

AGENDA
Council on Postsecondary Education
July 10, 2006
10:30 a.m. (ET)
CPE Meeting Room A
Frankfort, Kentucky

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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/>.

Other Business

Next Meeting – September 17-18, 2006, Cincinnati Airport Marriott, Hebron, Kentucky
(in conjunction with the 2006 Governor's Conference on Postsecondary Education Trusteeship)

Adjournment

MINUTES
Council on Postsecondary Education
May 22, 2006

The Council on Postsecondary Education met May 22, 2006, at 10 a.m. at the Council offices in Frankfort, Kentucky. Chair Greenberg presided.

OATH OF OFFICE

Thomas D. Wingate, Franklin County District Judge, administered the oath of office to Jim Skaggs.

ROLL CALL

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

Mr. Greenberg recognized Senator Ken Winters. Senator Winters and Representative Frank Rasche attended the Budget and Finance Policy Group meeting earlier in the day. Stan Cave, the Governor's chief of staff, joined the CPE study session the previous day.

Council President Tom Layzell introduced Sarah Hawker, the Council's new vice president for Kentucky Adult Education. Dr. Hawker came to the Council from Illinois where she held a similar position with the Illinois Community College Board.

APPROVAL OF MINUTES

The minutes of the April meeting were approved as distributed.

DATA POLICY

RECOMMENDATION: The staff recommends that the Council approve the data policy.

At the March 2005 meeting, 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 in the U.S. Department of Education. That letter questioned some of the provisions of the data access policy. Dr. Layzell said this revision of the policy will bring the Council into compliance with the federal law and is the final step that needs to be taken before the Council can proceed with the collection of end-of-term grades.

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

VOTE: The motion passed.

LEGISLATIVE SUMMARY

A report of the nonbudget actions related to postsecondary education resulting from the 2006 legislative session was included in the agenda book.

2006-08 BUDGET

A summary of the enacted 2006-08 budget was included in the agenda book. The major components follow:

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.

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.

BUDGET & FINANCE
POLICY GROUP REPORT

Mr. Flanagan reported that the Budget and Finance Policy Group met earlier in the day and the discussion centered on the funding policy development. The members of the Strategic Committee on Postsecondary Education, chairs of the legislative Education Committees, and the university presidents had been invited to attend to participate in the discussion. Senator Ken Winters, Representative Frank Rasche, NKU President Jim Votruba, and Brian Crall with the Education Cabinet made remarks at the meeting. Mr. Flanagan said that the funding policy development process is in its early stages and comments and suggestions, especially from the university presidents, are encouraged.

Mr. Greenberg said that during the next six months the policy groups will be discussing policy issues that will lead to the development of the funding policy.

KENTUCKY HIGH
SCHOOL FEEDBACK
REPORT

Dr. Jim Applegate of the Council staff discussed the 2002 Kentucky High School Feedback Report. The biennial report uses college enrollment data to help educators assess the preparation levels of high school graduates who took the ACT for postsecondary work. The goal of the report is to provide information to continue improving college-going rates and student success in college. Designed in partnership with the Kentucky Department of Education and produced by ACT, Inc., the report includes 15,343 spring 2002 graduates who took the ACT and enrolled in a Kentucky public university, two-year college, or a participating independent institution in fall 2002. The report does not include the performance of high school graduates who did not take the ACT, enrolled in an out-of-state college, or enrolled in a non-participating Kentucky postsecondary institution. Only two independent institutions – Alice Lloyd College and Pikeville College – participated in the report. The Council hopes to increase participation with the 2004 report, scheduled for release later this year.

COMMISSIONER OF
EDUCATION REPORT

A report about the activities of the Kentucky Board of Education was distributed.

TUITION AND FEE

RECOMMENDATION: The staff recommends that the Council approve

PROPOSAL - MuSU

2006-07 tuition rates for Murray State University.

The annual rates for full-time, resident undergraduates will increase from \$4,428 to \$4,998, an increase of \$570, which is \$4 less than the maximum parameter of \$5,002. Nonresident rates will be \$13,566, 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. Revenue from tuition and fees is projected to increase from \$60.1 million to \$68.1 million or \$8 million from 2006 to 2007.

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

VOTE: The motion passed.

2006-07 TUITION
& FEE CHANGES

A summary of the 2006-07 tuition and fee changes for all institutions was included in the agenda book. Tuition for full-time resident undergraduates will increase by an average of \$573 at four-year institutions and \$11 per credit hour at KCTCS.

MAY GRADUATES

Dr. Layzell reported that Kentucky's public postsecondary institutions 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, a 12 percent increase in the number of bachelor's degrees awarded over last spring. Since 2001, the total number of degrees and credentials conferred by the public institutions during spring commencements has climbed 68 percent. More than half of all degrees are awarded in the spring.

QUALITY &
ACCOUNTABILITY
POLICY GROUP REPORT

Mr. Wattier said that the Quality and Accountability Policy Group discussed the trust fund guidelines, the data policy, and issues pertaining to developmental education. The policy group expects to review the Kentucky Virtual University strategic plan in July.

STATE-LEVEL
ACCOUNTABILITY FOR
STUDENT LEARNING

Information was provided on state-level accountability for student learning. The National Survey of Student Engagement 2005 Benchmark Summary Report provides aggregated results from each Kentucky university's NSSE Benchmark Report. The report measures students' perceptions of their engagement in level of academic challenge, active and collaborative learning, student-faculty interaction, enriching educational experiences, and supportive campus environment. The Council uses the NSSE survey results as one of its institutional key indicators to measure progress in student learning. In Kentucky, the NSSE survey is administered every two years to freshman and senior students at each public four-year university. KCTCS will begin administering the Community College Survey of Student Engagement this

year. Six KCTCS districts will administer the survey this spring and all remaining districts will have participated by summer 2007. The Council will host the 2006 Kentucky Conference on Student Engagement May 23-24 in Lexington to discuss how to use NSSE survey results to improve student success.

CEO REPORT

A report on activities of the Committee on Equal Opportunities was included in the agenda book. Mr. Baker said that a vendor to conduct the statewide diversity study should be selected by July.

TRUST FUND GUIDELINES

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

The research support funding program seeks to promote economic development, create high-tech jobs, and raise the average standard of living of Kentucky residents through strategic investments in research faculty, infrastructure, and initiatives at UK and UofL. Campus administrators are expected to recruit and retain research active faculty, renovate laboratories and upgrade equipment, and engage in disciplinary and interdisciplinary research activities in areas of strategic benefit to the Commonwealth. The 2006-08 budget provided UK and UofL \$1.5 million in recurring funds in 2006-07 and an additional \$1.5 million of recurring funds in 2007-08 (for a total of \$3 million in year two).

MOTION: Ms. Bertelsman moved that the research support program guidelines be approved. Ms. Maclin seconded the motion.

VOTE: The motion passed.

The workforce development/transfer program seeks to encourage private support of public postsecondary workforce development and transfer initiatives, support degree completion and transfer of KCTCS students to Kentucky public and independent colleges, and bolster KCTCS workforce development and transfer programs in areas of strategic benefit to the Commonwealth. The 2006-08 budget provided KCTCS \$300,000 in nonrecurring funds in 2006-07 and \$1.2 million in recurring funds in 2007-08.

MOTION: Ms. Bertelsman moved that the workforce development/transfer program guidelines be approved. Mr. Flanagan seconded the motion.

VOTE: The motion passed.

The 2006-08 budget provided the comprehensive universities \$1.2 million in recurring funds in 2006-07 and an additional \$2.4 million in recurring funds in 2007-08 (for a total of \$3.6 million in year two) for the

regional stewardship funding program. This program seeks to promote regional and statewide economic development, livable communities, social inclusion, creative governance, and civic participation through public engagement activities initiated by comprehensive university faculty and staff. Campus administrators are expected to design and implement programs that align institutional priorities, 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. Funding is provided in three areas: (1) infrastructure funds will support the development and maintenance of organizational structures, personnel, information systems, and community relationships necessary to sustain stewardship activities; (2) regional grant funds will support comprehensive university efforts to build intellectual capacity in targeted priority areas; and (3) stewardship initiative funds will support specific public engagement activities at the universities that improve economic prosperity, quality of life, and civic participation in the region or state. The stewardship initiative funds will be distributed to the comprehensive universities on a competitive basis based on responses to an annual request for proposals issued by the Council staff.

