

KY COUNCIL ON POSTSECONDARY EDUCATION WORK SESSION



September 19, 2023 – 10:00 a.m. ET
CPE Offices, 2nd Floor Conference Room, 100 Airport Road, Frankfort, KY 40601

- I. **Welcome Remarks and New Member Introduction**
- II. **Update on SJR 98 Study** 2
- III. **Follow-up on Council Retreat Discussions** 39
- IV. **Adjournment**
This Council will take a lunch break at noon and reconvene for a business meeting at 1:00 p.m. ET.

TITLE: Update on SJR 98 Study

RECOMMENDATION: CPE Staff will provide an update on the research and preliminary findings being conducted in response to Senate Joint Resolution 98 (2023).

PRESENTERS: Lee Nimocks, Sr. Vice President and Chief of Staff
Consultants from Ernest and Young

PROJECT OVERVIEW

SJR 98 (2023) directs CPE to complete a comprehensive study of Kentucky postsecondary education by December 1, 2023.

- Seeks to ensure that Kentucky's postsecondary institutions are organized, governed, and located in a manner that all Kentucky citizens and communities benefit from the economic value and the transformative power of higher education.
- Serves as an opportunity to revisit the impact of historic higher education reform legislation adopted in 1997 which strengthened statewide coordination and reorganized the state's community and technical colleges under a single governing board.

SECTION 1: Landscape/ Governance

Resolution Language: CPE shall conduct a comprehensive study of the structure of higher education governance in KY, including the current condition and projected needs of the state over the next 20 years in terms of attainment, workforce, and economic need. The analysis shall consider population and demographic trends; economic and workforce conditions and needs; state of college preparation; extent of postsecondary access, completion, and affordability; student learning options; and education finance. The study shall include recommendations on changes needed to the state's postsecondary governance structure that would be essential to meet identified needs and ensure the best delivery of postsecondary educational services to students.

Areas of Investigation:

- Efficiency and effectiveness of current structure in meeting education and workforce needs of Kentucky residents.
- Projected workforce and programmatic needs in Kentucky over the next 20 years.
- Effective postsecondary governance structures and decision-making processes in other states

SECTION 2: Four-Year Residential Campus in Southeast Kentucky

Resolution Language: Study the impact and feasibility of establishing a regional, residential, four-year public university in southeastern Kentucky. The study shall include a comprehensive review of the prospect of:

- Establishing a new regional, residential, four-year public university in southeastern Kentucky and the impact that would have on the existing regional universities in the Commonwealth.
- Establishing a residential campus in southeastern Kentucky that is a satellite campus of an existing regional public university.
- The Commonwealth acquiring an existing, private university in southeastern Kentucky to serve the region as a new regional, residential, four-year public university, as an alternative to establishing an entirely new four-year university.

Areas of Investigation:

- Defining the southeast region and determining specific areas of highest need and with potential for success
- Evaluation of the various options, including:
 - a new university (unaffiliated with existing institutions)
 - an expansion of an existing institution
 - a satellite campus of a comprehensive university
 - a private university acquisition
 - a collaboration of universities in the region
- Focused exploration of key demographic, economic, and education measures as they pertain to the southeast region.

SECTION 3: KCTCS Organizational Overview

Resolution Language: Study the feasibility and programmatic and fiscal impacts of having the Kentucky Community and Technical College System continue to be responsible for technical education programs but transferring responsibility for traditional academic subjects to the regional universities.

- The study shall include a comprehensive review of how this transition might impact each regional university and
- The potential implications on any proposal for establishing a four-year university in southeastern Kentucky identified in subsection (2) of this section and
- The potential impact on prospective Kentucky Community and Technical College System students statewide.

Areas of Investigation

- Review of the factors leading to the 1997 higher education reform act and the creation of the KCTCS system.
- The fiscal, programmatic, and feasibility effects of dismantling the KCTCS system.
- The effects on comprehensive institutions/students if each assumed responsibility for one or more community colleges.

- Efficiency and effectiveness of the current structure in meeting state education and workforce goals.
- Strategies to strengthen state and campus-level services supporting students, employers, and communities within the current structure.

PROJECT TIMELINE

- March-May: Project organization, Define Research Questions, Identify Project Consultant(s)
- May-August: Data Collection/Analysis, Stakeholder Interviews, Focus Groups, National Scans
- September-December: Further Analysis, Findings/ Recommendations Development, Refine with CPE Board and Stakeholders, Produce and Present Study

Remaining Key Dates

- Project Update to CPE board – Sept 19
- Public Release of Preliminary Finding/Recommendations to CPE Board – November 17
- Final Report Due to Legislature – December 1



SJR 98 Study Update

Board Work Session
September 19, 2023

SJR 98 Charge

CPE to provide recommendations to the General Assembly on:

1. Changes needed to the state's postsecondary governance structure that would be essential to meet identified needs and ensure the best delivery of postsecondary educational services to students.

