Baccalaureate	Master's/Spec	Doctoral	First-Prof	Total
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	2000				1,890	465	83	346	2,784
	2001				1,874	458	74	351	2,757
	2002				1,959	381	79	327	2,746
	2003				1,968	454	85	347	2,854
	2004				1,982	578	91	346	2,997
	2005				1,939	572	113	374	2,998
	Preliminary 2006				2,095	470	100	365	3,030
One Year Percent Change - 2005-2006					8.0	-17.8	-11.5	-2.4	1.1
Five Year Percent Change - 2001-2006					11.8	2.6	35.1	4.0	9.9
University of Louisville	1998		60	62	880	497	29	321	1,849
	1999		60	60	876	513	25	301	1,835
	2000		59	63	870	454	36	284	1,766
	2001		64	58	962	731	36	296	2,147
	2002		79	57	893	719	39	295	2,082
	2003		76	30	938	609	38	298	1,989
	2004		72	32	995	703	48	315	2,165
	2005		65	32	1,073	708	55	308	2,241
	Preliminary 2006		91	44	1,184	870	71	323	2,583
One Year Percent Change - 2005-2006			40.0	37.5	10.3	22.9	29.1	4.9	15.3
Five Year Percent Change - 2001-2006			42.2	-24.1	23.1	19.0	97.2	9.1	20.3
Western Kentucky University	1998			165	847	166			1,178
	1999			127	935	131			1,193
	2000			132	841	152			1,125
	2001			139	834	148			1,121
	2002		2	124	1,027	161			1,314
	2003			136	946	248			1,330
	2004		36	146	1,118	277			1,577
	2005		36	149	1,141	322			1,648
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One Year Percent Change - 2005-2006			11.1	7.4	27.6	7.5			21.5
Five Year Percent Change - 2001-2006				15.1	74.6	133.8			78.6
KCTCS	1999			293					293
	2000			290					290
	2001	933	1,282	2,353					4,568
	2002	942	2,210	2,569					5,721
	2003	879	1,996	2,830					5,705
	2004	1,225	3,097	3,199					7,521
	2005	1,173	4,071	3,354					8,598
	Preliminary 2006	1,604	6,104	3,611					11,319
One Year Percent Change - 2005-2006		36.7	49.9	7.7					31.6
Five Year Percent Change - 2001-2006		71.9	376.1	53.5					147.8
Total	1998		61	624	6,079	1,617	121	751	9,253
	1999		61	836	6,229	1,633	91	744	9,594
	2000		63	847	6,289	1,588	119	718	9,624
	2001	933	1,363	2,879	6,320	1,859	110	714	14,178
	2002	942	2,300	3,129	6,572	1,804	118	692	15,557
	2003	879	2,074	3,384	6,641	1,938	123	734	15,773
	2004	1,225	3,217	3,750	6,992	2,315	139	745	18,383
	2005	1,173	4,178	3,956	7,250	2,384	168	804	19,913
	Preliminary 2006	1,604	6,239	4,267	8,144	2,615	171	831	23,871
One Year Percent Change - 2005-2006		36.7	49.3	7.9	12.3	9.7	1.8	3.4	19.9
Five Year Percent Change - 2001-2006		71.9	357.7	48.2	28.9	40.7	55.5	16.4	68.4

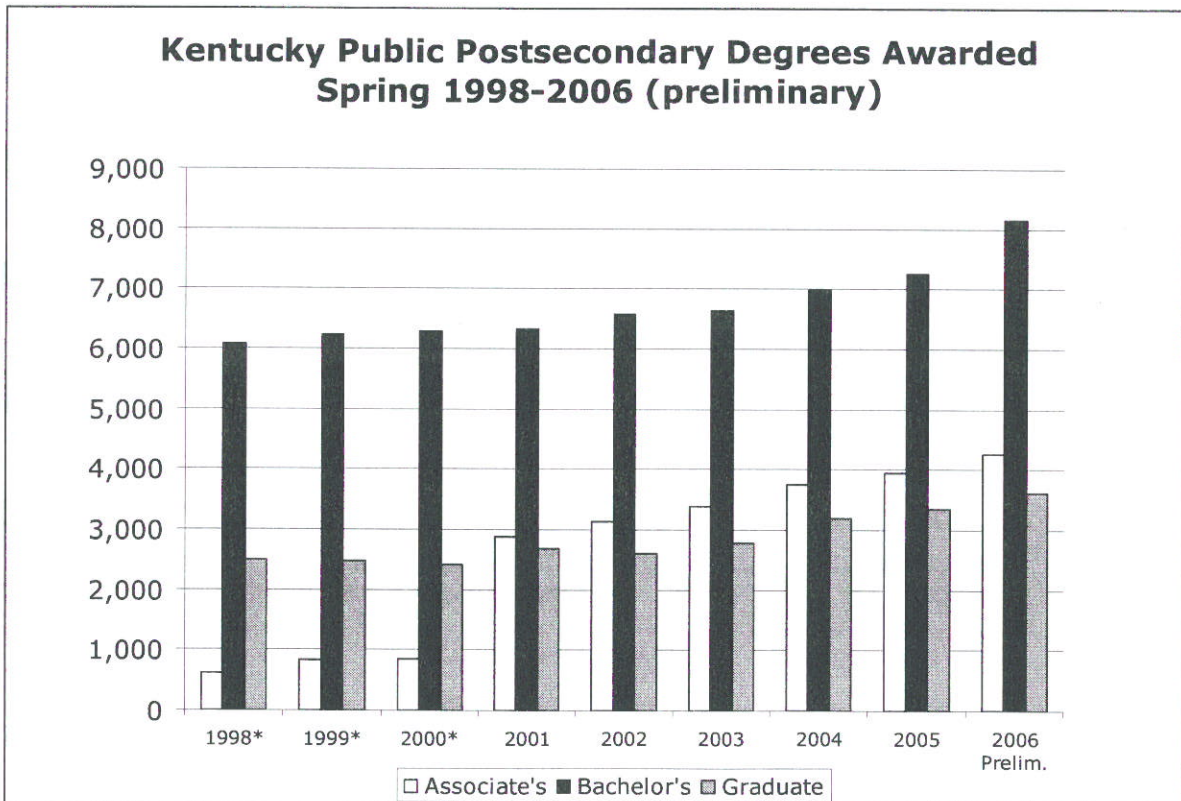NOTE: KCTCS Technical College data were not available until 2001.

Source: CPE Comprehensive Data Base

May 18, 2006

Kentucky Public Postsecondary Education
Preliminary Spring 2006 Degrees and Awards

- Based on preliminary information from the public colleges and universities, Kentucky had the largest graduating class this Spring in postsecondary education history.
- Nearly 24,000 students earned a degree, certificate, or diploma in Spring 2006. This represents a 19.9% increase over Spring 2005.
- The number of bachelor's degrees awarded increased by by 12.3 percent from 7250 in Spring 2005 to 8144 in Spring 2006 and 28.9% over the past five years. This represents a nearly 34% increase since Spring 1998.
- Eastern and Western Kentucky University saw the largest increases in the number of bachelor's degrees (17.9% and 27.6% increases, respectively) compared to Spring 2005. For Western, this represents an increase of nearly 75% over the past five years.
- The University of Kentucky and Kentucky State University both saw declines in the number of graduate degrees they conferred compared to Spring 2005.
- The Kentucky Community and Technical College System once more saw phenomenal growth. The system awarded a record number of credentials including 1605 diplomas, 6104 certificates, and 3611 associates' degrees this Spring (representing 36.7%, 49.9%, and 7.7% increases compared to Spring 2005).

Kentucky Public Postsecondary Degrees Awarded Spring 1998–2006 (preliminary)

*Degree and credential information for the technical schools was not available for Spring 1998-2000.

Information and Research
May 22, 2006

SPRING DEGREES CONFERRED BY LEVEL
Kentucky Public Institutions
Spring 1998 - Preliminary Spring 2006