Based on discussions in the Quality and Accountability Policy Group, the Council staff was asked to modify the third component pertaining to the distribution of stewardship initiative pool funds so that greater emphasis is placed on the role of the regional advisory committees in the development and approval of strategic plans and proposals for stewardship funding.

MOTION: Mr. Wattier moved that the regional stewardship program guidelines be approved with the provision that the guidelines pertaining to the stewardship initiative funds be modified and held for future Council action. Ms. Bertelsman seconded the motion.

NKU President Jim Votruba said that Kentucky is the first state in the nation to pass regional stewardship guidelines and feels that this program should lead to many accomplishments. The program sets the basis for important relationships between the local community and the university in that the university must demonstrate progress in order to maintain program funding.

Ms. Bertelsman said that an assessment of statewide needs by county is needed to determine where the needs are greatest in the state. This assessment will determine the distribution of funds for the regional stewardship program.

VOTE: The motion passed.

STATEWIDE FACILITIES CONDITION ASSESSMENT

An update on the statewide facilities condition assessment was included in the agenda book. VFA, Inc., of Boston Massachusetts, was selected as the prime vendor to implement the study. A kickoff and demonstration

seminar for the institutions and other participants was held in May at Kentucky State University. The Council members will be kept informed of the progress of the study.

WORKFORCE,
ECONOMIC
DEVELOPMENT,
COMMERCIALIZATION
POLICY GROUP REPORT

Mr. Hall gave a report on the activities of the Workforce, Economic Development, and Commercialization Policy Group. The policy group asked that information be presented at an upcoming Council meeting on e³.ky.gov, an effort to develop a database of workforce skills available to Kentucky employers to encourage increased employment opportunities which leads to greater prosperity for the state.

COMMITTEE
APPOINTMENTS

Mr. Greenberg said that Ryan Quarles has been appointed to the Committee on Equal Opportunities. He said that there are vacancies on the P-16 Council and the Governance Board of the Lung Cancer Research Project.

ANNUAL EVALUATION
OF CPE PRESIDENT

Mr. Greenberg said that the President Evaluation Committee will finish its work in the coming weeks and will present a report at the July meeting.

ADJOURNMENT

The meeting adjourned at 10:55 a.m.

Thomas D. Layzell
President

Phyllis L. Bailey
Senior Associate, Executive Relations

**Council on Postsecondary Education
July 10, 2006**

**Focus on Reform:
Kentucky Adult Education**

The Kentucky Adult Education System (KYAE) is known across the country for its innovation and achievement, which should be built upon to maintain KYAE's momentum as a force in the Commonwealth.

In the next few months KYAE will focus on several issues, including:

- Providing the very best tools and knowledge to adult education instructors and program directors.
- Ensuring that KYAE's data system provides the information necessary for continuous improvement at state and local levels.
- Working together with local adult education providers to improve performance and efficiency.
- Collaborating with federal partners on research and development initiatives.

Sarah Hindman Hawker, vice president for adult education, will discuss these and other priority areas designed to enhance administration of the system and outcomes of students.

**Council on Postsecondary Education
July 10, 2006**

**2006-07 Kentucky Adult Education
Service Delivery System**

Kentucky Adult Education (KYAE) contracts with fiscal agents to provide adult education services in all 120 counties. Fiscal agents were determined through a previous competitive Request for Proposal process; all existing provider contracts were renewed for the 2006-07 fiscal year.

The Adult Education Act of 2000 (Senate Bill 1) requires adult education services to be targeted to communities with the greatest need; therefore, annual enrollment goals are based on the number of working age adults functioning at literacy levels 1 and 2 in each county.

The attachment provides information on the fiscal agents, enrollment goals, and funding levels by county based on the statewide goal of 125,000.

Enrollment Goals and Estimated Funding Levels for Core Services and Family Literacy

County	Fiscal Agent	Working Age Population at			FY 2007 Total Estimated Funding for Core Services and Family Literacy
		Literacy Levels 1-2 (1997 KALS and 1997 Census)	FY 2007 Enrollment Goal (11%)	FY 2007 Family Literacy Enrollment Goal (0.5% or 20)	
Adair	Adair County Board of Education	4,704	517	23	\$117,619
Allen	Allen County Board of Education	4,678	514	23	\$117,075
Anderson	Anderson County Board of Education	4,404	484	22	\$111,391
Ballard	West Kentucky Educational Coop	2,239	246	20	\$66,472
Barren	Barren County Board of Education	9,747	1,072	48	\$237,150
Bath	Bath County Board of Education	3,058	336	20	\$83,466
Bell	Southeast Kentucky Community & Technical College	9,629	1,059	48	\$234,278
Boone	Boone County Schools	17,843	1,962	89	\$434,142
Bourbon	Bourbon County Board of Education	4,575	503	22	\$114,955
Boyd	Ashland Community and Technical College	13,623	1,498	68	\$331,446
Boyle	Danville Independent Board of Education	6,526	717	32	\$158,791
Bracken	Bracken County for Literacy Inc	2,409	264	20	\$69,991
Breathitt	Kentucky Valley Educational Coop	5,299	582	26	\$129,972
Breckinridge	Cloverport Board of Education	4,864	535	24	\$120,945
Bullitt	Bullitt County Board of Education	14,838	1,632	74	\$361,019
Butler	Butler County Board of Education	3,474	382	20	\$92,088
Caldwell	Caldwell County Board of Education	3,322	365	20	\$88,953
Calloway	West Kentucky Educational Coop	8,817	969	44	\$214,527
Campbell	Newport Independent Schools	21,594	2,375	107	\$525,397
Carlisle	West Kentucky Educational Coop	1,455	160	20	\$50,200

County	Fiscal Agent	Working Age Population at Literacy Levels 1-2 (1997 KALS and 1997 Census)	FY 2007 Enrollment Goal (11%)	FY 2007 Family Literacy Enrollment Goal (0.5% or 20)	FY 2007 Total Estimated Funding for Core Services and Family Literacy
Carroll	Jefferson Comm & Tech College	2,580	283	20	\$73,547
Carter	KY Educational Development Corp	8,355	919	41	\$203,292
Casey	Somerset Community College	4,455	490	22	\$112,451
Christian	Christian County Board of Education	12,270	1,349	61	\$298,534
Clark	Winchester/Clark County Literacy	8,042	884	40	\$195,660
Clay	Clay County Board of Education	7,733	850	38	\$188,159
Clinton	Clinton County Board of Education	2,936	322	20	\$80,939
Crittenden	West Kentucky Educational Coop	2,738	301	20	\$76,830
Cumberland	Cumberland County Board of Education	1,973	217	20	\$60,947
Daviess	Owensboro Community and Technical College	21,886	2,407	109	\$532,504
Edmonson	Edmonson County Board of Education	3,421	376	20	\$91,000
Elliott	Kentucky Educational Development Corp	2,176	239	20	\$65,162
Estill	Estill County Board of Education	4,978	547	24	\$123,311
Fayette	Bluegrass Community and Technical College	50,539	5,559	252	\$1,229,639
Fleming	Fleming County Board of Education	3,739	411	20	\$97,604
Floyd	Big Sandy Community and Technical College	13,960	1,535	69	\$339,645
Franklin	Franklin County Public Schools	10,598	1,165	52	\$257,852
Fulton	West Kentucky Educational Coop	1,653	181	20	\$54,315
Gallatin	Jefferson Comm & Tech College	1,723	189	20	\$55,764
Garrard	Garrard County Board of Education	3,724	409	20	\$97,276
Grant	Grant County School Board	5,346	588	26	\$130,957
Graves	West Kentucky Educational Coop	9,265	1,019	46	\$225,421