2. The impact and feasibility of establishing a regional, residential, four-year public university in southeastern Kentucky.

3. The feasibility and programmatic and fiscal impacts of having KCTCS continue to be responsible for technical education programs but transferring responsibility for traditional academic subjects to the regional universities.

Process update:

Activities completed

Study area 1: Higher education governance

- ▶ Research/analysis of KY's current and future needs in terms of attainment; demographic & workforce trends; college preparation; postsecondary access, affordability & outcomes; postsecondary finance
- ▶ Solicited input from 91 stakeholders across the state
- ▶ Summarized governance structures across all 50 states
- ▶ Conducted deep dives into 8 states selected with CPE criteria

Study area 2: 4-year institution in Southeastern Kentucky

- ▶ Analysis of economic and educational needs of southeast Kentucky, impact and feasibility of new/expanded institution, possible location, impact on other regional comprehensive institutions
- ▶ Interviewed 22 stakeholders in Southeast Kentucky (e.g., K-12 leaders, business sector, economic development orgs, elected officials)

Study area 3: KCTCS structure and responsibilities

- ▶ Review of KCTCS effectiveness, analysis of potential cost and impact of the proposed split on student access and affordability, regional comprehensive universities, dual credit, etc.
- ▶ Conducted stakeholder interviews
- ▶ Expanded state comparative analysis to investigate 2-year governance further

Process Update: Timeline

Phase 0	Phase 1 (~3.5 months)				Phase 2 (~3 months)			
May (~1 week)	May	June	July	August	September	October	November	December
Project planning and research framework	Research and analysis on key topics				Draft key portions of final report		Finalize report	Present report
	Comparative analysis of states selected with CPE criteria							
	Stakeholder engagement							
					Synthesize key findings			



Study Area 1: Higher Education Governance and Effectiveness

Kentucky's Postsecondary Education Improvement Act of 1997 Initiated Over Two Decades of Reform and Improvements

1997 HB 1 Vision

Create a more efficient, effective, and responsive higher education system to better serve the needs of the citizens and contribute to the state's long-term economic growth

Strengthen coordination and collaboration among universities, community colleges, and technical colleges to create a more seamless and integrated system

Emphasize a student-centered approach, with a focus on increasing access, affordability, and quality of education

Leverage technology and innovation to enhance learning outcomes and strengthen programs and services

Align educational programs with the needs of the economy and foster partnerships between institutions and employers

Key Reforms

- ▶ Creation of CPE to guide implementation of HB 1 and oversee progress
- ▶ Merger of Kentucky's community colleges and the state technical colleges into KCTCS
- ▶ Introduction of the state's strategic agenda for postsecondary education and associated accountability system
- ▶ Creation of strategic incentive funds supporting HB 1 goals
- ▶ Expanded investment in state student aid and introduction of new programs
- ▶ Transition from enrollment-driven to outcomes-based funding
- ▶ Innovations in program approval/review focusing on program quality and workforce alignment

Select Observations from Research & Data Analysis

There has been significant progress since higher education reform:

ATTAINMENT

- Educational attainment (associate & above) increased from 24.5% in 2000 to 38.9% in 2021.
- With certificates, attainment currently stands at 54.3%.
- Graduation rates have increased substantially: since 1997, the 3-yr. rate has climbed 28 percentage points, while the 6-yr. rate rose 22 points.
- Degrees to underrepresented minorities are up 358% since 2002.

COLLEGE READINESS

- Access to early postsecondary opportunities has grown significantly with the expansion of dual credit.

WORKFORCE DEVELOPMENT

- KCTCS certificates are up 53% over the decade.
- STEM+H credentials are up 33% over the decade.

Occupational Insights

- About a third of all full-time employment in KY is in 2 sectors - manufacturing and healthcare/social services.
- Projected growth in job openings (from 2018-28) shows the largest projected growth in personal care/service, IT, food preparation/service, healthcare, and social services.

Select Observations from Research & Data Analysis

However, Kentucky continues to face significant challenges, particularly in rural areas of the state.

ATTAINMENT:

- While Kentucky is seeing a positive in-migration, in recent years we imported more than twice as many residents without college credentials.
- Between 2011-21, the college-going rate for recent high school graduates fell 8 percentage points to 54%.
- Enrollment of adult learners has fallen 40% over the decade.

DEMOGRAPHIC/ECONOMIC:

- Kentucky ranks 45th in per capita income and 48th in the workforce participation rate.
- 23.5% of Kentuckians live in poverty versus 17.4% in the U.S.
- In 2021, Kentucky ranked 41st among states in broadband access and 42nd in computer access, where almost 10% did not have access to a computer.