Institutions		Diploma	Certificate	Associate	Baccalaureate	Master's/Spec	Doctoral	First-Prof	Total
Eastern Kentucky University	**1998**		1	114	762	128			1,005
	1999			110	815	151			1,076
	2000		2	116	780	158			1,056
	2001		17	104	824	147			1,092
	2002		7	93	759	143			1,002
	2003		1	87	821	137			1,046
	2004		3	108	804	250			1,165
	2005		3	119	899	230			1,251
Preliminary 2006			4	108	1,060	320			1,492
One Year Percent Change - 2005-2006			33.3	-9.2	17.9	39.1			19.3
Five Year Percent Change - 2001-2006			-76.5	3.8	28.6	117.7			36.6
Kentucky State University	**1998**			62	149	15			226
	1999			41	120	24			185
	2000			41	141	16			198
	2001			32	142	18			192
	2002			50	147	23			220
	2003			38	140	27			205
	2004			38	136	26			200
	2005			40	137	35			212
Preliminary 2006				46	133	16			195
One Year Percent Change - 2005-2006				15.0	-2.9	-54.3			-8.0
Five Year Percent Change - 2001-2006				43.8	-6.3	-11.1			1.6
Morehead State University	**1998**			59	446	70			575
	1999			51	437	76			564
	2000			51	455	79			585
	2001			45	409	68			522
	2002			47	427	76			550
	2003			54	412	95			561
	2004			73	479	79			631
	2005			81	535	120			736
Preliminary 2006				90	567	159			816
One Year Percent Change - 2005-2006				11.1	6.0	32.5			10.9
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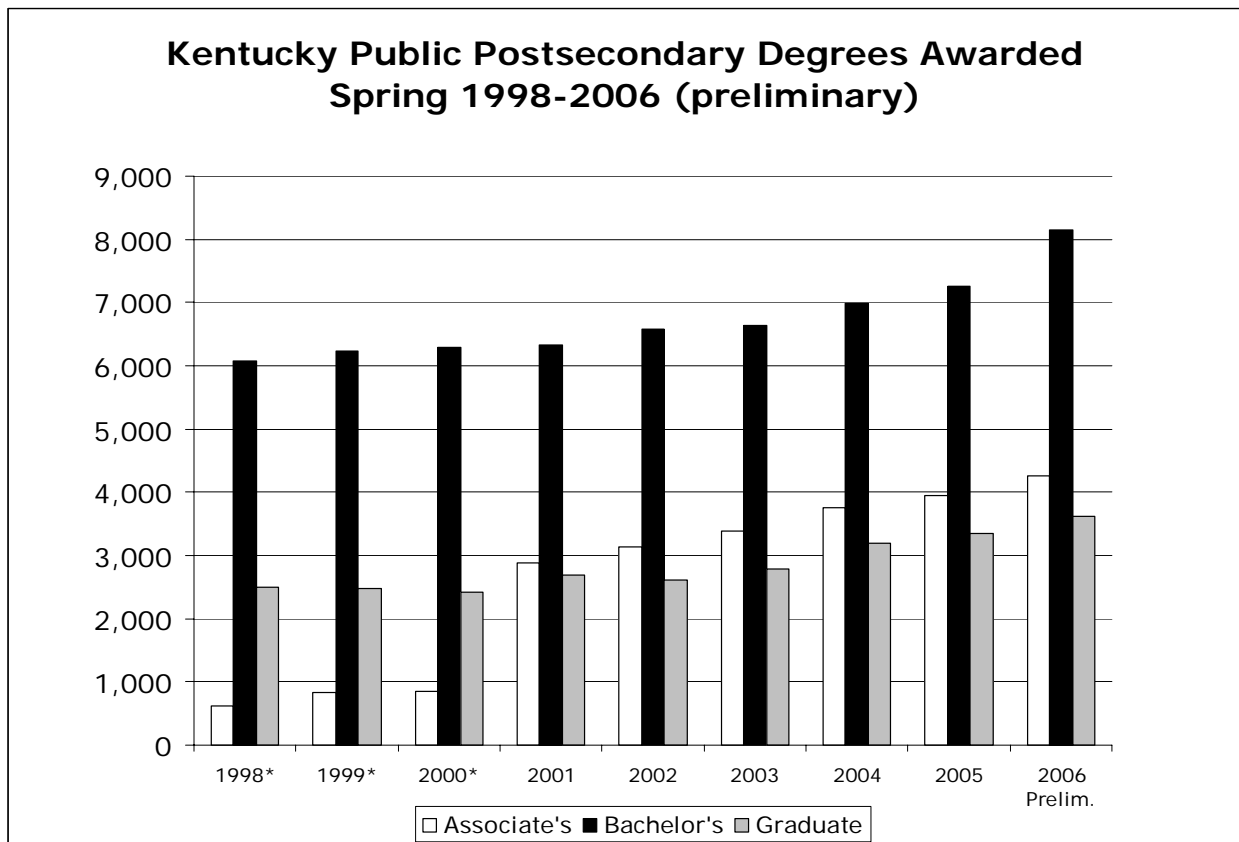
Source: CPE Comprehensive Data Base

May 18, 2006

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Kentucky Public Postsecondary Degrees Awarded
Spring 1998-2006 (preliminary)

Legend: □ Associate's ■ Bachelor's ▨ Graduate

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State-Level Accountability for Student Learning

This agenda item updates the Council on continued work with (a) NSSE since 2001 and now the Community College Survey of Student Engagement and (b) the measure of student learning developed in the pilot project with the National Forum on College-Level Learning.

At the May 2004 Council meeting, George Kuh, director of the Center for Postsecondary Research at Indiana University, and Margaret Miller, director of the National Forum on College-Level Learning, presented information on two projects: the National Survey of Student Engagement and the National Forum on College-Level Learning. These projects promised to inform national standards for measuring student learning at the college level. Both presenters pointed to CPE's and Kentucky's leadership at the national level in implementing state level assessment of the quality of student learning in college. The Council's 2005-2010 Public Agenda continues to focus its strategic initiatives and accountability system on improving the quality of the learning experience in addition to increases in postsecondary education access. Increased student retention and graduation are critical with the tremendous growth that will be necessary in the system to achieve Kentucky's 2020 baccalaureate attainment goals.

The 2005-2010 Public Agenda includes four key indicators to measure Kentucky's progress in preparing college graduates for life and work. These are included in the NSSE and College-Level Learning assessments.

> State Level Indicators:
> 1. College Graduate Performance on Statewide Learning Assessments
> 2. Performance on Licensure and Graduate School Entrance Exams
>
> Institutional Level Indicators:
> 1. Student Engagement Scores
> 2. Civic Participation of Students

Use of the National Survey of Student Engagement

The NSSE is an important tool in measuring progress in the quality of Kentucky's undergraduate student experience. The NSSE survey collects quality of learning data from undergraduate students that can be used to support institutional improvement and accountability. The Council also has used NSSE information to assess the level of civic engagement of Kentucky's undergraduates. In the first six years since the introduction of the survey nationally, over 970 different colleges and universities have participated in NSSE. Use of the survey continues to grow, making it a leading source of valid and reliable information

about student behaviors and institutional actions that matter to student learning success in college. In 2001, the first year of implementation, Kentucky was one of just six states that mandated systemwide administration of the NSSE. As of 2005, 12 other states had implemented the NSSE as part of an overall accountability system to improve undergraduate instruction.

The Community College Survey of Student Engagement, a parallel assessment to NSSE, is designed to assess student learning environments on two-year college campuses. The Kentucky Community and Technical College System is implementing the CCSSE for the first time in the spring of 2006. All remaining KCTCS colleges will have participated in the CCSSE by summer 2008.

NSSE Results

Public four-year institutions implemented the NSSE in 2001, 2003, and 2005. Attachment A provides a summary of the results for the 2005 NSSE administration at the four-year public universities. Using approximately 225,000 randomly selected students from 518 institutions nationally that participated in NSSE 2005, each Kentucky public four-year institution received a benchmark report in fall 2005 that compared their students' performance with selected peer groups and the 2005 national norms. These benchmark reports provide detailed data tables that highlight whether student engagement at Kentucky's public four-year universities differs in a significant way from the average student in the respective comparison groups.

The NSSE 2005 Benchmark Summary Report provides nontechnical, aggregated results from the various institutional benchmark reports. A negative sign (-) in a table indicates that students at the Kentucky institution responded statistically below students in the comparison group. A positive sign (+) indicates that students at the Kentucky institution responded statistically above students in the comparison group. No sign indicates that students at Kentucky institutions were engaged at levels equal to the comparison group.

In general, many students at Kentucky's public four-year institutions experience levels of engagement similar to their counterparts across the country. However, 31 percent of the national benchmark comparisons with Kentucky institutions were below national comparison groups, or groups that include all institutions participating in the 2005 administration. Independent institutions, including small, private, liberal arts institutions, are included in the national groups and generally increase the national averages because of higher levels of undergraduate engagement. A more direct comparison by peer group institutions showed just 23 percent of the peer comparisons below national peers. For the comprehensive institutions, the peer group represents other master's degree-granting colleges and universities and for the University of Kentucky and the University of Louisville the peer group represents other major doctoral degree-granting universities.

The Council's Quality and Accountability Policy Group reviewed these results at its March 2006 meeting and requested that the information be presented to the full Council. Overall, the policy group members are concerned with the aspects of student engagement that

continue to remain below national levels and will consider the implications for developing state-level policy.

Use of NSSE/CCSSE Results to Improve Student Learning

The Council has incorporated NSSE/CCSSE into the overall accountability system. Goals are set for key indicator improvement at the institutional level, both in the five benchmarks of effective educational practice and in undergraduate civic engagement. Additionally, the Council staff is ensuring that student affairs professionals are part of the campus response in creating educational environments that promote student success. Finally, a statewide conference is planned to bring campus leaders together with national experts to discuss the results and new ways to improve student learning. This meeting also will emphasize the importance of undergraduate education in the mission of the institutions.

Campus missions were re-emphasized as part of the 2005-2010 Public Agenda development with an emphasis on the undergraduate experience. The implementation of the Performance Funding Component has allowed institutions the option to choose NSSE performance as an institutional choice variable as a basis for funding. The Council continues the dialogue with the Southern Association of Colleges and Schools, the regional accrediting agency for Kentucky's universities, to align accreditation requirements with accountability initiatives in the Public Agenda. The quality of the student experience has been a consistent part of the accountability system in both Public Agenda documents spanning eight years, recognizing that improvements in the campus academic environment require time for proper assessment, planning, and implementation.