County	Fiscal Agent	Working Age Population at Literacy Levels 1-2 (1997 KALS and 1997 Census)	FY 2007 Enrollment Goal (11%)	FY 2007 Family Literacy Enrollment Goal (0.5% or 20)	FY 2007 Total Estimated Funding for Core Services and Family Literacy
Grayson	Grayson County Board of Education	7,045	774	35	\$171,406
Green	Green County Board of Education	2,955	325	20	\$81,332
Greenup	Kentucky Educational Development Corp	10,651	1,171	53	\$259,138
Hancock	Hancock County Board of Education	2,510	276	20	\$72,089
Hardin	Hardin County Board of Education	19,188	2,110	95	\$466,857
Harlan	Southeast Kentucky Community and Technical College	11,104	1,221	55	\$270,174
Harrison	Harrison County Board of Education	4,447	489	22	\$112,288
Hart	Hart County Board of Education	4,536	498	22	\$114,138
Henderson	Henderson Community College	10,144	1,115	50	\$246,807
Henry	Henry County Public Schools	3,887	427	20	\$100,664
Hickman	West Kentucky Educational Coop	1,226	134	20	\$50,000
Hopkins	Madisonville Community College	11,833	1,301	59	\$287,899
Jackson	Jackson County Public Schools	4,278	470	21	\$108,782
Jefferson	Jefferson County Public Schools	120,274	13,230	601	\$2,926,342
Jessamine	Jessamine County Schools	8,866	975	44	\$215,724
Johnson	Big Sandy Community and Technical College	7,704	847	38	\$187,451
Kenton	Gateway Community and Technical College	34,146	3,756	170	\$830,794
Knott	Kentucky Valley Educational Coop	6,201	682	31	\$150,873
Knox	Knox County Board of Education	10,325	1,135	51	\$251,226
Larue	Larue County Board of Education	3,407	374	20	\$90,709
Laurel	Laurel County Literacy Council	15,120	1,663	75	\$367,874
Lawrence	Lawrence County Board of Education	5,218	573	26	\$128,285

County	Fiscal Agent	Working Age Population at Literacy Levels 1-2 (1997 KALS and 1997 Census)	FY 2007 Enrollment Goal (11%)	FY 2007 Family Literacy Enrollment Goal (0.5% or 20)	FY 2007 Total Estimated Funding for Core Services and Family Literacy
Lee	Kentucky Valley Educational Coop	2,692	296	20	\$75,870
Leslie	Kentucky Valley Educational Coop	4,613	507	23	\$115,742
Letcher	Kentucky Valley Educational Coop	8,841	972	44	\$215,096
Lewis	Maysville Community and Technical College	4,319	475	21	\$109,643
Lincoln	Kentucky Educational Development Corp	6,302	693	31	\$153,332
Livingston	West Kentucky Educational Coop	2,651	291	20	\$75,019
Logan	Logan County School District	6,233	685	31	\$151,646
Lyon	West Kentucky Educational Coop	2,394	263	20	\$69,678
Madison	Eastern Kentucky University	16,769	1,844	83	\$408,013
Magoffin	Magoffin County Board of Education	4,747	522	23	\$118,506
Marion	Marion County Board of Education	4,114	452	20	\$105,375
Marshall	Marshall County Board of Education	8,254	907	41	\$200,838
Martin	Kentucky Educational Development Corp	4,041	444	20	\$103,863
Mason	Maysville Community and Technical College	4,063	446	20	\$104,321
McCracken	West Kentucky Community and Technical College	14,370	1,580	71	\$349,639
McCreary	Somerset Community College	5,676	624	28	\$138,095
McLean	McLean County Fiscal Court	2,810	309	20	\$78,314
Meade	Elizabethtown Community and Technical College	6,514	716	32	\$158,492
Menifee	Kentucky Educational Development Corp	1,756	193	20	\$56,447
Mercer	Kentucky Educational Development Corp	5,197	571	25	\$127,861

County	Fiscal Agent	Working Age Population at Literacy Levels 1-2 (1997 KALS and 1997 Census)	FY 2007 Enrollment Goal (11%)	FY 2007 Family Literacy Enrollment Goal (0.5% or 20)	FY 2007 Total Estimated Funding for Core Services and Family Literacy
Metcalfe	Metcalfe County Board of Education	2,731	300	20	\$76,669
Monroe	Monroe County Board of Education	3,225	354	20	\$86,924
Montgomery	Montgomery County Board of Education	5,588	614	27	\$135,961
Morgan	Morehead State University	4,669	513	23	\$116,899
Muhlenberg	Madisonville Community College	9,059	996	45	\$220,410
Nelson	Bardstown Independent Board of Education	8,407	924	42	\$204,554
Nicholas	Bourbon County Board of Education	1,915	210	20	\$59,740
Ohio	Ohio County Fiscal Court	6,433	707	32	\$156,511
Oldham	Oldham County Board of Education	10,712	1,178	53	\$260,635
Owen	Owen County Board of Education	2,720	299	20	\$76,441
Owsley	Kentucky Valley Educational Coop	1,979	217	20	\$61,072
Pendleton	Pendleton County Board of Education	3,712	408	20	\$97,026
Perry	Kentucky Valley Educational Coop	10,027	1,102	50	\$243,963
Pike	Pike County Board of Education	23,806	2,618	119	\$579,217
Powell	Powell County Board of Education	4,006	440	20	\$103,140
Pulaski	Pulaski County Board of Education	16,273	1,790	81	\$395,931
Robertson	Maysville Community and Technical College	646	71	20	\$50,000
Rockcastle	Christian Appalachian Project	5,114	562	25	\$126,133
Rowan	Morehead State University	6,600	725	32	\$160,579
Russell	Russell County Board of Education	4,678	514	23	\$117,090
Scott	Scott County Schools	6,729	740	33	\$163,728
Shelby	Jefferson Comm & Tech College	6,046	665	30	\$147,109
Simpson	Simpson County Board of Education	3,566	392	20	\$94,011
Spencer	Spencer County Board of Education	2,514	276	20	\$72,166

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Taylor	Campbellsville Independent Board of Education	5,792	637	28	\$140,911
Todd	Todd County Board of Education	2,708	297	20	\$76,204
Trigg	Trigg County Board of Education	2,843	312	20	\$78,996
Trimble	Jefferson Comm & Tech College	2,046	225	20	\$62,451
Union	West Kentucky Educational Coop	3,370	370	20	\$89,944
Warren	Bowling Green Technical College	20,365	2,240	101	\$495,502
Washington	Washington County Board of Education	2,611	287	20	\$74,187
Wayne	Wayne County Board of Education	5,907	649	29	\$143,720
Webster	West Kentucky Educational Coop	3,454	379	20	\$91,675
Whitley	Whitley County Board of Education	11,013	1,211	55	\$267,965
Wolfe	Kentucky Valley Educational Coop	2,516	276	20	\$72,223
Woodford	Woodford County Schools	4,931	542	24	\$122,333

**Council on Postsecondary Education
July 10, 2006**

**2006-07 Kentucky Adult Education
Performance Measures**

Kentucky Adult Education (KYAE) is required by the Office of Vocational and Adult Education (OVAE), U.S. Department of Education, to negotiate statewide performance measures for OVAE's core indicators. KYAE is held accountable for meeting these measures, which are used by OVAE to determine eligibility for incentive funding under the Workforce Investment Act. The measures also form the basis for KYAE's accountability system for local adult education programs.

The attached table shows performance measures for each of OVAE's core indicators and for KYAE's additional indicator – enrollment.



PERFORMANCE MEASURES

CORE INDICATOR #1: DEMONSTRATED IMPROVEMENTS IN LITERACY SKILL LEVELS IN READING, WRITING, AND SPEAKING THE ENGLISH LANGUAGE, NUMERACY, PROBLEM-SOLVING, ENGLISH LANGUAGE ACQUISITION, AND OTHER LITERACY SKILLS.