Education Finance

- State and local support for higher education in KY depends much more on non-tax revenues (e.g. lottery proceeds) than other states. *KY ranks 3rd for the share of support from this source.*
- Kentucky has experienced a decline in education appropriations per FTE since 2011, while the U.S. and SREB saw substantial growth.
- Kentucky's state and local support for 2-year sector operations per FTE ranks among the lowest nationally (6th), while public financial aid support for the 2-year sector ranks among the highest (3rd).

Stakeholders recognize the progress Kentucky has made in postsecondary education since 1997 but also see areas for improvement.

	Stakeholder perception of progress and strengths ¹	Stakeholder perceived areas of improvement ¹
Higher education in KY	<ul style="list-style-type: none">▶ Increased access to postsecondary education across KY▶ Increased degree and non-degree attainment since HB 1▶ Increased agility of 2-year programs due to local responsiveness to employer demand▶ Increased focus on workforce demand and strategic alignment in how different institutions are able to meet this demand	<ul style="list-style-type: none">▶ Unequal access to postsecondary education across and within regions in terms of accessibility and affordability▶ All stakeholder groups see gaps in meeting growing workforce needs of technicians in targeted industries such as healthcare, education, advanced manufacturing (e.g., surgical technician, quality control technician)
Higher education governance	<ul style="list-style-type: none">▶ CPE perceived by all stakeholders to have strong leadership in advocating on behalf of institutions▶ Decreased stigma of community and technical programs due to CPE as a single coordinating board over the universities and KCTCS▶ University and KCTCS stakeholders feel that existing balance of centralized support and local autonomy attracts higher education talent to Kentucky	<ul style="list-style-type: none">▶ Recent financial woes at some institutions (e.g., NKU, KSU) suggest that financial oversight is insufficient▶ University and KCTCS stakeholders suggest CPE could have a greater role in training and selecting institution board members to develop stronger board leadership▶ University and KCTCS stakeholders perceive KCTCS system office as not meeting workforce development or campus support expectations

1. Feedback on areas of improvement are based on perspectives from Kentucky stakeholder interviews (e.g., postsecondary institution presidents, policy makers and government officials, faculty, governance leadership, and employers)

Study Area 1: Higher education governance and effectiveness

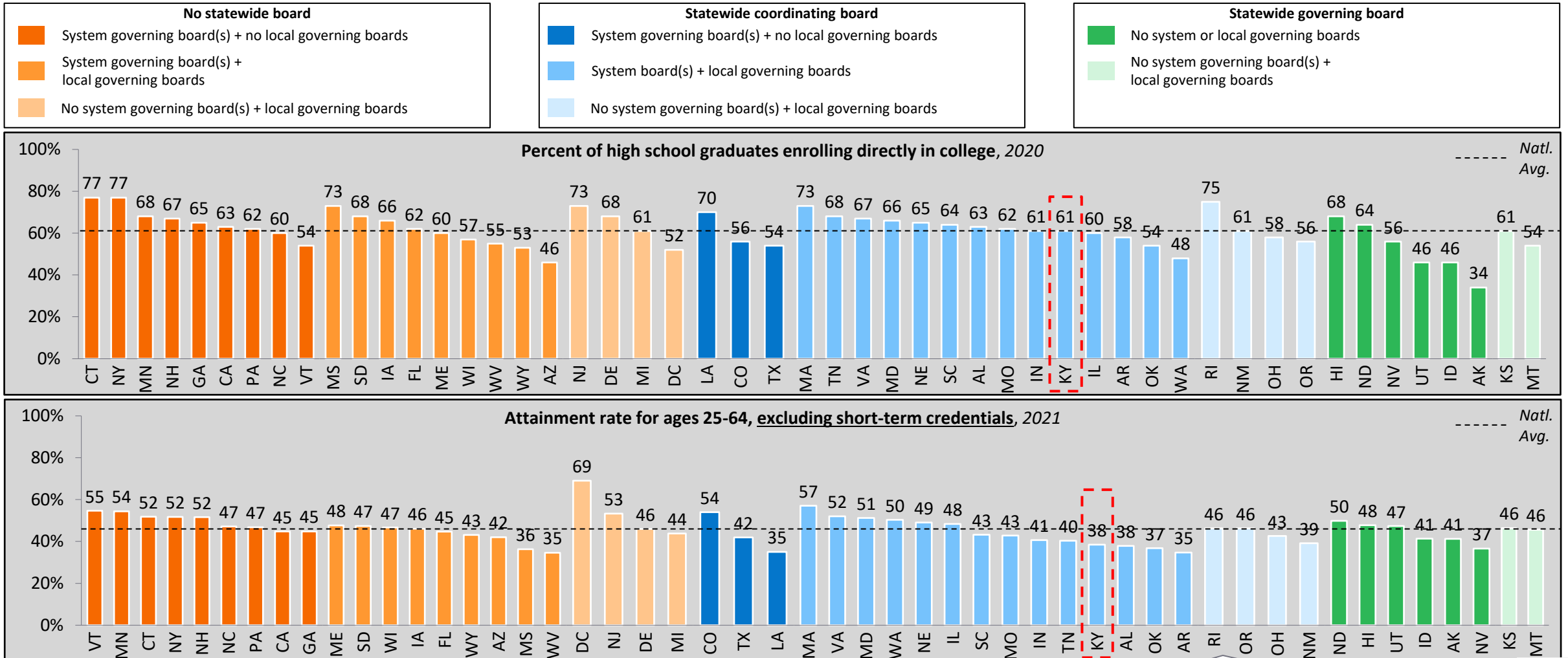
To inform potential improvements, research includes conducting a comparative analysis of governance structures, which vary widely by state.