Kentucky Conference on Student Engagement

The Council is sponsoring a Student Engagement Conference May 23 and 24, 2006, in advance of the Faculty Development Conference, to feature sessions with the NSSE Institute staff. The theme of the conference, "Moving from Data to Practice," emphasizes the importance of using the three sets of NSSE results to make substantial campus revisions in areas that remain below national benchmarks. Dr. John Roush, president of Centre College, will address the conference. Centre has been highlighted nationally as an exemplary institution in using and promoting NSSE results for institutional improvement.

The opening plenary session will feature an in-depth workshop with NSSE staff who recently completed a two-year research project examining 20 educationally effective colleges. The Documenting Effective Educational Practice Project resulted in several publications to help institutions assess campus characteristics and policies that contribute to high levels of student success. Additional sessions will highlight the use of the CCSSE for two-year institutions.

Chief Student Affairs Officers Meeting

Student support services are an increasingly important part of the undergraduate student experience. On May 1, the Chief Student Affairs Officers met in Frankfort to discuss the role

of student services to help improve graduation rates and address the quality of the learning environment to promote student engagement. Plans to significantly increase student enrollments are particularly important to student affairs offices because of their responsibilities to provide residence halls, food services and wellness, counseling, recreational, and orientation programming. The Chief Student Affairs Officers stressed the importance of student activities to promote civic engagement, leadership development, workplace values, and appreciation of diverse cultures, ethnicities, and communities.

Civic Engagement

With the first statewide NSSE implementation in 2001, Kentucky universities identified a specific set of items to measure civic engagement. Kentucky college senior participation in community-based projects and in experiences that contribute to their personal development in contributing to the welfare of their community remains below national averages. However, the state's increases in these college experiences between 2003 and 2005 exceeded the national level increases.

Despite the increases, the Council continues to work to improve civic engagement and led the effort to create the Kentucky Campus Compact. The establishment of the Kentucky Campus Compact at Northern Kentucky University and the appointment of executive director, Gayle Hilleke, will provide statewide leadership to increase curriculum-based service learning experiences. Already, the Kentucky Campus Compact office has submitted a Learn and Serve application to the Corporation for National and Community Service in Washington, DC. If selected, the award would support a competitive RFP process to distribute the funds to Kentucky institutions. Dr. Hilleke also has submitted a concept paper to the CNCS state office in Louisville for VISTAs that could be granted to Kentucky institutions through an application process. The corporation's state offices are federal offices staffed by federal employees in the state. They conduct public outreach and program support. They are directly responsible for developing grants and projects and for overseeing all Senior Corps and AmeriCorps*VISTA projects within their states.

Themes for upcoming projects from Kentucky Campus Compact include institutionalization of service-learning and civic engagement in colleges and universities, using service learning and civic engagement to improve access and success for students and collaboration between two-year and four-year schools and independent and public schools around service learning and civic engagement.

Institutional Use of NSSE

At the request of the Quality and Accountability Policy Group chair, campuses were polled to determine how the NSSE results have been used to date. Overall, Kentucky four-year institutions find NSSE to be a valuable survey. The campus uses of NSSE data are presented in Attachment B.

National Forum on College-Level Learning

Kentucky led other states in the use of NSSE to measure student experiences and engagement but sought more direct measures of the student learning outcomes. In 2002, Kentucky was the only state that provided data for the National Center for Public Policy in Higher Education's *Measuring Up* preliminary indicators of educational capital. Kentucky then joined four other states for the 2004 report, participating in the National Forum on College-Level Learning, to provide state leaders with comparable information on college-level learning.

Between 2002 and 2004 the project team assembled information on the National Adult Literacy Survey and on graduate admission and licensure tests for each demonstration state. Meanwhile, the states administered general intellectual skills tests to a random sample of students at a representative sample of public and independent two- and four-year institutions. The results were published in September 2004 and showed that the two-year system students performed at high levels on the WorkKeys exams, especially business writing (see http://measuringup.highereducation.org/survey.cfm). Four-year college undergraduate performance was less competitive, with below average assessments of writing, problem-solving, and competitive admissions results. At the conclusion of the project the authors noted, "Despite substantial challenges, the National Forum's five-state demonstration project achieved its principal objective of showing the feasibility of assembling indicators of collegiate learning on a comparable basis across multiple states."

As part of the Council's 2006-08 biennial budget, $150,000 will be used to collect information on Kentucky college student performance on national assessments of learning. A statewide sample of four-year and two-year students will be tested. Individual student intellectual skills assessments will be conducted in fall 2007.

Continued Work in Student Learning

The Council's accountability system monitors student learning with both state and institutional key indicators. The Quality and Accountability Policy Group will continue to review learning outcomes and make policy recommendations to strengthen engagement in the postsecondary experience. Institutions will have opportunities at the upcoming statewide meetings to review their student outcome results and develop appropriate institutional responses for improvement. Using NSSE and CCSSE and continued participation in the *Measuring Up* college-level learning projects are central to this work.

Kentucky Council on Postsecondary Education
NSSE 2005 Benchmark Summary Report
March 2006

Kentucky Public Four-Year Universities

Introduction

Why is NSSE important to Kentucky Postsecondary Education?

Research on the impact of college on students consistently indicates that the more students are engaged in effective educational practices, both inside and outside the classroom, the more they will learn and develop during college. Thus, in order to help focus discussions about the importance of student engagement on collegiate quality and guide institutional improvement efforts, the National Survey of Student Engagement (NSSE) created five clusters or benchmarks of effective educational practice: (1) level of academic challenge, (2) active and collaborative learning, (3) student-faculty interaction,; (4) enriching educational experiences, and (5) supportive campus environment.

Using approximately 225,000 randomly selected students from 518 institutions that participated in NSSE 2005, each Kentucky public four-year institution received a "Benchmark Report" in fall 2005 that compared their students' performance with selected peer groups and the 2005 national norms. These benchmark reports provide detailed data tables that highlight whether student engagement at Kentucky's public four-year universities differs in a significant way from the average student in the respective comparison groups.

The NSSE 2005 Benchmark Summary Report provides nontechnical, aggregated results from the various institutional benchmark reports. A negative sign (-) in a table indicates that students at the Kentucky institution responded statistically below students in the comparison group, a positive sign (+) indicates that students at the Kentucky institution responded statistically above students in the comparison group, and no sign indicates that students at Kentucky institutions were engaged at levels equal to the comparison group. For the comprehensive universities, the peer comparison group represents other master's granting colleges and universities and for UK and UofL, the peer group represents other major doctoral granting universities.

It is important to note that given the way NSSE generates its benchmark reports, students at both public and private colleges and universities are included in the respective peer and national comparison groups. NSSE research indicates that in general, students at private colleges and universities are more engaged than their counterparts at public institutions. Thus, in the following analysis, student engagement levels for both the peer institutions and the national norms are likely higher than they would be if students at only public institutions were included in the analysis. Consequently, where students at Kentucky institutions respond at engagement levels equal to or above the peer institutions or national norms, they are performing at levels comparable to students at both public and private institutions.

What do we hope to accomplish by Kentucky's participation in NSSE?

One of the six goals outlined in HB 1 is for Kentucky postsecondary education to deliver educational services at a quality and quantity comparable to the national average. In the 2005-2010 Public Agenda, the Council adopted NSSE as one of its institutional key indicators. NSSE provides an indirect proxy for assessing the quality of undergraduate education and a way to assess progress on whether college graduates are prepared for life and work in Kentucky. For each of the NSSE benchmarks, a brief summary analysis highlights the extent to which students at Kentucky public four-year institutions engage in effective educational practices at levels comparable to students at peer institutions and to the national average. Some concluding thoughts are also provided on the last page of the report. In the upcoming months, year-to-year comparisons will also be analyzed in order to gain a better understanding of change over time and help inform state and institution level discussions on increasing the quality of the undergraduate experience.

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. NSSE survey items that comprise *Level of Academic Challenge* include:

- Preparing for class (studying, reading, writing, rehearsing, etc., related to academic programs).
- Number of assigned textbooks, books, or book-length packs of course readings.
- Number of written papers or reports of 20 pages or more, between 5 and 19 pages, and less than 5 pages.
- Coursework emphasizing analysis of the basic elements of an idea, experience, or theory.
- Work emphasizing synthesis and organizing information into new, more complex interpretations.
- Work emphasizing the making of judgments about the value of information, arguments, or methods.
- Work emphasizing application of theories or concepts to practical problems or in new situations.
- Working harder than anticipated to meet an instructor's standards or expectations.
- Campus environment emphasizing time studying and on academic work.

Level of Academic Challenge						
	First-Year Students			Seniors		
	KY	Peer	National	KY	Peer	National
EKU						
Morehead						
Murray						
NKU		-	-		-	-
WKU		-	-		-	-
UK			-			
UofL		-	-			
Notes: For the comprehensive institutions, the peer group represents other master's granting colleges and universities and for UK and UofL, the peer group represents other major doctoral granting universities. A negative sign indicates students at the Kentucky institution responded statistically (p<.01) below students in the peer group. A positive sign indicates students at the Kentucky institution responded statistically (p<.01) above students in the peer group. KSU is not listed in the table because they did not participate in NSSE 2005. KSU is registered to participate in NSSE 2006 and all Kentucky institutions are currently scheduled to participate again in NSSE 2007.						

Analysis

- According to NSSE, there is no difference in the level of perceived academic challenge among Kentucky's public four-year institutions.
- For first-year students, four of the seven institutions perform at comparable levels to their peers and three of seven perform at comparable levels to the national norms.
- For seniors, five of the seven institutions perform at comparable levels to their peers and to the national norms.