PERFORMANCE MEASURES	July 1, 2000 – June 30, 2001	July 1, 2001 – June 30, 2002	July 1, 2002 – June 30, 2003	July 1, 2003 – June 30, 2004	July 1, 2004 – June 30, 2005	July 1, 2005 – June 30, 2006	July 1, 2006 – June 30, 2007
<u>Beginning ABE Literacy</u> (grade level 0-1.9)	<u>Target</u> 17% <u>Results</u> 40%	<u>Target</u> 20% <u>Results</u> 53%	<u>Target</u> 28% <u>Results</u> 42%	<u>Target</u> 32% <u>Results</u> 52%	<u>Target</u> 40% <u>Results</u> 55%	<u>Target</u> 53%	<u>Target</u> 55%
<u>Beginning ABE</u> (grade level 2.0-3.9)	<u>Target</u> 17% <u>Results</u> 46%	<u>Target</u> 20% <u>Results</u> 53%	<u>Target</u> 33% <u>Results</u> 51%	<u>Target</u> 37% <u>Results</u> 52%	<u>Target</u> 41% <u>Results</u> 54%	<u>Target</u> 53%	<u>Target</u> 55%
<u>Low Intermediate ABE</u> (grade level 4.0-5.9)	<u>Target</u> 25% <u>Results</u> 54%	<u>Target</u> 27% <u>Results</u> 68%	<u>Target</u> 35% <u>Results</u> 59%	<u>Target</u> 39% <u>Results</u> 54%	<u>Target</u> 45% <u>Results</u> 58%	<u>Target</u> 55%	<u>Target</u> 59%
<u>High Intermediate ABE</u> (grade level 6.0-8.9)	<u>Target</u> 25% <u>Results</u> 63%	<u>Target</u> 27% <u>Results</u> 48%	<u>Target</u> 38% <u>Results</u> 70%	<u>Target</u> 42% <u>Results</u> 51%	<u>Target</u> 43% <u>Results</u> 55%	<u>Target</u> 52%	<u>Target</u> 56%
<u>Low Adult Secondary Education</u> (grade level 9.0-10.9)	<u>Target</u> 39% <u>Results</u> 67%	<u>Target</u> 41% <u>Results</u> 61%	<u>Target</u> 40% <u>Results</u> 86%	<u>Target</u> 45% <u>Results</u> 57%	<u>Target</u> 46% <u>Results</u> 57%	<u>Target</u> 57%	<u>Target</u> 58%
<u>Beginning Literacy ESL</u>	<u>Target</u> 17% <u>Results</u> 35%	<u>Target</u> 20% <u>Results</u> 50%	<u>Target</u> 27% <u>Results</u> 57%	<u>Target</u> 33% <u>Results</u> 52%	<u>Target</u> 42% <u>Results</u> 51%	<u>Target</u> 53%	<u>Target</u> 51%
<u>Beginning ESL</u>	<u>Target</u> 28% <u>Results</u> 35%	<u>Target</u> 31% <u>Results</u> 44%	<u>Target</u> 31% <u>Results</u> 45%	<u>Target</u> 32% <u>Results</u> 49%	<u>Target</u> 40% <u>Results</u> 54%	<u>Target</u> 49%	<i>Divided into two levels: Low Beginning ESL and High Beginning ESL</i>
<u>Low Beginning ESL</u>							<u>Target</u> 54%
<u>High Beginning ESL</u>							<u>Target</u> 54%
<u>Low Intermediate ESL</u>	<u>Target</u> 28% <u>Results</u> 42%	<u>Target</u> 30% <u>Results</u> 58%	<u>Target</u> 34% <u>Results</u> 59%	<u>Target</u> 38% <u>Results</u> 55%	<u>Target</u> 42% <u>Results</u> 61%	<u>Target</u> 55%	<u>Target</u> 59%



PERFORMANCE MEASURES

High Intermediate ESL	<u>Target</u> 32%	<u>Target</u> 34%	<u>Target</u> 36%	<u>Target</u> 39%	<u>Target</u> 42%	<u>Target</u> 55%	<u>Target</u> 58%
	<u>Results</u> 43%	<u>Results</u> 53%	<u>Results</u> 56%	<u>Results</u> 57%	<u>Results</u> 60%		
Advanced ESL Literacy	<u>Target</u> 35%	<u>Target</u> 37%	<u>Target</u> 32%	<u>Target</u> 35%	<u>Target</u> 38%	<u>Target</u> 47%	<u>Target</u> 51%
	<u>Results</u> 45%	<u>Results</u> 53%	<u>Results</u> 46%	<u>Results</u> 47%	<u>Results</u> 53%		

CORE INDICATOR #2: PLACEMENT IN, RETENTION IN, OR COMPLETION OF POSTSECONDARY EDUCATION, TRAINING, UNSUBSIDIZED EMPLOYMENT, OR CAREER ADVANCEMENT.

PERFORMANCE MEASURES	July 1, 2000 – June 30, 2001	July 1, 2001 – June 30, 2002	July 1, 2002 – June 30, 2003	July 1, 2003 – June 30, 2004	July 1, 2004 – June 30, 2005	July 1, 2005 – June 30, 2006	July 1, 2006 – June 30, 2007
Placement in Postsecondary Education or Training	<u>Target</u> 30% <u>Results</u> 73%	<u>Target</u> 35% <u>Results</u> 74%	<u>Target</u> 46% <u>Results</u> 77%	<u>Target</u> 50% <u>Results</u> 68%	<u>Target</u> 58% <u>Results</u> 64%	<u>Target</u> 69%	<u>Target</u> 65%
Placement in Unsubsidized Employment	<u>Target</u> 27% <u>Results</u> 74%	<u>Target</u> 30% <u>Results</u> 67%	<u>Target</u> 42% <u>Results</u> 72%	<u>Target</u> 46% <u>Results</u> 81%	<u>Target</u> 52% <u>Results</u> 51%	<u>Target</u> 60%	<u>Target</u> 52%
Retention in Unsubsidized Employment	<u>Target</u> 30% <u>Results</u> 80%	<u>Target</u> 40% <u>Results</u> 90%	<u>Target</u> 48% <u>Results</u> 94%	<u>Target</u> 50% <u>Results</u> 96%	<u>Target</u> 56% <u>Results</u> 59%	<u>Target</u> 65%	<u>Target</u> 60%

CORE INDICATOR #3: RECEIPT OF A SECONDARY SCHOOL DIPLOMA OR ITS RECOGNIZED EQUIVALENT.

PERFORMANCE MEASURES	July 1, 2000 – June 30, 2001	July 1, 2001 – June 30, 2002	July 1, 2002 – June 30, 2003	July 1, 2003 – June 30, 2004	July 1, 2004 – June 30, 2005	July 1, 2005 – June 30, 2006	July 1, 2006 – June 30, 2007
High School Completion	<u>Target</u> 50% <u>Results</u> 66%	<u>Target</u> 55% <u>Results</u> 67%	<u>Target</u> 48% <u>Results</u> 62%	<u>Target</u> 50% <u>Results</u> 80%	<u>Target</u> 57% <u>Results</u> 78%	<u>Target</u> 70%	<u>Target</u> 78%

ADDITIONAL INDICATOR: ENROLLMENT IN ADULT EDUCATION/LITERACY PROGRAMS.

PERFORMANCE MEASURES	July 1, 2000 – June 30, 2001	July 1, 2001 – June 30, 2002	July 1, 2002 – June 30, 2003	July 1, 2003 – June 30, 2004	July 1, 2004 – June 30, 2005	July 1, 2005 – June 30, 2006	July 1, 2006 – June 30, 2007
Adult Education Enrollment	<u>Target</u> 6% 60,000 <u>Results</u> 62,734	<u>Target</u> 7.5% 75,000 <u>Results</u> 86,413	<u>Target</u> 9% 90,000 <u>Results</u> 109,880	<u>Target</u> 10% 100,000 <u>Results</u> 120,051	<u>Target</u> 10.5% 115,000 <u>Results</u> 124,801	<u>Target</u> 11% 125,000	<u>Target</u> 11% 125,000

Council on Postsecondary Education
July 10, 2006

P-16 Council Update

At its June 21 meeting, the P-16 Council reviewed the progress its partner agencies have made regarding the council's priority issues: (a) preparing more students for college and work, (b) developing research-based policies for high school-college dual enrollment, (c) providing an adequate supply of qualified teachers and school leaders, (d) creating an integrated P-16 data system, and (e) ensuring that students have affordable access to quality education through college.