Kentucky's system

	No statewide board (21 states + DC)	Statewide coordinating board (21 states)	Statewide governing board (8 states)
No system or local governing boards	N/A	N/A	► 6 states AK HI ID ND NV UT
System governing board(s) + no local governing boards	► 9 states CA CT GA MN NC NH NY PA VT	► 3 states CO LA TX	N/A
System board(s) + local governing boards	► 9 states AZ FL IA ME MS SD WI WV WY	► 14 states AL AR IL IN KY MA MD MO NE OK SC TN VA WA	N/A
No system governing board + local governing boards	► 4 states DC DE MI NJ	► 4 states NM OH OR RI	► 2 states KS MT ► local governing boards for 2-year institutions only

Study Area 1: Higher education governance and effectiveness

Metrics of higher education effectiveness vary between and within governance structure types indicating that no single structure is better than another.



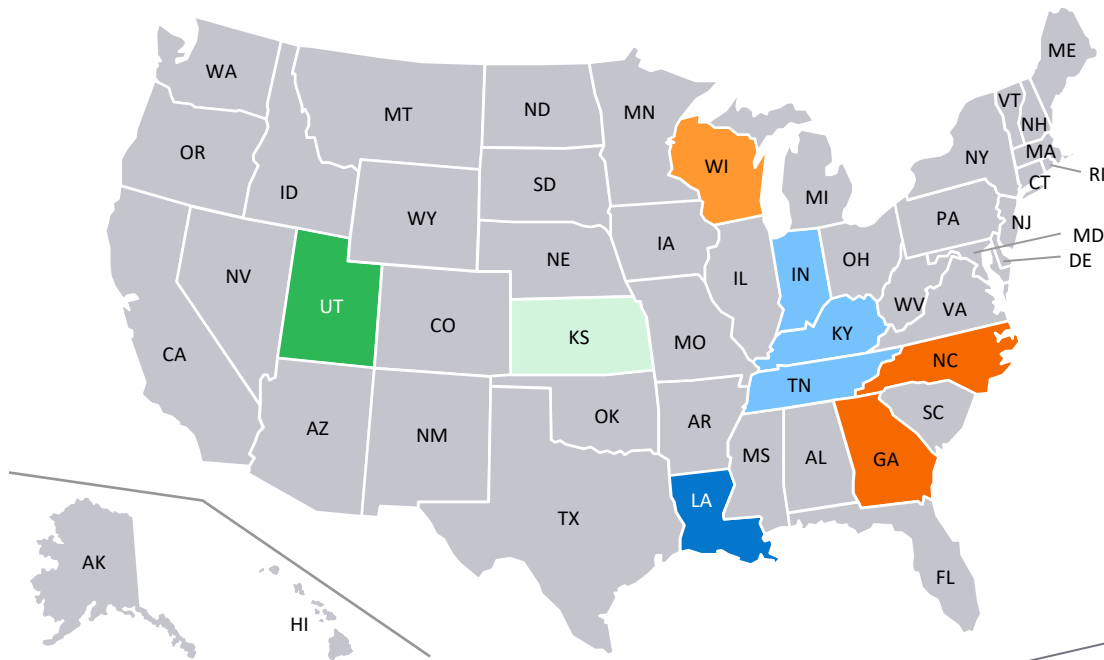
Other metrics of higher education effectiveness tell a similar story: higher education governance structure alone does not determine a state's postsecondary attainment and economic development outcomes

Source: NCES; IPEDS

Study Area 1: Higher education governance and effectiveness

Several states were prioritized for deeper analysis using CPE selection criteria. These states represent a diversity of higher education governance models.