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. NSSE survey items that comprise *Active and Collaborative Learning* include:

- Asked questions in class or contributed to class discussions.
- Made a class presentation.
- Worked with other students on projects during class.
- Worked with classmates outside of class to prepare class assignments.
- Tutored or taught other students.
- Participated in a community-based project as part of a regular course.
- Discussed ideas from readings or classes with others outside of class.

Active and Collaborative Learning						
	First-Year Students			Seniors		
	KY	Peer	National	KY	Peer	National
EKU						
Morehead						
Murray						
NKU					-	-
WKU	**+**					
UK	-	-	-			
UofL	-		-	-		-
Notes:						

Notes:
For the comprehensive institutions, the peer group represents other master's granting colleges and universities and for UK and UofL, the peer group represents other major doctoral granting universities.
A negative sign indicates students at the Kentucky institution responded statistically (p<.01) below students in the peer group.
A positive sign indicates students at the Kentucky institution responded statistically (p<.01) above students in the peer group.
KSU is not listed in the table because they did not participate in NSSE 2005. KSU is registered to participate in NSSE 2006 and all Kentucky institutions are currently scheduled to participate again in NSSE 2007.

Analysis

- According to NSSE, first-year students at UK and UofL experience less active and collaborative learning than their counterparts at other Kentucky institutions; whereas, first-year students at WKU experience a greater level of active and collaborative learning than students at other Kentucky institutions.
- Seniors at UofL also experience less active and collaborative learning than their counterparts at other Kentucky institutions. Research suggests that it is more difficult to engage students outside the classroom when a larger proportion of the student body commutes and is nontraditional.
- For both first-year students and seniors, six of the seven institutions perform at comparable levels to their peers and five of seven perform at comparable levels to the national norms.

Student-Faculty Interaction

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. NSSE survey items that comprise *Student-Faculty Interaction* include:

- Discussed grades or assignments with an instructor.
- Talked about career plans with a faculty member or advisor.
- Discussed ideas from your readings or classes with faculty members outside of class.
- Worked with faculty members on activities other than coursework (committees, orientation, student-life activities, etc.).
- Received prompt feedback from faculty on academic performance (written or oral).
- Worked with a faculty member on a research project outside of course or program requirements.

Student-Faculty Interaction						
	First-Year Students			Seniors		
	KY	Peer	National	KY	Peer	National
EKU				**+**	**+**	
Morehead						
Murray						
NKU					-	-
WKU						
UK	-		-			
UofL						-

Notes:
For the comprehensive institutions, the peer group represents other master's granting colleges and universities and for UK and UofL, the peer group represents other major doctoral granting universities.
A negative sign indicates students at the Kentucky institution responded statistically (p<.01) below students in the peer group.
A positive sign indicates students at the Kentucky institution responded statistically (p<.01) above students in the peer group.
KSU is not listed in the table because they did not participate in NSSE 2005. KSU is registered to participate in NSSE 2006 and all Kentucky institutions are currently scheduled to participate again in NSSE 2007.

Analysis

- According to NSSE, first-year students at UK experience less student-faculty interaction than their counterparts at other Kentucky institutions; whereas, seniors at EKU experience a greater level of student-faculty interaction than students at other Kentucky institutions.
- For first-year students, all seven of Kentucky's public four-year institutions perform at comparable levels to their peers and six of seven perform at comparable levels to the national norms.
- For seniors, five of the seven institutions perform at comparable levels to their peers and students at EKU perform above their peers on this benchmark.
- Seniors at five of the seven Kentucky institutions perform at comparable levels to the national norms.

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. The NSSE survey items that comprise *Enriching Educational Experiences* include:

- Participating in co-curricular activities (organizations, publications, sports, etc.).
- Practicum, internship, field experience, co-op experience, or clinical assignment.
- Community service or volunteer work.
- Foreign language coursework and study abroad; independent study or self-designed major.
- Culminating senior experience (comprehensive exam, capstone course, thesis, etc.).
- Serious conversations with students of different religious beliefs, political opinions, or values.
- Serious conversations with students of a different race or ethnicity.
- Using electronic technology to discuss or complete an assignment.
- Campus encourages contact with students from different economic, social, or ethnic backgrounds.
- Participate in a formal program where groups of students take two or more classes together.

Enriching Educational Experiences						
	First-Year Students			Seniors		
	KY	Peer	National	KY	Peer	National
EKU	-	-	-			-
Morehead		-	-		-	-
Murray						
NKU			-	-	-	-
WKU			-	+		-
UK		-	-			
UofL					-	-

Notes:
For the comprehensive institutions, the peer group represents other master's granting colleges and universities and for UK and UofL, the peer group represents other major doctoral granting universities.
A negative sign indicates students at the Kentucky institution responded statistically (p<.01) below students in the peer group.
A positive sign indicates students at the Kentucky institution responded statistically (p<.01) above students in the peer group.
KSU is not listed in the table because they did not participate in NSSE 2005. KSU is registered to participate in NSSE 2006 and all Kentucky institutions are currently scheduled to participate again in NSSE 2007.

Analysis

- According to NSSE, first-year students at EKU and seniors at NKU experience less enriching activities than their counterparts at other Kentucky institutions and seniors at WKU experience more.
- For first-year students and seniors, four of the seven institutions perform at comparable levels to their peers and two of seven perform at comparable levels to the national norms.
- A number of the items that comprise this benchmark, including participating in co-curricular activities, studying abroad, and internships, are linked to institutional selectivity and family income.

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. NSSE used the following survey items to measure the *Supportive Campus Environment*.

- Campus environment provides the support needed to succeed academically.
- Campus environment helps students cope with non-academic responsibilities (work, family, etc.).
- Campus environment provides the support needed to thrive socially.
- Quality of relationships with other students.
- Quality of relationships with faculty members.
- Quality of relationships with administrative personnel and offices.

Supportive Campus Environment						
	First-Year Students			Seniors		
	KY	Peer	National	KY	Peer	National
EKU						
Morehead						
Murray				**+**	**+**	**+**
NKU						
WKU		-	-		-	-
UK			-			
UofL			-	-		-
Notes: For the comprehensive institutions, the peer group represents other master's granting colleges and universities and for UK and UofL, the peer group represents other major doctoral granting universities. A negative sign indicates students at the Kentucky institution responded statistically (p<.01) below students in the peer group. A positive sign indicates students at the Kentucky institution responded statistically (p<.01) above students in the peer group. KSU is not listed in the table because they did not participate in NSSE 2005. KSU is registered to participate in NSSE 2006 and all Kentucky institutions are currently scheduled to participate again in NSSE 2007.						

Analysis

- According to NSSE, there is no difference in students' perceptions of how supportive their campuses are among first-year students. Seniors at Murray report higher levels than their counterparts at other Kentucky institutions and seniors at UofL report lower levels of campus support.
- For first-year students, six of the seven institutions perform at comparable levels to their peers and four of seven perform at comparable levels to the national norms.
- For seniors, five of the seven institutions perform at comparable levels to their peers and seniors at Murray report higher levels of support versus students at peer institutions.
- For seniors, four of seven institutions perform at comparable levels to the national norms. Murray's students respond at higher levels than the national norms, while seniors at UofL and WKU respond at lower levels.

Conclusion

In general, many students at Kentucky's public four-year institutions experience levels of engagement similar to their counterparts across the country. Of the 140 peer and national comparisons analyzed, 93 (66.4 percent) were equal to the comparison groups, 44 (31.4 percent) were below, and three (2.2 percent) were above the comparison groups. More favorable results were reported when Kentucky students were compared to students at their peer institutions. Approximately 77 percent of the comparisons were equal to or above the peer groups versus 60 percent compared to the national norms. However, this peer to national differential is not unexpected given the large percentage of small, private liberal arts institutions included in the national average.

There also appears to be an opportunity for representatives at Kentucky institutions to share some good practices among themselves given the positive results reported by first-year students at WKU for active and collaborative learning, seniors at EKU for student-faculty interaction, seniors at WKU for enriching educational experiences, and seniors at Murray for supportive campus environment.

Next Steps

This report is only one step in an ongoing discussion related to using student engagement and related student experience data to elevate the statewide dialogue on improving the quality of teaching and learning. In fact, two Kentucky institutions, Kentucky State University and Western Kentucky University, were recently highlighted in NSSE's 2005 Annual Report for creative ways of incorporating student engagement information into campus improvement efforts.

As part of the Public Agenda, the Council continues to monitor student and civic engagement as institutional key indicators of performance. The Council is also working on analyses to compare Kentucky's NSSE 2005 results to our first participation in NSSE 2001. The Council is also promoting a statewide workshop in May 2006 for teams of representatives from Kentucky institutions to gather and share information with experts on best practices.

Institutional Use of the Results of the
National Survey of Student Engagement

At Western Kentucky University, the National Survey of Student Engagement figures prominently as an assessment tool in support of accreditation activities. Each institution applying for renewal of Southern Association of Colleges and Schools accreditation is required to develop a Quality Enhancement Plan, a carefully designed and focused course of action that addresses a well-defined topic or issue(s) related to enhancing student learning. WKU's QEP focus, *Engaging Students for Success in a Global Society*, uses NSSE results to gauge the plan's impact on the institution, and the survey will now be implemented annually. In fact, WKU was a featured institution in the NSSE 2005 Annual Survey Results report, *Exploring Different Dimensions of Student Engagement*, specifically in the chapter on *Using NSSE in Accreditation*. WKU is one of two public institutions that selected improvement in NSSE scores as the institutional choice key indicator for the performance funding system.