Education Cabinet Secretary Virginia Fox began the meeting by noting that the proposal to develop a cross-sector, cross-agency data system was not funded in the last budget session. She strongly suggested that the partner agencies of the P-16 Council continue working together to eliminate policy and logistical barriers and build a P-16 data system on which to base sound education policies and accountability measures to improve student learning.

Council members heard a report on the local P-16 councils from Dale Duvall, associate dean of university and community partnerships at Morehead State University. Dr. Duvall identified several projects, including dual credit programs, summer preparation programs, and teacher professional development initiatives, which MoSU has fostered throughout its service area. He noted that only the Appalachian Regional P-16+ Council and a few other local councils enjoy the benefit of paid staff dedicated to administering local council business. This support is critical to the success of these councils. The proposal to provide infrastructure for all local councils was not funded in the current budget. It remains a priority.

Several agenda items highlighted Kentucky's participation in regional and national projects to increase college and workplace readiness. Agency staff reviewed the ways in which Kentucky agencies and schools are addressing the Southern Regional Education Board's recommendations to Kentucky as part of the SREB's College and Career Transitions Initiative: namely, (1) improve persistence and completion rates in two- and four-year institutions; (2) improve student preparedness for college and careers; (3) inform students, parents, and teachers about the level of preparation needed for college readiness; (4) establish standards for dual credit/joint enrollment programs; (5) establish employer-recognized industry credentials; and (6) improve high school graduation rates.

Council members also reviewed the advances Kentucky has made as a result of its participation in the American Diploma Project. After completing the first phase of the project, which established benchmarks of college and workplace readiness in English and mathematics, along with sample college and workplace applications, Kentucky became one of what now numbers 22 states participating in the ADP Network. These states have pledged

to align high school standards and assessments with expectations of colleges and employers, to require a challenging and life-preparatory curriculum of all high school students, to streamline the assessment system so that tests in high school can serve as readiness tests for college and work, and to hold both high schools and postsecondary institutions accountable for their students' graduation and success. The P-16 partner agencies, as well as the General Assembly, have responded collaboratively to better align Kentucky's standards, curriculum preparation, and assessments to improve the college readiness and success of students. The passage of Senate Bill 130, which requires the administration of the ACT to all high school students and provides three state-funded WorkKeys assessments on a voluntary basis, will link the ACT-based diagnostic assessments provided by the Kentucky Department of Education with the Council on Postsecondary Education's statewide placement policy. Kentucky is the first and only state with this degree of alignment in its assessment framework.

The KDE has revised its Core Content for Assessment and Program of Study standards and raised its high school graduation requirements to include algebra II and four years of mathematics. It also is working with Achieve, Inc., the organization overseeing the ADP, to develop end-of-course assessments reflecting the ADP benchmarks. The CPE is working with Kentucky's postsecondary institutions to administer standardized college-level student learning assessments and continue participation in student engagement surveys.

Guest presenters Keith Bird, chancellor of the Kentucky Community and Technical College System, and Carolyn Witt Jones, executive director of the Partnership for Successful Schools, spoke of their organizations' efforts to prepare more Kentuckians for life and work.

Dr. Bird summarized the recent ACT, Inc., report, *Ready for College and Ready for Work: Same or Different?*, a comparative analysis of the ACT college entrance assessments in reading and mathematics and the ACT WorkKeys assessment in reading for information and applied mathematics. By examining the skill levels and threshold scores for each, ACT documents that high school graduates need comparable skills and levels of mastery in reading and mathematics to be ready for college-level courses without remediation and to enter the skilled workplace prepared for job-specific training. Dr. Bird highlighted several initiatives in which KCTCS is working with school districts to provide early diagnostic assessment and motivate career awareness. He attested to the high skill levels in reading, writing, and mathematics required by today's job market.

Carolyn Witt Jones reviewed the accomplishments and challenges of the Kentucky State Scholars Program. Kentucky was the seventh of 24 states to participate in the scholars program, a private-public partnership that encourages middle and high school students to take a rigorous curriculum to prepare them for college and skilled employment.

Ms. Jones reported that the business leaders with whom she works have gladly participated in classroom presentations to connect academic preparation with career preparation. One of the continuing challenges is the competing incentive of the Kentucky Educational Excellence Scholarship program, which makes awards based on grade point average. Parents are particularly concerned that their children will earn reduced awards if they take harder courses

and receive lower grades. Students, teachers, and guidance counselors are further confused by numerous curricular choices. Folding the KEES curriculum and pre-college curriculum into the Kentucky State Scholars Program curriculum would provide a consistent message linking rigor and college and skilled workplace readiness for high school students and their advisors.

Agency staff reviewed the 2002 High School Feedback Report and its user guide, which are now available on the CPE Web site at: <http://apps.cpe.ky.gov/hsfb2002/index.htm> and linked to the KDE's Web site. After working with KDE staff and superintendents, clearer descriptions and interpretations of the content and support materials to explain the tables were added to increase the use of the report in school and district planning. Results for the 2004 class of high school graduates through fall 2006 will be posted later this year.

KDE staff reported on the first meeting of the KDE Dual Credit Task Force. A study conducted by the CPE staff of dually enrolled Kentucky high school students did not show a strong correlation between college course-taking on the part of high school students and their subsequent postsecondary matriculation. A survey administered by the CPE staff to Kentucky's postsecondary institutions revealed strong interest in more consistent policies regarding dual enrollment and dual credit. The effect of dual enrollment and dual credit on strengthening high school achievement and graduation remains open and an issue of considerable interest across both the P-12 and postsecondary sectors. The KDE task force will address many of the financial and programmatic policy issues involved in dual enrollment and dual credit opportunities.

Dual enrollment received heightened national attention recently with the creation of a new federal need-based Pell grant program. Kentucky high school students who are eligible for need-based Pell grants will be eligible for the new federal Academic Competitiveness (AC) grants if they receive a Commonwealth Diploma, complete the Kentucky State Scholars Program, complete the pre-college curriculum, or receive a score of three or higher on two advanced placement tests or four or higher on the International Baccalaureate assessment. Initially, high school students who dually enrolled in a college course were considered ineligible for these AC grants because they were viewed as having previously enrolled in an undergraduate program. The U.S. Secretary of Education, Margaret Spellings, has since notified states that students who have dually enrolled in college courses without formally matriculating into an undergraduate program will be eligible for AC grants. Pell-eligible students entering their third or fourth year of college will be eligible to participate in the National Science and Mathematics Access to Retain Talent (SMART) grant program to receive up to \$4,000 in financial aid if they declare majors in mathematics, the sciences, or critical foreign languages.

P-16 Council members noted throughout the above agenda items that increasing the rigor of the K-12 curriculum, particularly in the shortage areas of mathematics, the sciences, and foreign languages, will demand a steep increase in the supply of teachers capable of teaching in these fields. The postsecondary sectors helped to define the standards that the

K-12 system is beginning to meet. Postsecondary institutions will now need to assume responsibility for supplying the teachers and school leaders that this more rigorous curriculum entails.

Several staff reviewed the state education leadership design initiatives, including the KDE's State Action for Educational Leadership Project (SAELP), the Education Professional Standards Board's on-going redesign of principal preparation and career development for classroom teachers, and the CPE's on-going conversations with the institutions regarding a collaborative doctorate in educational leadership.

Finally, several partnership agency staff members reviewed the financial aid issues identified by the KEES policy work group. Legislation proposed by the Kentucky Higher Education Assistance Authority to raise the ACT threshold for KEES supplemental awards, to eliminate the age-cap for receiving these awards, and to provide financial aid for adult part-time students did not pass in the last legislative session. Council members discussed whether the KEES award structure was fulfilling its original purposes to increase college enrollment of Kentucky students, attract the most talented Kentucky high school graduates to Kentucky postsecondary institutions, and raise the level of academic achievement of Kentucky high school students. They also discussed whether the current balance of need-based and merit-based student financial aid best serves the interests of access and affordability. They considered how the P-16 partner agencies might develop a better and more comprehensively coordinated set of policies regarding financial aid, tuition, and state appropriation in the Commonwealth.