Visual representation of states selected for further analysis



In addition to investigating the overall governance structure in these states, we have followed up to better understand 2-year governance, specifically to understand best practices

Key details of states selected for further analysis

State name ¹	Governance model
Georgia*	No statewide board with system governing board(s) + <u>no</u> local governing boards
North Carolina*	No statewide board with system governing board(s) + <u>no</u> local governing boards
Wisconsin	No statewide board with system governing board(s) + local governing boards
Kentucky*	Statewide coordinating board with system board(s) + local governing boards
Tennessee*	Statewide coordinating board with system board(s) + local governing boards
Indiana*	Statewide coordinating board with system board(s) + local governing boards
Louisiana*	Statewide coordinating board with system governing board(s) + no local governing boards
Kansas	Statewide governing board with <u>no</u> system + local governing boards
Utah	Statewide governing board with <u>no</u> system <u>or</u> local governing board(s)

1. Starred states are part of the SREB

Source: Education Commission of the States; Inside Higher Ed; Ithaka S+R; NCES / IPEDS; SHEEO; U.S. Census; University websites; SREB; State higher education board websites; [Stakeholder, OPEN] interviews and analysis

CPE will continue data analysis on KY's needs and receive a synthesis of comparative analysis findings into themes that can be applied to meet them.

Next steps

- ▶ A first draft of the report is currently underway; the projected date for the full draft is November 1.
- ▶ CPE staff is refining research and analysis, synthesizing findings, and building charts and other visuals for the report.
- ▶ CPE will determine need for additional stakeholder input.
- ▶ Synthesize common themes across profiled states related to characteristics of an effective governance structure, including best practices and considerations for Kentucky
- ▶ Evaluate how these characteristics of effective governance structure can be applied in various options for Kentucky, such as:
 1. Maintain current governance structure
 2. Maintain current governance structure with additional coordination / oversight responsibilities for CPE
 3. Establish a governing board over 4-year institutions (or only the regional institutions) with or without CPE as a coordinating board
 4. Maintain CPE as a 4-year coordinating board with direct governance over KCTCS
 5. Establish a single, statewide governing board over both 4-year and 2-year institutions (superboard)



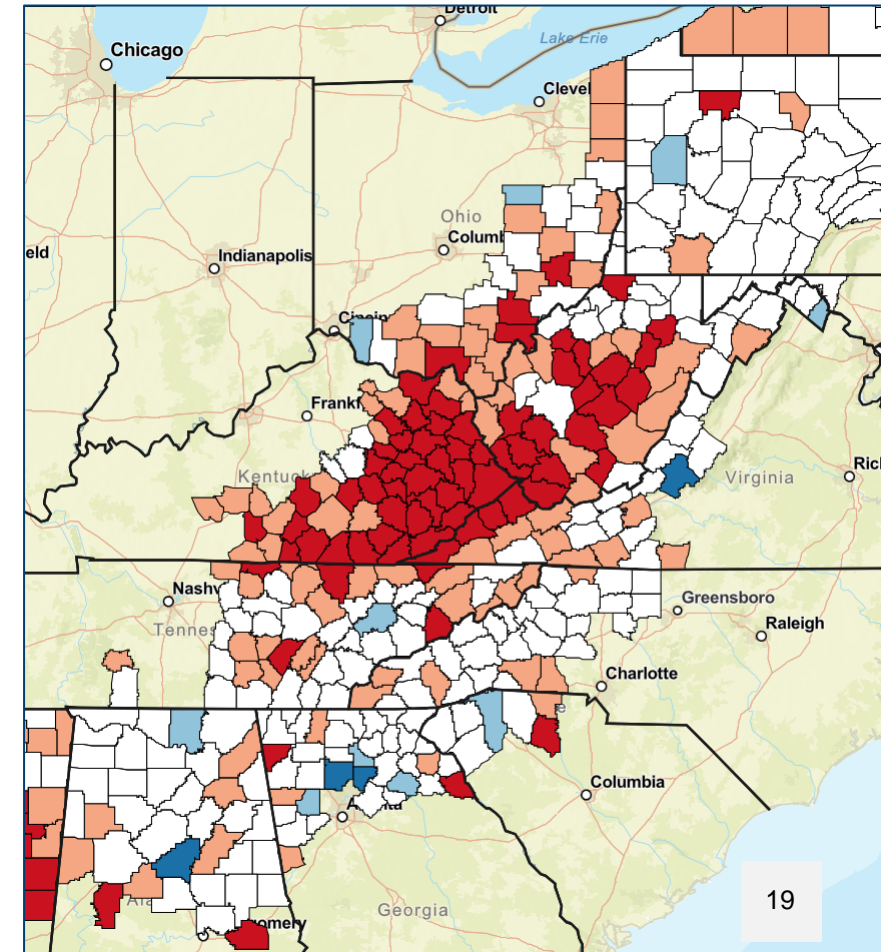
Study Area 2: Four-Year Offerings in Southeast Kentucky

Economic and Education Needs and Challenges in Southeast Kentucky (1 of 2)

Economic Challenges

- Over the past half century, Kentucky's (and the nation's) population and economies have **shifted to the urban centers**.
- The effect of this in **Southeast Kentucky** has been particularly challenging and further impacted by:
 - **The decline of mining** and other extractive industries, which had been essential drivers of the economy.
 - **Limited access to major interstates** that ease transportation and movement of goods and services.
 - Relative isolation from the state's more urban centers.
 - Relatively **poor infrastructure, including broadband** and digital technology.
 - An **out-migration** of the younger, more educated population.
- These factors and others have created a **negative and cascading effect** on the region's employment rates, workforce participation rates, poverty levels, quality of health, and reliance on public assistance.