The University of Louisville is using NSSE results in multiple ways to support its upcoming SACS review and QEP development. UofL's QEP topic is *Ideas to Action and Critical Thinking Skills to Solve Community Problems*. NSSE is part of UofL's assessment of student learning outcomes in general education assessment. Additionally, the Task Force on Institutional Effectiveness developed the *Vision*Focus*Action Report* in 2002, based on NSSE results, to identify institutional changes to improve student learning outcomes.

Eastern Kentucky University also will be using the NSSE results in the upcoming SACS reaffirmation, in particular through the QEP process. EKU administrators are supporting the NSSE workshop to learn ways to increase the response rates and expand the use of the results.

Murray State University recently surveyed department chairs and found that NSSE results are used for programmatic accreditation and SACS. Also, the current task force is using NSSE to evaluate and make recommendations regarding general education. MuSU posts online the results of both NSSE and the Faculty Survey of Student Engagement.

Institutions that have recently completed accreditation renewals and are further out from the QEP development, such as Northern Kentucky University and Morehead State University, have built NSSE data into their institutional assessments. MoSU requires academic programs to assess student engagement in annual assessments and four-year reviews. Both the NSSE and the FSSE will be used in developing a strategy to support the institutional reviews.

NKU is the second university to select improvement in NSSE scores as the institutional choice key indicator for performance funding. NKU's Professional and Organizational Development Center has agreed to participate on a panel presentation, *Using National Survey of Student Engagement Results: Kentucky Faculty Perspectives*, at the 2006 Faculty Development Conference. Kentucky State University and WKU also have agreed to participate on the panel.

KSU is also noted in the NSSE 2005 Annual Survey Results report, *Exploring Different Dimensions of Student Engagement,* as an institution that used NSSE survey results to improve relations between KSU students and the local community and to streamline ways for students to get information about services on campus.

The University of Kentucky is using the NSSE results as an important indicator to support its strategic plan–*The Dream and Challenge*. Goal II of the plan, "attract and graduate outstanding students," calls upon the university to engage students in rigorous educational programs and provide an environment conducive to success. One of the key indicators for measuring the success of this objective is to exceed the predicted levels of attainment on indicators of quality undergraduate education, as reported by seniors on the NSSE. Also, UK is hosting the Kentucky Engagement Conference in fall 2006 that will be co-sponsored by several Kentucky colleges and universities.

May 22, 2006

Committee on Equal Opportunities Report

The Committee on Equal Opportunities met Monday, April 17, 2006, on the campus of Morehead State University. Following is a summary of the meeting, the status of initiatives, recurring activities related to the implementation of the Kentucky Plan for Equal Opportunities, and the partnership with the U.S. Department of Education, Office of Civil Rights.

The committee:

- Received a report that the request for proposals (RFP) to conduct the statewide diversity study was issued March 24, 2006. The RFP was posted to the CPE Web site, the Commonwealth of Kentucky E-procurement Web site, the Web site of the American Association for Affirmative Action, and the *Courier-Journal* newspaper, and was mailed electronically to 20 specific vendors and others. Selection of a vendor is anticipated by July 2006. The study is expected to be completed and a final report given to the Committee on Equal Opportunities, the Council, and institutions by June 30, 2007.

- Endorsed the campus visit outline for conducting campus visits to KCTCS institutions. The committee will complete visits during the regular academic year; avoid conducting visits during registration, spring or fall breaks, or final exams; visit up to four colleges per semester; and conduct the visits using a modified agenda similar to that used for universities, except that it should focus on the four objectives established by the plan for community and technical colleges.

- Asked staff to complete a report on the use of funds appropriated by the 1984 General Assembly to support institutional efforts to meet the commitments of the Higher Education Desegregation Plan and the Kentucky Plan for Equal Opportunities. The report will review use of funds for 1997 through 2006 for financial aid/scholarships, recruitment of faculty, staff, student support programs, marketing/advertising, equipment, and space for programs and activities.

- Received a special interim report on the 2020 Educational Attainment Projections and asked to be kept informed as the Council and the institutions complete this process.

- Received notification that the Morehead State University Board of Regents adopted a resolution to implement new academic programs under the quantitative waiver status (KRS 164.020 (18)). The waiver status is effective until December 31, 2006.

- Heard interim reports from Eastern Kentucky University, Murray State University, and Northern Kentucky University detailing the institutions' success in implementing the recommendations from campus visits.

- Conducted a campus visit at Morehead State University April 17-18, 2006. A report of the campus visit will be presented at the CEO meeting June 19, 2006.

- Received a report that the 19TH annual Academically Proficient African American High School Senior and Junior Conference will be hosted by Eastern Kentucky University June 16-17, 2006, and that the sixth annual statewide Governor's Minority Student College Preparation Program Conference will be held at the University of Louisville, June 13-14, 2006.

- Agreed to complete a self assessment of the campus visit format to determine what modifications, if any, should be made to enhance the process, including training for campus visit teams, review of visit objectives, and techniques for gathering information.

Trust Fund Guidelines

ACTION: The staff recommends that the Council approve the attached research support, regional stewardship, and workforce development/transfer program guidelines.

On April 24, 2006, House Bill 380 was enacted by the 2006 General Assembly. The bill authorized funding for three programs recommended by the Council. The Research Support Program received authorization for $1.5 million of recurring funds in 2006-07 and an additional $1.5 million of recurring funds in 2007-08 (for a total of $3.0 million in year two). The Regional Stewardship Program received authorization for $1.2 million of recurring funds in 2006-07 and an additional $2.4 million of recurring funds in 2007-08 (for a total of $3.6 million in year two). Finally, the Workforce Development/Transfer Program received authorization for $300,000 of nonrecurring funds in 2006-07 and $1.2 million of recurring funds in 2007-08.

Pursuant to action by the General Assembly regarding these three programs, the staff presents three sets of guidelines for Council action:

- Research Support Program Guidelines (Attachment A)
- Regional Stewardship Program Guidelines (Attachment B)
- Workforce Development/Transfer Program Guidelines (Attachment C)

Public university and KCTCS chief budget officers and chief academic officers were given several opportunities to review and comment on the guidelines during the development process. The draft guidelines also were discussed at the January 30 and May 22 meetings of the Quality and Accountability Policy Group and the Research, Economic Development, and Commercialization Policy Group.

Council on Postsecondary Education
2006-08 Research Support Program Guidelines

Introduction
The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) establishes aggressive goals for the University of Kentucky (UK) and the University of Louisville (UofL). By the year 2020, UK is to become a major comprehensive research institution ranked nationally in the top 20 public universities and UofL is to become a premier, nationally recognized, metropolitan research university. Recognizing the importance of ambitious research agendas for achieving these goals, the Kentucky Department of Commercialization and Innovation, the Council on Postsecondary Education, and UK and UofL officials developed a goal of reaching $500 million in extramural academic research and development expenditures ($300 million at UK and $200 million at UofL) as defined by the National Science Foundation by the year 2010. To attain this goal, both institutions need the necessary infrastructure for a healthy research enterprise.

Program Goals
The primary goals of the Research Support Program are to promote economic development, create high-tech jobs, and raise the average standard of living of Kentucky residents through strategic investments in research faculty at the University of Kentucky and the University of Louisville. To help accomplish these aims, campus administrators are expected to recruit and retain research active faculty in areas of strategic benefit to the Commonwealth. Additional objectives include:

- Generate increases in federal and extramural research expenditures.
- Facilitate Kentucky's transition to a knowledge-based economy.
- Create an environment that fosters increased innovation and opportunities for commercialization.
- Stimulate business development.

Program Funding
As part of its biennial budget recommendation to the Governor, the Council on Postsecondary Education recommended $4.0 million of recurring funds and $18.0 million of nonrecurring funds for the Research Support Program in the first year of the 2006-08 biennium. That recommendation included requests for $4.0 million in recurring funds to build research capacity, $15.0 million in nonrecurring funds to finance laboratory renovations and equipment purchases, and $3.0 million in nonrecurring funds to support university research initiatives.

During the 2006 legislative session, the General Assembly appropriated $1.5 million of recurring funds to the program in 2006-07 and an additional $1.5 million of recurring funds in 2007-08 (for a total of $3.0 million in year two). The stated purpose of the appropriation is to provide General Funds to support a research capacity pool.

Research capacity funds will support university efforts to build intellectual capital in areas of strategic benefit to the Commonwealth. The funds will be allocated one-third to the University of Louisville and two-thirds to the University of Kentucky, based on the House Bill 1 statute governing the Research Challenge Trust Fund. To qualify for research capacity funds, each institution should submit a brief one-time proposal outlining the areas being targeted for use of the funds to the Council by close of business October 1, 2006. It is anticipated that, in subsequent biennia, research capacity funds will become recurring to the institutions, rather than to the Research Support Program. The Council staff will seek to have a provision added to the 2008-2010 appropriations bill, so that any research capacity funds not distributed by the end of the biennium (i.e., close of business Monday, June 30, 2008) will be carried forward in the funding program until guideline requirements have been satisfied.