CPE member Mark Wattier was elected chair of the P-16 Council through June 2007. The KDE will staff the 2006-07 meetings.

**Council on Postsecondary Education
July 10, 2006**

Project Lead the Way

In July 2000, the Council approved a Statewide Joint Engineering Strategy to increase the number of baccalaureate engineering degree holders in the Commonwealth by improving regional access and productivity in engineering education in Kentucky. A key component of that strategy was to increase the number of Kentucky high school graduates prepared to succeed in engineering programs at the postsecondary level.

The Council requested 2006-08 funding to assist the Kentucky Department of Education in developing an articulated engineering pipeline to increase the number of Kentucky students prepared for engineering degrees through implementation of Project Lead The Way®, the model pre-engineering curriculum recommended in the 2006 National Academies report, *Rising Above the Gathering Storm: Energizing and Employing America for a Brighter Economic Future*.

CPE and KDE staff recently awarded \$650,000 of Council funding to 13 school districts across the Commonwealth to implement or expand the Project Lead The Way® curriculum. Criteria used to score the proposals included computer availability, teacher availability/certification, elementary school integration, middle school program, student progress, instructional space, and a student recruitment plan.

<u>District</u>	<u>Amount Awarded</u>
Corbin Independent	\$50,000
Fayette County	62,500
Glasgow Independent	50,000
Graves County	62,500
Jefferson County	25,000
Jessamine County	62,500
Kenton County	50,000
Lawrence County	62,500
Marshall County	62,500
Morgan County	25,000
Pulaski County	50,000
Scott County	62,500
Trigg County	25,000

The staffs of CPE and KDE are working together to select a postsecondary institution to serve as a university affiliate for the program.

Staff preparation by Dianne M. Bazell

Kentucky Board of Education Report
Commissioner Gene Wilhoit
For
July 10, 2006 Council on Postsecondary Education Meeting

June 13-14, 2006 Kentucky Board of Education Highlights:

➤ ***704 KAR 3:303, PROGRAM OF STUDIES FINALIZED***

At its June 13-14, 2006, meeting, the Kentucky Board of Education made final changes to 704 KAR 3:303, Required Program of Studies. The additional changes that resulted from Board action in June included:

- Upon further review, the Program of Studies will be revised to refer to dates exclusively using the B.C. and A.D. designations. The time designations of B.C.E. and C.E. will not be a part of state law within the Program of Studies. Education of students about these concepts continues to be a matter of discretion at the local level.
- The social studies section of the Program of Studies will be revised as follows (Note: Underlined language was added and language with a strike-through was deleted.):
 - On page 193, under Skills and Concepts, ". . . explain basic democratic principles (e.g., life, liberty, pursuit of safety and happiness, acquiring and protecting property) found in Kentucky's Constitution."
 - On page 406, under Enduring Knowledge-Understandings, "The Constitution is a [~~flexible~~] document that can be changed from time to [~~change over~~] time through both formal and informal processes (e.g., amendments, court cases, executive actions) to meet the needs of its citizens."
 - Throughout the document, the term "American democracy" will be replaced with American "representative Democracy".
- The language regarding high school diplomas for students with disabilities, the third paragraph on page 559 of the Program of Studies, needs to be deleted as it is redundant of 704 KAR 3:305, Minimum high school graduation requirements.

The regulation will now proceed through the regulatory review process by the appropriate legislative committees.

For more information on this regulation, contact Michael Miller at 502-564-2106 or via email at Michael.Miller@education.ky.gov.

➤ ***BOARD MAKES AT-LARGE APPOINTMENT TO THE KHSAA BOARD OF CONTROL***

As recommended by the Management Committee, the Kentucky Board of Education (KBE) appointed Lea Wise Prewitt to fill an at-large position on the Kentucky High School Athletic Association (KHSAA) Board of Control. By law, the KBE appoints four at-large members to the KHSAA Board of Control. The appointments occur at the end of a member's term, which is for four years.

Ms. Prewitt's term will begin on July 1, 2006 and continue until June 30, 2010. She has been a long-time volunteer and supporter of many activities in schools, her church and the community. Her focus has been on teaching and working with children. Prewitt has extensive experience in the field of athletics and is a member of the Kentucky Athletic Hall of Fame.

For questions on this agenda item, contact Michael Dailey at 502-564-1479 or via email at Michael.Dailey@education.ky.gov.

➤ ***BOARD HEARS REPORT ON THE EVALUATION OF 40 ALTERNATIVE EDUCATION PROGRAMS***

With the rapid growth of alternative education programs, both the Kentucky Department of Education (KDE) and the Kentucky Board of Education (KBE) have realized the need for increased attention regarding the oversight of these programs. At the June meeting, the Board heard a report from the Center for School Safety on the monitoring of 40 alternative education programs, which were chosen at random. The KDE contracted with the Center for School Safety to provide the monitoring services.

Dr. Jon Akers, Executive Director of the Center for School Safety, and alternative education consultants from this organization summarized the main findings of their report at the June KBE meeting as follows:

- ❑ *Academic Performance: Curriculum, Assessment and Instruction* - The curriculum in most programs is not fully aligned with Kentucky's standards and/or local standards, resulting in a curriculum lacking rigor and challenge. Individual learning styles of the diverse student population are not consistently and intentionally addressed through differentiation of curriculum and instruction. Opportunity for assessment tasks that are both rigorous and authentic, based on Kentucky's performance level descriptions, is limited.
- ❑ *Learning Environment: Culture, Support and Professional Development/Evaluation* - In most programs, it was concluded that the educational staff members care about students and promote a positive (non-punitive) perception of the alternative education program. Most students interviewed said they get the necessary one-on-one attention to be successful in the classroom. Students emphasized that the smaller classroom atmosphere is a

- positive feature about alternative education programs. However, in some programs where students are placed primarily for disciplinary reasons (alternative to suspension/alternative to expulsion), students expressed negativity. Not all programs are providing individual and group counseling services to address behavioral issues, even though many students are placed in the programs for disciplinary reasons. Professional development is ongoing, but the emphasis is not always on sustained and continuous growth, built around individual growth plans and a program improvement plan.
- *Efficiency; Leadership, Resources/Organization and Planning* - Most programs are organized to include a principal or lead teacher to provide the leadership. Often the lead teacher has full-time teaching responsibilities, as well. In most programs, leadership does not analyze CATS data at the program level to determine needs, goals and objectives for improvement. In a few programs, staff members participate in data analysis at the A1 schools. Textbooks used in the programs are often not the same quality and/or quantity as those provided at the A1 schools. Textbooks are often outdated and filled with graffiti. In many programs, computers need to be updated and/or replaced. Internet access is not available in all programs. Most programs do not have an on-site library/media center. Students are sometimes bused to the library/media center of another school or to the public library as an occasional field trip. When library books are available, they often do not include high interest choices. Although the Kentucky department of Education does not require alternative education programs to have an improvement plan, some of the forty programs had developed and implemented some type of improvement plan. However, not all of the improvement plans included an analysis of CATS data to determine priority needs. Most programs are located off-site in separate facilities, sometimes without full access to Software Technology Incorporated (STI); STI often includes only the attendance module.

After hearing the report, the Board asked that Commissioner Gene Wilhoit send a letter to all superintendents asking for the immediate correction of any violations of law occurring in alternative education programs. The Board also asked that Department staff meet with the staff from the Center for School Safety on recommendations for improving these programs and for the Department to pursue continued monitoring of A5 program quality. A report on these efforts is scheduled to come back to the KBE at its December meeting.

For more information on the Department's work with A5 programs, contact Nijel Clayton at 502-564-4772 or via email at Nijel.Clayton@education.ky.gov.

Next meeting: August 2-3, 2006 - Frankfort

**Council on Postsecondary Education
July 10, 2006**

**CPE Campus Visits
Strategic Planning, Key Indicators, and 2020 Projections
Summer 2006**

During the months of May and June, the Council's planning and performance unit conducted a series of campus visits with the nine public postsecondary institutions. The purpose of the visits was threefold: 1) to help the Council staff better understand each campus' internal strategic planning process, 2) to explain the 2020 projections model and discuss how institutional key indicator goals relate to these 2020 targets, and 3) to receive feedback from campuses about how the Council can better facilitate progress and move reform forward.