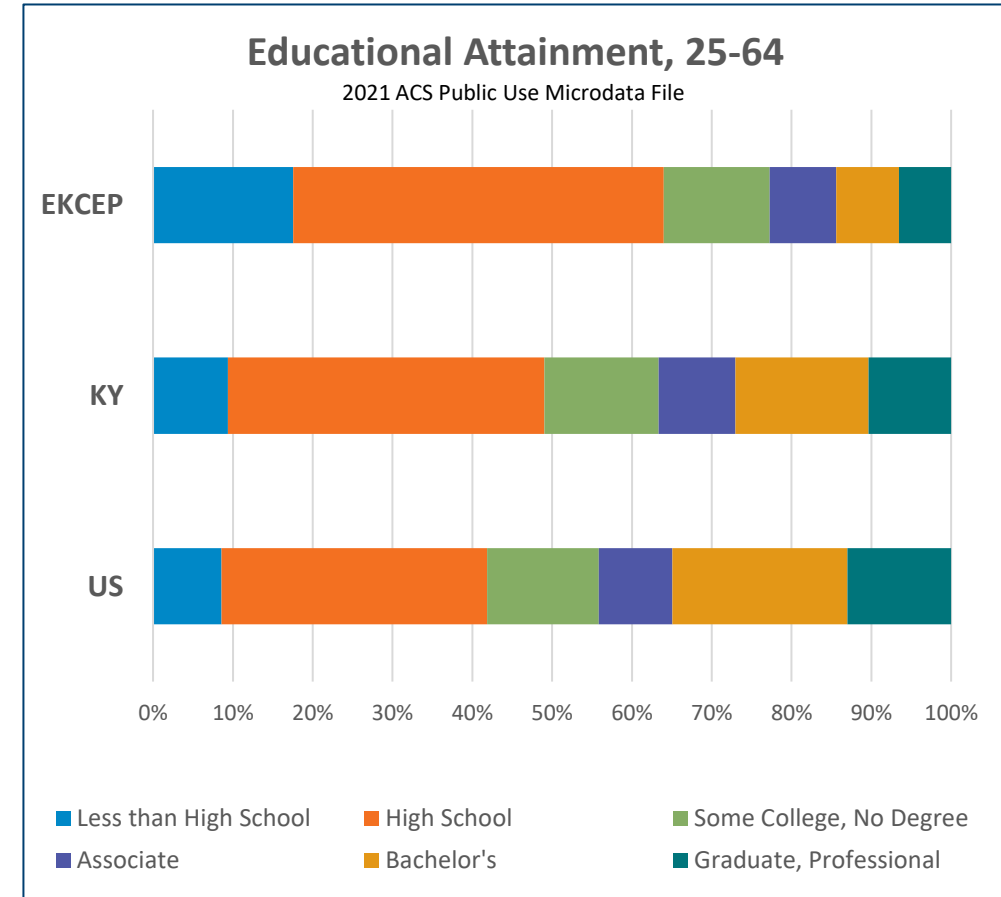
County Economic Status and Distressed Areas, FY 2024 (Appalachian Regional Commission)



Economic and Education Needs and Challenges in Southeast Kentucky (2 of 2)

Education Challenges

- Southeast Kentucky has a **high proportion of working-age adults with a high school diploma only**.
- The region has a relatively **high percentage of its population with an associate degree only**, reflecting the workforce needs of the region and relative access to KCTCS programs.
- The region has a **low percentage of working-age adults with bachelor's degrees or higher** - among the lowest in the nation for a region and population of its size.
 - This **may be due to the lack of a public, residential four-year university** in the southeast part of the state.
 - But given the out-migration of bachelor's degree holders from the area, it also **reflects the lack of available jobs and opportunity** for citizens with higher levels of education.