Uses of Program Funds

Research capacity funds will be used to recruit and retain prominent, research-active faculty in areas of strategic benefit to the Commonwealth. Appropriate uses for these funds include start-up costs, salaries, benefits, travel, and other professional expenses as permitted by university policy for faculty positions in CPE priority areas.

At least 70 percent of program funds must be used to support research-active faculty in university programs of distinction or academic disciplines contained within five economic development clusters:

- Human Health and Development
- Biosciences
- Materials Science and Advanced Manufacturing
- Information Technologies and Communications
- Environmental and Energy Technologies

These clusters define important areas of opportunity for economic growth in the Commonwealth, which could become magnets for both talent and capital.

Program funds must supplement, rather than supplant, existing institutional budget allocations for research faculty within a given discipline.

Annual Reporting

The Council staff, working with the research institutions, will devise and maintain reporting procedures that specify the content and format of Research Support Program annual reports. The reports will include accountability for outcomes that support campus action plans contained within the 2005-2010 Public Agenda.

Council on Postsecondary Education
2006-08 Regional Stewardship Program Guidelines

Introduction

In Kentucky, and across the nation, discussions of the mission of postsecondary institutions have focused on their responsibility for meeting the education, health, economic, and civic needs of the public they serve. A fully engaged postsecondary institution is a powerful force that serves as a center for regional and state improvement, including greater economic vitality, better government services, improved public health, and citizens who are more engaged with democratic processes. In addition, students and faculty at engaged institutions are part of a vital educational process that improves teaching and learning and links teaching, learning, and research to public needs.

Effective public engagement with P-12 schools, P-16 councils, employers, entrepreneurs, and government and nonprofit agencies requires alignment of institutional missions, resources, and reward systems with a commitment to stewardship. Public engagement programs, like basic research, are cost centers for postsecondary institutions. Some programs may generate limited funds through contracts with employers and local governments, but most programs that target the needs of public schools, small businesses, and government and nonprofit agencies require the support of public funds.

Recognizing the costs of basic research, the federal government has allocated billions of dollars through agencies like the National Science Foundation to successfully stimulate reallocation of university resources to address a national research agenda. The Regional Stewardship Program adopts this successful model to encourage public postsecondary institutions to expand their efforts to engage regional needs.

The Regional Stewardship Program supports comprehensive university efforts to focus their missions on improving quality of life in their regions or the state and on achieving the aspirations set forth in *The Kentucky Postsecondary Education Improvement Act of 1997* (House Bill 1) and the Public Agenda for postsecondary and adult education in Kentucky for 2005-2010.

Program Goals

The overarching goal of the Regional Stewardship Program is to promote regional or statewide economic development, livable communities, social inclusion, improved P-12 schools, creative governance, and civic participation through public engagement activities initiated by comprehensive university faculty and staff. To help accomplish this goal, campus administrators are expected to design and implement programs that align institutional resources and infrastructure to support their missions as stewards of place, and to create partnerships and

undertake engagement activities that address regional and state needs. Specific activities include:

- Develop a plan for aligning institutional priorities, resources, and infrastructure to support stewardship initiatives.
- Modify organizational structures, institutional practices, and reward systems to support stewardship activities by faculty and staff.
- Assemble a regional advisory committee comprised of local government and community leaders, business and industry representatives, education leaders, policy professionals, interest groups, and citizens to assist in identifying regional or state needs, opportunities, and stewardship priorities.
- Identify key indicators of regional economic vitality, quality of life, and civic participation and configure information systems to collect and track these data.
- Engage in environmental scanning activities, convene advisory committee meetings, and host public forums to identify regional or state needs, opportunities, and stewardship priorities.
- Produce a planning document that highlights regional needs, opportunities, and priorities and recommends strategies for addressing needs or taking advantage of opportunities.
- Increase awareness among advisory committee members, the campus community, and regional stakeholders of university resources and how those resources can be directed to address identified needs or take advantage of identified opportunities.
- Establish partnerships with local and regional governments, P-12 schools, community and civic organizations, businesses, hospitals, foundations, and philanthropic organizations to garner financial or in-kind support for stewardship activities and increase program impact.
- Encourage faculty members to generate proposals and engage in stewardship activities that promote regional or statewide economic development, livable communities, social inclusion, creative governance, and civic participation.
- Identify key indicators related to the nature and extent of institutional/community interactions and configure information systems to collect and track these data.
- Provide professional development for faculty in engagement related areas and find creative ways of integrating public engagement into teaching and research activities at the institutions.

Specific goals for individual engagement initiatives will be described in program proposals submitted for Council approval and funding. The Council staff will work with campus officials, as needed, to refine goals and identify key indicators for measuring progress toward goal attainment.

Program Funding

As part of its biennial budget recommendation to the Governor, the Council on Postsecondary Education recommended $3.0 million of recurring funds for the Regional Stewardship Program in the first year of the 2006-08 biennium and an additional $15.0

million of recurring funds for the program in the second year (i.e., a total of $18.0 million in year two). During the 2006 legislative session, the General Assembly appropriated $1.2 million of recurring funds to the program in 2006-07 and an additional $2.4 million of recurring funds in 2007-08 (for a total of $3.6 million in year two). These funds will be divided into three pools pending allocation and distribution: (a) infrastructure, (b) regional grants, and (c) stewardship initiatives.

Infrastructure funds will support the development and maintenance of organizational structures, personnel, information systems, and community relationships directed toward the identification of regional needs, opportunities, and stewardship priorities. The size of the infrastructure pool will be $1.2 million each year of the biennium. Infrastructure funds will be allocated among the Commonwealth's six comprehensive universities in equal amounts of $200,000 per institution each year. Allocated funds will be distributed upon submission and Council approval of a plan to align institutional priorities, resources, and infrastructure to support and sustain stewardship initiatives at the institution. To qualify for infrastructure funds, each institution should submit a one-time, infrastructure plan to the Council by close of business October 1, 2006. Within 30 days of receipt of the proposals, Council staff will advise the institutions of any noncompliance or nonconformity and shall work with the institutions to help them qualify for the grant. It is anticipated that, in subsequent biennia, infrastructure funds will become recurring to the institutions, rather than to the Regional Stewardship Funding Program. Any infrastructure funds not distributed by the end of the biennium (i.e., close of business Monday, June 30, 2008) will be transferred to the stewardship initiatives pool for distribution on a competitive basis. Any institution that does not qualify to receive its 2006-07 infrastructure pool allocation will be afforded an opportunity to submit an infrastructure plan by June 1 each year thereafter to access funds allocated in subsequent years.

Regional grant funds will support comprehensive university efforts to build intellectual capacity in stewardship priority areas. The size of the regional grant pool will be $1.8 million in the second year of the biennium. Pool funds will be allocated among the comprehensive universities in equal amounts of $300,000 per institution. Allocated funds will be distributed upon submission and Council approval of two documents: (1) a strategic plan, produced in collaboration with an institution's advisory committee, which identifies regional needs, opportunities, and stewardship priorities; and (2) a proposal that identifies targeted areas of impact at the university and contains a proposed budget for faculty and staff salaries, and operating expenses, in those areas. To qualify for regional grant funds, each institution should submit a strategic plan for stewardship activities and a priority area proposal to the Council by close of business June 1, 2007. Within 30 days of receipt of the plans and proposals, Council staff will advise the institutions of any noncompliance or nonconformity and shall work with the institutions to help them qualify for the grant. It is anticipated that, once distributed, these funds will become recurring to the institutions, rather than to the Regional Stewardship Funding Program. Any regional grant funds not distributed by the end of the biennium (i.e., close of business Monday, June 30, 2008) will be transferred to the stewardship initiatives pool for distribution on a competitive basis. Any institution that does not qualify to receive its 2007-08 regional grant pool allocation will be afforded an opportunity

to submit a strategic plan and priority area proposal by June 1 each year thereafter to access regional grant funds allocated in subsequent years.

The stewardship initiatives pool will support specific public engagement activities at the institutions that improve economic prosperity, quality of life, and civic participation in the region or state, while furthering the goals and mandates of House Bill 1 and the Public Agenda. The size of the stewardship initiatives pool will be $600,000 in the second year of the biennium. These funds will be distributed to the comprehensive universities on a competitive basis based on responses to an annual request for proposals issued by Council staff. The Council staff will seek to have a provision added to the 2008-2010 appropriations bill, so that any stewardship initiative funds not distributed by the end of the biennium will be carried forward in the funding program until guideline requirements have been satisfied. The first round of proposals for stewardship initiative funds should be submitted to the Council by close of business October 1, 2007. The second round of proposals is due by close of business June 1, 2008. It is anticipated that, in subsequent biennia, stewardship initiative funds will become recurring to the Regional Stewardship Funding Program maintained at the Council.

Uses of Program Funds

<u>Infrastructure</u> - Infrastructure funds will be used to develop and maintain organizational structures, personnel, information systems, advisory committees, and external partnerships necessary to sustain stewardship activities. Appropriate uses for these funds include expenditures for a stewardship coordinator, stewardship staff, and related operating expenses. Infrastructure funds should not be used to support capital outlay or debt service expenditures.