Typically, the visits lasted two to four hours and involved the provosts, enrollment managers, chief budget officers, information and research directors, admission officers, strategic planning directors, and the president and/or president's office staff. The following summarizes these discussions.

Institutional Strategic Plans

Overall, the Council staff observed a great deal of alignment between the Public Agenda for Postsecondary and Adult Education and each institution's strategic plan. Most institutions said they would like to be given an opportunity to revise their Campus Action Plan, but all agreed their university strategic plan will continue to drive activities and decisions on campus. Murray State University has developed a crosswalk to illustrate how each of the university's goals maps to one of the Council's five questions. The Council staff is considering developing a similar crosswalk for each institution, which could supplement or supplant the CAP and better illustrate how each institution is advancing and tracking Public Agenda goals in the Council's annual accountability report and other documents.

The following list summarizes the status of current institutional strategic plans:

Institution	Plan	Status Update
EKU	EKU Strategic Plan (2006-2010)	Recently completed
KCTCS	KCTCS Strategic Plan (2006-2010)	Recently completed
KSU	Undergoing strategic planning process	Final plan expected January 2007
MoSU	Aspiring to Greatness (2006-2010)	Recently completed
MuSU	Murray State Strategic Plan (2003-2008)	Preparing for next plan
NKU	Visions, Values, and Voices (2003-2008)	Preparing for next plan

UK	The Dream and the Challenge (2006-2009)	Under revision; preparing to align with Top 20 Business Plan
UofL	Challenge for Excellence: Full Speed Ahead (1998-2008)	Preparing for next plan
WKU	Challenging the Spirit (2005-2008)	Preparing for next plan

Key Indicators

The Council staff reviewed institutional key indicator data and information with the campuses by presenting a worksheet that outlined historical and benchmark data where applicable. It was discussed that there may be opportunities to provide additional context when reporting data to outside audiences to help explain why numbers may look the way they do. It was important for institutions to have ample time to vet and understand goals moving forward. A master timeline of goal-setting processes will be developed to help better communicate the timing of the Council strategic planning and goal-setting efforts. It was explained that 2008 goals for both state and institution key indicators will be brought to the Council for consideration at its September 18, 2006, meeting.

2020 Projections

The Council staff presented an overview of the 2020 projections study and a first draft of a possible model for producing the 211,000 additional bachelor's degrees needed in Kentucky. It is clear that the pool of potential college students must grow significantly if these projections are met. The biggest change posited in the model is to funnel more first-time students through KCTCS and increase significantly the number of upper-division transfers from KCTCS to the comprehensive universities. There are many questions about how this strategy can be operationalized while maintaining student choice. Campuses felt the Council should focus on the degrees needed at each institution, instead of trying to project enrollments. For example, an institution may decide to enroll fewer students but increase its retention and graduation rates. Campuses want the freedom to configure enrollment differently, as long as degree objectives are met.

Feedback and Suggestions

The Council staff asked a series of questions to learn how the CPE might better serve its institutional constituents. A number of insightful, constructive comments will be explored in the coming months:

Finance/Financial Aid/Tuition Policy

- Advocate for adequate resources for the public postsecondary system to support required growth. Keep messages to the General Assembly simple, understandable, and powerful.
- Create more opportunities for financial aid for nontraditional adults and transfer students.
- Reconsider the issue of tuition parameters and reciprocity for out-of-state students.

- Develop a funding model that recognizes differences needed for strategic investments in public institutions in the Commonwealth.
- Develop a better understanding of cost per degree and cost effectiveness measures.
- Advocate for strategic resources to assist institutions in planning and implementing course redesign and reorganization of curriculum and academic programs to increase productivity and efficiency and possibly reduce need for new capital projects.

Outreach

- Conduct another statewide marketing campaign to help Kentuckians understand the value of a postsecondary degree.
- Explore regional and statewide demand for particular types of degrees in order to discover new pockets of opportunities in the short-term and long-term. For example, many institutions expressed the need to identify working-age adults and determine ways to work with employers to bring them back into the postsecondary system. A number of institutions appear to be exploring ways of providing experiential learning credits to adult learners.
- Work with the Governor and General Assembly to provide a better understanding of how institutions' areas of geographic responsibility work and how institutions collaborate to meet state and regional educational needs.

Information, Reporting, and Planning

- Provide more contextual information when reporting institutional results in the accountability report and other Council documents. For example, provide information about sample size when reporting NSSE survey results and clearly explain how affordability is measured.
- Serve as a clearinghouse for best practices in the nation and state and provide professional development to institutional staff, as needed. For example, for faculty engaged in community work, what kind of research is needed and where can it be published? KYVU could serve as a repository for national and statewide data on distance education. New ways need to be found to allow institutions to learn from one another and take advantage of each other's strengths.
- Remain sensitive to the rhythms of the colleges and universities, especially when trying to align Public Agenda goals and campus strategic plans. Be cognizant of the institution's ongoing SACS cycle of accreditation review and, to the extent possible, minimize data requests during peak times. Create a mechanism or process to ensure CPE numbers and institutional numbers match. Continue to refine key indicator metrics, especially in the areas of teacher quality and transfer. Consider broadening measures for question five to include not just research and commercialization but also workforce development training.
- Facilitate statewide discussions on reporting guidelines for key indicator goals, as needed. There was some concern that institutions are not reporting results uniformly, especially in the area of federal research and development expenditures to NSF.
- Explore additional ways to publicly report and communicate all of the positive things that institutions are doing for the state and their regions and the accountability systems that

have been established to improve performance. Institutions want ways to express the uniqueness of their institutions to the public.

- Continue to aggressively push the Public Agenda, key indicators, and 2020 goals because they allow institutional representatives to use the Council as a lever and advocate for change on campus.
- Work on a long-term plan that communicates the timing of the Council's strategic planning and goal-setting processes in order to facilitate even stronger alignment in the future.
- Continue to develop secure ways for institutions to share information and data.

2020 Projections

- Shift focus from enrollment to degree production when developing 2020 projections. Setting regional enrollment goals might promote better coordination among the two-year, four-year, and independent institutions that are all recruiting the same pool of students.
- Pay more attention to the types of degrees needed to alleviate shortages and fuel Kentucky's economy (in STEM fields, for instance). How can more students be driven to pursue these focus fields? Explore ways to expedite new program approval processes.
- Consider expanding the 2020 educational attainment goal to include associate-level careers with a lifetime earning potential that equals or exceeds many baccalaureate-level fields. These degrees are just as valuable to the state's economic development.
- Reexamine the appropriateness of doctoral-level degrees at the comprehensive universities. There may be areas where the market supports it.
- Become more aggressive at looking for systematic ways to bring alumni who have left the state back to Kentucky.
- Develop a forum for policy debate on major issues related to meeting the 2020 projections (e.g., how will the state be able to help funnel more students through KCTCS? how do we work with K-12 to dramatically increase the number of high school graduates? how do we get more adult students into the postsecondary pipeline?).
- Host statewide conferences or other forums so institutions can discuss issues like enrollment management challenges and systems to reward faculty engagement in strategic planning efforts (e.g., regional stewardship activities).

Transfers

- Work with KCTCS to provide four-year institutions with contact information for potential transfer students earlier in the process. Better coordination between the two-year and four-year institutions is needed to ensure students do not enter the university with excessive credit hours and limited financial aid eligibility.
- Encourage university presidents to exert leadership in the area of transfer so that decisions are not left solely to registrars. The transfer frameworks are not being applied uniformly. Also, create more incentives for four-year institutions to accurately track KCTCS transfer students to degree completion.
- Continue to work on developing a Community College Feedback Report to better understand strengths and weaknesses in the transfer pipeline.

**Council on Postsecondary Education
July 10, 2006**

Committee on Equal Opportunities Report

The Committee on Equal Opportunities met Monday, June 19, 2006, in Frankfort. The 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 for Civil Rights.