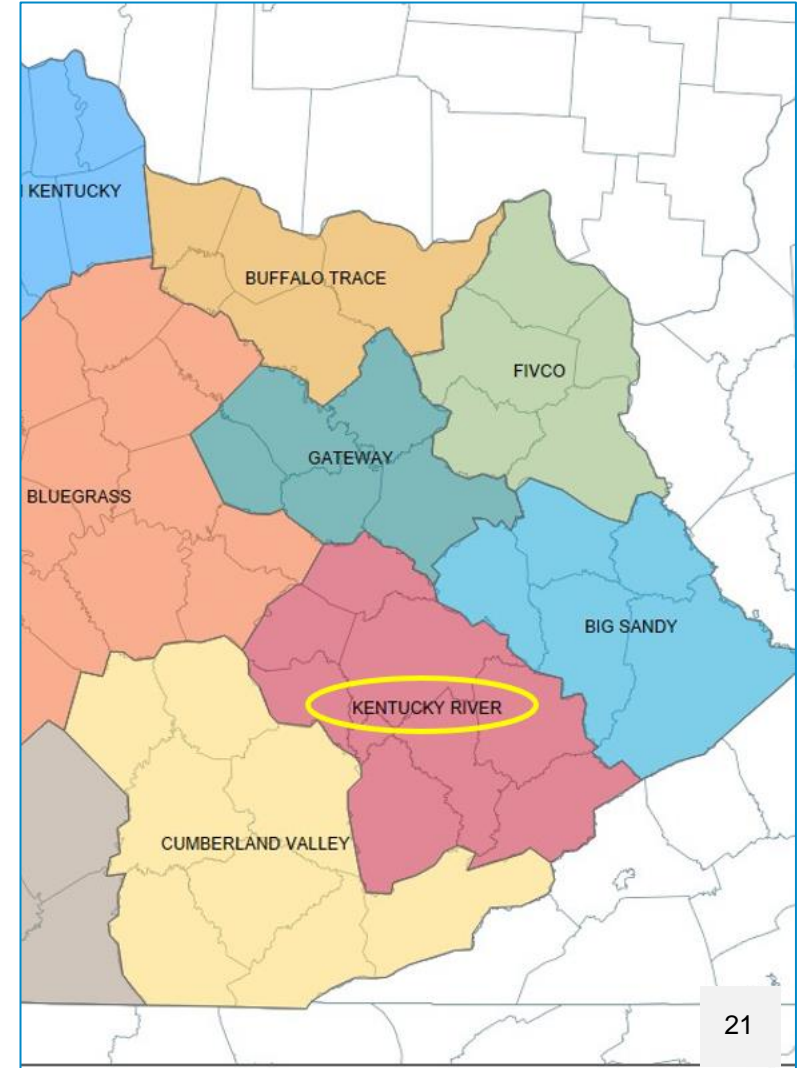


A new institution may be one economic development tool in Southeast Kentucky, but sustainable change will require targeted economic development and educational efforts/incentives from the state and employers.

Study Area 2: 4-year offerings in Southeastern Kentucky

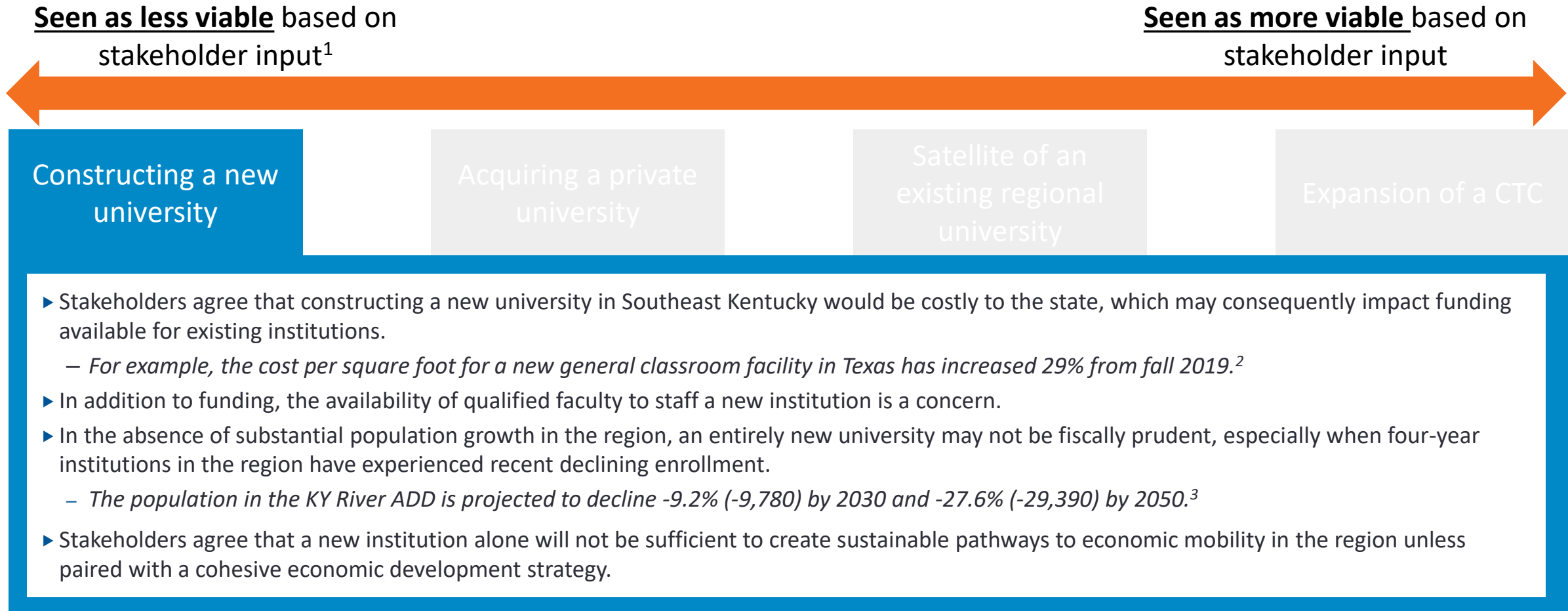
The Kentucky River ADD has emerged as CPE's area of focus for expanding access to public 4-year postsecondary offerings in southeast Kentucky.