- **Stewardship Coordinator:** Salaries, benefits, and other personnel related expenses associated with a full-time or part-time faculty or administrative staff position responsible for coordinating stewardship program activities at the institution.
- **Stewardship Staff:** Salaries, benefits, and other personnel related expenses associated with full-time or part-time administrative, managerial, or secretarial staff positions that support the program coordinator and stewardship program activities at the institution.
- **Related Operating Expenses:** Expenditures directly attributable to the support and operation of stewardship program activities, including but not limited to the following: (a) travel and related expenses associated with establishing and maintaining external partnerships; (b) costs associated with convening advisory committee meetings or hosting public forums; (c) public awareness campaigns; (d) professional development for faculty in engagement related areas; (e) costs associated with integrating public engagement into the curriculum; (f) costs associated with restructuring faculty role and reward structures; and (g) computer equipment and software, as needed to support stewardship coordinator and staff activities, including development of environmental scanning and institutional/community interaction databases.

<u>Regional Grants</u> - Regional grant funds will be used to recruit and retain full-time faculty or professional staff in areas of strategic benefit to a service region, or the state, as identified in an

institution's strategic plan for regional stewardship and its priority area proposal. Appropriate uses for these funds include start-up costs, salaries, benefits, travel, and other professional expenses as permitted by university policy for new faculty or professional staff positions in targeted priority areas. It is anticipated that the addition of newly hired faculty or staff within a given Council approved priority area will result in reduced departmental teaching loads and increased release time, so that participating faculty will have more time to engage in regional stewardship activities.

<u>Stewardship Initiatives</u> - Stewardship initiative funds will be directed toward the creation of partnerships and the execution of engagement activities that promote regional or statewide economic development, livable communities, social inclusion, and creative governance, while helping to achieve the goals of House Bill 1 and the Public Agenda. Examples of initiatives that may be funded include, but are not limited to:

- Addressing issues of teacher quality, pre-service training, in-service professional development, or teacher shortages.
- Conducting research that identifies causes and solutions for student achievement gaps.
- Developing community-based research programs that address public problems, such as improving the environment, public health, and transportation.
- Meeting the needs of current employers and creating new economic opportunities for the region or state.
- Increasing citizen participation in democratic processes.
- Helping the region address challenges and opportunities posed by an increasingly diverse population.

Uses of Funds Requirements
The universities that participate in the Regional Stewardship Program shall utilize program funds so that the following requirements are met:

- Infrastructure funds will not be distributed until an institution's plan for aligning its priorities, resources, organizational structure, and reward systems in support of stewardship activities has been submitted and approved by the Council.
- If a university can demonstrate through its infrastructure plan that a sufficient level of institutional personnel and resources are already committed to supporting core stewardship of place functions, then the infrastructure funds provided through this program can be used to build intellectual capacity in targeted impact areas, subject to guideline provisions specifying applicable uses of regional grant funds.
- Regional grant funds will not be distributed until an institution's plan for developing its infrastructure has been submitted and approved by the Council, and its infrastructure funds have been distributed.
- Regional grant funds will not be distributed until an institution's strategic plan for regional stewardship and its priority area proposal have been submitted and approved by the Council.

- Proposals for stewardship initiative funds will not be considered for funding until an institution's strategic plan for stewardship activities and priority area proposal have been submitted and approved, and its regional grant funds have been distributed.

Proposal Requirements and Evaluation Criteria

The comprehensive universities will submit proposals for stewardship initiative funds that adhere to the following requirements:

- The minimum amount of stewardship initiative funds that shall be requested in a single proposal is $20,000.
- Institutions can submit multi-year proposals for stewardship initiative funds, but will be required to present follow-up proposals for continuation funding every two years for the duration of the project. Continuation funding is not guaranteed. Follow-up proposals will be added to the pool of proposed projects received each year and evaluated on relative merit.
- Each proposal shall contain specific goals for the proposed stewardship activity, identify key indicators that will help monitor progress toward goal attainment, provide clear definitions of expected program outcomes, and contain an evaluation plan.
- Expected outcomes should be clearly linked to documented regional or state needs, such as raising educational attainment levels, improving public health or environmental conditions, promoting economic development, supporting small business development, or increasing civic engagement.
- Each proposal shall contain a plan for linking the proposed engagement activity to the core academic function of the institution, as well as a plan for the ultimate completion of the project or disengagement of the activity.
- Proposals will be evaluated by an assessment team comprised of CPE staff, state agency representatives, and outside consultants with expertise in the stewardship of place arena.

Institutional proposals for stewardship initiative funds will be evaluated based on the criteria listed below. Requests need not meet all the criteria to receive consideration.

- The extent to which the proposed activity addresses significant regional or state needs, or capitalizes on unique opportunities, as identified through assessments involving the institution, its advisory committee, and other appropriate external partners.
- The potential for enhancing collaboration, where feasible. This includes, but is not limited to, partnering with public and independent postsecondary institutions, P-12 organizations, local P-16 councils, local and regional governments, nonprofit agencies, community and civic organizations, businesses, hospitals, foundations, and philanthropic organizations to share costs and increase program impact.
- The extent to which the stewardship activity holds promise for significant and sustainable regional or statewide improvement in the areas of economic development, livable communities, social inclusion, creative governance, and civic participation.

- The availability of financial or in-kind support contributed by local, regional, or state partners, or by the postsecondary institution(s) involved in the project.
- The extent to which the proposed utilization of institutional resources and faculty expertise provide a reasonable expectation that project goals will be achieved.
- The potential for producing publishable results that can be generalized to other regions of Kentucky, or across the nation, to address similar problems or take advantage of similar opportunities.

Annual Reporting

The Council staff, working with the comprehensive universities, will devise and maintain reporting procedures that specify the content and format of Regional Stewardship Program annual reports. The reports will include accountability for outcomes that support campus action plans contained within the 2005-2010 Public Agenda.

Council on Postsecondary Education
2006-08 Workforce Development/Transfer Program Guidelines

Introduction

Kentucky's public agenda for postsecondary education recognizes the importance of workforce education and transfer from two-year to four-year postsecondary institutions to the economic well-being of its citizens. Specifically, it calls for better preparation of graduates to meet workforce needs through partnerships with business and industry, expanded capacity for student transfer to increase degree production, and increases in student financial aid to support transfer.

The Kentucky Community and Technical College System's Campus Action Plan supports the public agenda, focusing on new and improved transfer opportunities through career pathways, ensuring employability skills are incorporated into KCTCS programs, and determining and meeting workforce needs through partnerships with local, regional, and statewide business, industry, and economic development agencies.

The Workforce Development/Transfer Program (WDTP) supports public postsecondary workforce education and transfer initiatives to create a workforce that stimulates business development, creates better jobs and a higher standard of living, and facilitates Kentucky's transition to a knowledge-based economy. The program provides funding for faculty/staff positions, student scholarships, and infrastructure to support workforce education and transfer.

State funds for the program are appropriated to the Postsecondary Workforce Development Trust Fund for the Kentucky Community and Technical College System.

Program Goals

The Council expects program funds to be substantially directed toward supporting workforce education and transfer initiatives that lead to the creation, preservation, or attraction of businesses that will increase the number of good jobs in Kentucky. For these purposes, "good jobs" are defined as jobs that yield income at or above the national per capita income. The fund will increase the number of graduates from KCTCS that are prepared to work in such good jobs.

The Council recognizes the importance of collaboration and encourages use of program funds to promote KCTCS partnerships with business, industry, and four-year institutions that increase degree production and transfer in the science, technology, engineering, and math (STEM) disciplines, health professions, teacher shortage areas, and applied sciences.

The Council recognizes the importance of the KCTCS transfer mission and encourages use of program funds to support initiatives that enhance the transition of students from KCTCS

colleges to four-year institutions. The WDTP will promote transfer through increases in the number of transfer scholarships and improvements in the infrastructure that supports transfer.

The WDTP also should produce increases in sponsored workforce education and training directly attributable to the program and improvement in related student outcome measures (e.g., increased enrollment, retention, graduation, transfer, and employment, especially in high-need workforce areas).

Program Funding

As part of its biennial budget recommendation to the Governor, the Council on Postsecondary Education recommended $500,000 of nonrecurring funds for the Workforce Development/Transfer Program in the first year of the 2006-08 biennium and $3.5 million of recurring funds for the program in the second year. During the 2006 legislative session, the General Assembly appropriated $300,000 of nonrecurring funds to the program in 2006-07 and $1.2 million in recurring funds in 2007-08. These funds will be divided into two pools pending distribution: (a) endowment and (b) workforce development/transfer.

The endowment pool will support faculty positions, scholarships, and program initiatives that contribute to workforce development in high-need areas and transfer of students to baccalaureate degree programs in areas of strategic benefit to the Commonwealth. The size of the pool will be $300,000 in the first year of the biennium, which will be matched dollar-for-dollar by KCTCS with funds raised from private sources. Endowment pool funds will be distributed upon submission and approval of funding requests that meet guideline requirements for the program. These funds will be nonrecurring to the institution, but will be added, along with matching private-source funds, to the endowment of the institution to provide a perpetual source of funding for workforce development and transfer initiatives. Any endowment pool funds not distributed by the end of the biennium (i.e., close of business Monday, June 30, 2008) will be carried forward in the trust fund until guideline requirements have been satisfied and the funds are matched.