The committee:

- Adopted the final report of the CEO campus visit at Morehead State University, April 17-18, 2006. The report has been forwarded to President Wayne Andrews with a request that MoSU give a report on the status of the implementation of the committee's recommendations at the October 16, 2006, CEO meeting. The full report can be found at http://cpe.ky.gov/NR/rdonlyres/674F5D3C-9DA7-40C3-9288-6B7F88A6F391/0/B1_MSU2006campusvisitreport.pdf.
- Received a report that proposals were received from four vendors to conduct the statewide diversity study. The evaluation process calls for the evaluation team (consisting of one representative appointed by the president from each institution) to identify the best proposals, allow vendors to make a presentation in support of their proposal, and identify and recommend to the presidents the best value proposal for their consideration to be offered a contract to implement a diversity study. The evaluation process is expected to be completed in July and a contract awarded by August 31, 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.
- Adopted a fall 2006 and spring 2007 campus visit schedule. The committee will conduct campus visits at the University of Kentucky, Bluegrass Community & Technical College, Somerset Community College, Ashland Community & Technical College, Maysville Community & Technical College, Kentucky State University, Elizabethtown Community & Technical College, Jefferson Community & Technical College, Madisonville Community College, and Hopkinsville Community College. The CEO will conduct visits during the regular academic year and will avoid conducting visits during registration, spring or fall breaks, or final exams. Campus visits at community and technical colleges will be conducted by teams of three or four members of the CEO. Campus visits at UK and KSU will be conducted at the time of a regular CEO meeting.

- Received a report on the status of the partnership with the U. S. Department of Education, Office for Civil Rights. The committee agreed that copies of the new status report should be prepared and sent to the OCR with a request that the Commonwealth's status be determined. Also, the committee requested that the Council simultaneously forward a copy of the status report to U. S. Senators McConnell and Bunning with a request for assistance to get a response from the OCR regarding the Commonwealth's status.
- Received a report on the institutional departments of public safety and asked staff to request more information from institutions. The committee noted that the information provided does not include language that is consistent and thus does not allow proper analysis and conclusions to be drawn regarding institution performance. The report will be revised and included on the October agenda for further consideration by the CEO.
- Received a report on the institutional campus environment teams describing the activities and support programs implemented by institutions to improve the campus environment for students, faculty, and staff.
- Agreed to cancel the scheduled August 14, 2006, meeting and instead go into retreat to plan the calendar of activities for 2006-07.
- Received a special interim report on the Kentucky Legal Education Opportunity Scholarship noting that the Chief Justice confirmed that the scholarship is funded for the 2006-08 biennium. The committee asked to receive a report at the October meeting regarding the students at each law school supported by the scholarship.
- Received a report that the 19TH Annual Academically Proficient African American High School Junior and Senior Conference was hosted by Eastern Kentucky University, June 16-17, 2006, and that the sixth annual statewide Governor's Minority Student College Preparation Program Conference was held at the University of Louisville, June 13-14, 2006.
- Heard interim reports from Eastern Kentucky University, the Kentucky Community and Technical College System, Northern Kentucky University, University of Louisville, and Western Kentucky University detailing the institutions' success in implementing the recommendations from campus visits.

**Council on Postsecondary Education
July 10, 2006**

**Trust Fund Guidelines
Regional Stewardship Program**

ACTION: The staff recommends that the Council approve the Regional Stewardship Program Guidelines.

At its May 22 meeting, the Council approved two of three components of the 2006-08 Regional Stewardship Program Guidelines. Following a recommendation of the Quality and Accountability Policy Group, Council members asked staff to modify sections of the guidelines pertaining to the distribution of stewardship initiative pool funds, so that greater emphasis is placed on the role of regional advisory committees in the development and approval of strategic plans and proposals for stewardship funding.

The revised Regional Stewardship Program Guidelines are attached. Changes in the guidelines are highlighted by underline and strikethrough. Comprehensive university chief budget officers and chief academic officers have been given an opportunity to comment on the changes. The draft guidelines also will be discussed at the July 10 meeting of the Quality and Accountability Policy Group.

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, including the counties making up their area of geographic responsibility, 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. One of the first priorities during the infrastructure development process will be for campus officials to assemble a regional advisory committee comprised of local government and community

leaders, business and industry representatives, education leaders, policy professionals, interest groups, and citizens from across the university's area of geographic responsibility to assist in identifying regional needs, opportunities, and stewardship priorities. The regional advisory committee will help develop and approve strategic plans and proposals for stewardship funding aimed at building intellectual capacity and meeting regional needs. Other 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.
- 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, and approved by, 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, the 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, or 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. To receive consideration for funding, proposed initiatives should address critical regional needs, as identified in a strategic plan for regional stewardship developed in partnership with, and endorsed by, a region's stewardship advisory committee. 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

Infrastructure - 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.

Regional Grants - 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, and as endorsed by a region's stewardship advisory committee. 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.

Stewardship Initiatives - 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. Initiatives funded through the program will address critical regional needs, as identified in the strategic plan for regional stewardship and endorsed by a region's stewardship advisory committee. 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. In the event that eligible funding requests exceed the amount appropriated, the overriding factor in determining the distribution of stewardship initiative funds will be a proposal's contribution toward effectively meeting regional needs and furthering the goals of Kentucky's Public Agenda for Postsecondary and Adult Education.

- 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 potential for furthering the goals of House Bill 1 and the Public Agenda for Postsecondary and Adult Education in Kentucky.
- 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 and the regional advisory committees, 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
July 10, 2006

Statewide Facilities Condition Assessment Status Report

A contract with VFA, Inc., of Boston, Massachusetts, was approved April 11, 2006, to implement a statewide facilities condition study. 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. Staff provided a project status report to the Capital Planning Advisory Board at its May 23 meeting.

VFA completed facility assessments on three university campuses and scheduled assessments for the remaining campuses. The following assessments are completed: ECU, KSU, MoSU, and WKU. Assessments are underway at the Kentucky community and technical colleges. Assessments are scheduled for NKU, MuSU, UK, and UofL. To maintain quality assurance, VFA hosts a conference call with Council and institutional staff twice weekly to discuss and resolve any issues or concerns that may arise.

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.

Project Status and Next Steps:

1. Evaluation teams began individual campus assessments June 4, 2006; the campus assessments will be completed by mid-September.
2. Three assessments are complete, two assessments are underway, three are planned, and one is pending.
3. Project status reports will be provided to the Council at its September and November meetings.
4. Draft reports will be delivered to the Council and the institutions for review and comment in mid-November 2006.
5. The project is expected to be completed and a final report given to the Council and institutions in December 2006.

Council on Postsecondary Education
July 10, 2006

2006-07 Agency Operating Budget

ACTION: The staff recommends that the Council approve the 2006-07 agency operating budget.

The 2006 General Assembly enacted House Bill 380, which provides appropriations of \$87,072,500 to the Council for FY 2006-07.

General Fund	\$56,931,200
Tobacco Settlement Funds	4,431,200
Restricted Funds	6,610,700
Federal Funds	<u>19,099,400</u>
TOTAL	\$87,072,500

The FY 2006-07 agency operating budget details revenues (including both appropriations and carry-forward amounts) and expenditures proposed for FY 2006-07 and presents comparative information from FY 2005-06.

The Council operates four major budget areas: operations, pass-through programs, strategic investment and incentive funding programs, and federal programs.

Within each of these major areas, additional financial and narrative detail is provided. The operations budget is presented as a consolidation of agency operations, KYVU/KYVL, and Kentucky Adult Education. Pass-through programs represent funds for which the Council has been designated as the receiving agency, but are intended for programs and activities conducted by outside entities. Strategic investment and incentive funding programs include both trust funds and funding programs, of which there are two new ones in FY 2006-07: the Regional Stewardship Funding Program and the Research Support Funding Program.

The proposed budget is divided into five sections:

Section 1	Agency Summary
Section 2	Operations
Section 3	Pass-Through Programs
Section 4	Strategic Investment and Incentive Funding Programs
Section 5	Federal Funds