The workforce development/transfer pool will support KCTCS efforts to build workforce development and transfer programs in areas of demonstrated workforce need. The size of the pool will be $1.2 million in the second year of the biennium. These funds will be distributed to KCTCS upon submission and approval of a plan to align institutional priorities, resources, and infrastructure to support workforce education and transfer activities in disciplines of strategic benefit to the Commonwealth or in areas of student need as identified in the CPE affordability study. At least 25 percent of the pool (or $300,000) will fund scholarships that support associate degree completion and transfer of baccalaureate degree-seeking KCTCS associate degree completers to Kentucky public and independent colleges. To qualify for these funds, KCTCS should submit a one-time plan to the Council by close of business June 1, 2007. It is anticipated that, in subsequent biennia, these funds will become recurring to the institution, rather than to the Workforce Development/Transfer Program. Any workforce development/transfer pool funds not distributed by the end of the biennium (i.e., close of business Monday, June 30, 2008) will be carried forward in the trust fund until guideline requirements have been satisfied and the funds are distributed.

Matching Requirements

In order to receive endowment pool funds, KCTCS must provide dollar-for-dollar matching funds that satisfy the following requirements:

- Gifts and pledges must be newly generated to be eligible for state match. Newly generated contributions are those received by KCTCS after June 1, 2006.
- Gifts and pledges must be from external sources to be eligible for state match. External source contributions are those that originate outside KCTCS or one of its recognized foundations. Eligible sources of funding include, but are not limited to, businesses, non-governmental foundations, hospitals, corporations, and alumni or other individuals.
- The following sources of funding are not eligible for state match:

    (a) Funds received from federal, state, and local government sources.
    (b) General Fund and student-derived revenues (e.g., state appropriations, tuition and fees revenue).
    (c) Funds received from an affiliated KCTCS entity or fund.
    (d) Funds directed through a nonaffiliated university entity or fund with an origin in conflict with items (a), (b), or (c) above.

- The minimum institutional request amount is $50,000. KCTCS may combine smaller donations from businesses, nongovernmental foundations, hospitals, corporations, and alumni or other individuals to meet the $50,000 minimum.
- All funds, both state and private, must be endowed. "Endowed" means only the investment earnings are eligible for expenditure, not the principal.
- Requests for state funds must identify the matching funds that are cash and the matching funds that are pledges.
- Pledges, or promises of future payment, are eligible for state match provided they are based on a written contract or agreement and include a payment schedule, which does not exceed five years from the initial pledge date. Pledge payment schedules showing receipts to date and scheduled future payments are to be included in the audited financial statements of either the institution or the foundation.
- If pledged funds are not received within five years of the initial pledge date, KCTCS must replace the portion of private funds not received with another eligible cash gift or the unmatched portion of the state funds plus an allowance for accrued interest will revert to the trust fund for reallocation. In such cases, a timeframe for the replacement or return of state funds will be negotiated between Council staff and institutional representatives.
- KCTCS officials must notify the Council staff of unpaid pledges six months before the end of the five-year deadline or immediately when a gift has been revoked.

Uses of Program Funds

As described in the Program Funding section above, Workforce Development/Transfer Program funds will be divided into two pools pending allocation and distribution.

Endowment Pool - The endowment pool will be matched with private source funds and added to the KCTCS endowment, where it will provide a perpetual source of funding for workforce development and transfer initiatives. Investment earnings from the endowments will support faculty positions, scholarships, infrastructure, and program initiatives that contribute to workforce development in high-need areas and transfer of students to baccalaureate degree programs in areas of strategic benefit to the Commonwealth.

- **Faculty Positions:** New faculty positions, salary supplements to existing faculty positions, and associated expenses for those positions, including start-up costs, salaries, benefits, travel, and other professional expenses as permitted by KCTCS policy.
- **Scholarships:** Scholarships funded with endowment proceeds will: (1) support undergraduate student completion of KCTCS programs; (2) support transfer of KCTCS associate degree completers to baccalaureate degree programs in career pathways and STEM related disciplines, as well as, in disciplines contained within five new economy clusters identified by the Cabinet for Economic Development as being key to economic development in Kentucky (i.e., Human Health and Development, Biosciences, Materials Science and Advanced Manufacturing, Information Technologies and Communications, Environmental and Energy Technologies); or (3) provide financial aid in areas of student need as identified in the CPE affordability study.
- **Infrastructure:** Expenditures for minor classroom or training facility renovations, faculty start-up packages, equipment and supplies that are directly linked to workforce education and training activities of program faculty, including core workforce training room improvements, equipment upgrades, instruments and supplies, and other workforce education related expenses as permitted by KCTCS policy.

Workforce Development/Transfer Pool - Workforce development/transfer pool funds will be used to develop and maintain organizational structures, personnel, and information systems necessary to sustain viable workforce development and transfer programs in areas of demonstrated workforce need. Pool funds will also support associate degree completion and transfer of baccalaureate degree-seeking KCTCS associate degree completers to Kentucky public and independent colleges, especially for students transferring into STEM disciplines, as identified in the Council's Key Indicator Accountability System, and then to other high-need workforce areas. Appropriate uses for these funds include scholarships that support associate degree completion and transfer, expenditures for workforce education, or transfer program faculty salaries, benefits, and related operating expenses. These funds should not be used to support capital outlay or debt service expenditures.

- **Scholarships:** Twenty-five percent of this pool (or $300,000) will be used to provide scholarships that support associate degree completion and transfer of baccalaureate degree seeking KCTCS associate degree completers. It is intended that a majority of scholarship funds will support the transfer function directly related to the needs of the system as identified by the affordability study and transfer study. These funds should supplement, and not supplant, funding for existing financial aid programs. The

Council will assess the effectiveness of the program through regular reports of the number and percentage of scholarship recipients receiving baccalaureate degrees.

- **Faculty Positions (or Staff):** Salaries, benefits, and other personnel related expenses associated with new faculty (or staff) positions that increase the institution's capacity to produce associate degree and certificate holders in demonstrated areas of workforce need in Kentucky, or that facilitate successful transfer of students to baccalaureate degree programs in the science, technology, engineering, and math (STEM) disciplines, health professions, teacher shortage areas, and applied sciences.

- **Related Operating Expenses:** Expenditures for program and operating expenses that are directly linked to workforce education and transfer activities, including but not limited to the following: (1) education and training materials, media, and equipment that enhance KCTCS capability in workforce education and transfer; (2) development of online programs that promote transfer, transfer of credits, and student enrollment and completion of certificates and degrees in high-need areas; (3) funding for visiting professors and instructors, lecture series, demonstration projects, and faculty exchange that support workforce education and transfer in priority areas; (4) workshops for KCTCS faculty and staff including activities of the Council's Go Higher Kentucky Campaign targeting increased transfer; and (5) expenditures for the dissemination of information and best practices in workforce education and transfer programs (for example, nationally prominent publications and presentations at conferences, symposiums, seminars, or workshops for KCTCS faculty/staff). Expenditures for general personnel expenses that are not directly linked to workforce education or transfer programs do not qualify as infrastructure support activities.

Use of Funds Requirements

- All endowment pool and matching private funds must be endowed for the purpose of supporting student scholarships, faculty or staff positions, operating expenses, or infrastructure that are directly linked to workforce education or transfer program activities in areas of strategic benefit to the Commonwealth.
- Program funds cannot be used for positions which are primarily administrative. However, professors in workforce education and training programs who may have an appointment such as department chair, center director, or dean are eligible.
- Program funds cannot be used to fund capital construction projects.
- Program funds should supplement, rather than supplant, current KCTCS funding for workforce development and transfer programs.

Annual Reporting

The Council staff, working with KCTCS, will devise and maintain reporting procedures that specify the content and format of WDTP annual reports. The reports will include accountability for outcomes that support campus action plans contained within the 2005-2010 Public Agenda.

Statewide Facilities Condition Assessment Status Report

On November 17, 2005, the Council issued a request for proposals (RFP) to conduct a statewide facilities condition assessment. VFA, Inc., of Boston, Massachusetts, was selected as the prime vendor to implement the study. The contract with VFA, Inc., was approved April 11, 2006. The cost of the project is $1.8 million and is to be shared among the institutions. Final project reports are expected to be delivered in December 2006.

A kick-off and demonstration seminar was held May 10, 2006, at Kentucky State University. Invitations to attend the seminar were extended to each institution (three representatives), Capital Planning Advisory Board staff, Capital Projects and Bond Oversight Committee staff, Office of the State Budget Director staff, Finance and Administration Cabinet, Office of Facilities Management, and others.

It is anticipated that the project results will be used to update the information contained in the statewide facilities database that is maintained by the Finance and Administration Cabinet, Division of Facilities Management, the Council's comprehensive facilities database, and the individual facilities databases of each institution. Also, it is anticipated that the study results will form the primary basis for the development of the biennial six-year capital improvement plans and biennial capital project requests.

Project Status and Next Steps:
1. A project kick-off was held May 10, 2006, at Kentucky State University.
2. A project status report will be given to the Capital Planning Advisory Board at its May meeting.
3. Evaluation teams will begin individual campus visits in late May and the assessments will be completed by mid-September.
4. Project status reports will be provided to the Council at its July, September, and November meetings.
5. Draft reports will be delivered to the Council and the institutions for review and comment in mid-November 2006.
6. The project is expected to be completed and a final report given to the Council and institutions in December 2006.

Staff preparation by Sherron Jackson

Council on Postsecondary Education
May 22, 2006

Council Committee Appointments

Mr. Greenberg will report on appointments to the Committee on Equal Opportunities, the P-16 Council, and the Governance Board of the Lung Cancer Research Project.

President Evaluation Committee

Mr. Greenberg, chair of the President Evaluation Committee, will report on the annual evaluation of the Council president.