- The **KY River ADD** is among the most distressed areas in the state and has among the highest educational need:
 - among the highest proportions of working-age adults with a **high school diploma or less**.
 - **among the poorest counties in the nation** based on median household income.
 - the highest proportion of **individuals living in poverty**.
- The KY River ADD has a **higher concentration of young people** (ages 17 and under) compared to neighboring area development districts.
- The KY River ADD has **no public four-year institutions** (main campus or satellite) located in the region and only one non-sectarian private institution, which is selective and has a small enrollment.
- The infrastructure near **Hazard (Perry County)** offers the **best accessibility** for potential students in the region at the intersection of KY-80 and KY-15.



Study Area 2: 4-year offerings in Southeastern Kentucky

Stakeholders agree that constructing a new university is not financially practical for the state.



1. Feedback is based on perspectives from Kentucky stakeholder interviews (e.g., postsecondary institution presidents, policy makers and government officials, faculty, governance leadership, and employers)

2. [Texas Higher Education Coordinating Board Construction Cost Standards Fall 2019 to Fall 2022, Public Universities and Health-Related Institutions](#)

3. [Kentucky State Data Center, Projections, Vintage 2022, Population by Sex and Five-Year Age Group](#)

Study Area 2: 4-year offerings in Southeastern Kentucky

Acquiring a private university may be costly; institutions have expressed little interest due to the negative impact of public financing on their operating model.

Seen as more viable based on stakeholder input¹

Seen as more viable based on stakeholder input

Constructing a new university

Acquiring a private university

Satellite of an existing regional university

Expansion of a CTC

- ▶ Stakeholders are uncertain of the option's impact on improving access because the locations of existing private institution in the region provide limited or no coverage of the region; thus, an acquisition would not eliminate geographic barriers to access.
 - For example, Alice Lloyd is the only private institution within a 45-minute drive of KY River ADD² and is the smallest private institution with 613 students enrolled in Fall 2021.³
- ▶ It also raises questions about the impact of funding to public institutions and the changes a private institution would need to make to operate on a lower, public institution budget.
- ▶ Private institution leaders did not express high interest in acquisition because either their institution is not in financial distress, has a unique mission maintained as a private institution, or because becoming a public institution would reduce tuition revenue.
 - If University of Pikeville were to charge the net price of Morehead or Murray State, its net tuition revenue would reduce by \$5.5m-\$7m based on the difference in price per Fall 2021 FTE³

1. Feedback is based on perspectives from Kentucky stakeholder interviews (e.g., postsecondary institution presidents, policy makers and government officials, faculty, governance leadership, and employers)

2. [JobsEQ by Chmura Economic & Analytics](#)

3. IPEDS

Study Area 2: 4-year offerings in Southeastern Kentucky

A satellite of an existing regional university is less costly than a new institution, but stakeholders are concerned about meeting the community's specific needs

Seen as more viable based on stakeholder input¹

Seen as more viable based on stakeholder input



- ▶ A satellite of an existing regional university would likely be less costly than the former options as it would leverage existing resources and there are several choices of institution to provide a satellite. CPE is evaluating student success outcomes at the existing satellite campuses in the region – ECU Manchester, ECU Corbin, and MoSU Prestonsburg – to assess their effectiveness relative to campuses in other parts of the state.
- ▶ However, the CTCs in Southeast Kentucky are highly embedded in their respective communities and committed to their success. These local ties, which regional universities do not have, are important to influence a cultural shift around higher education.
- ▶ Many regional universities are already experiencing financial difficulties. Stakeholders are concerned that if a regional faces increased distress in the future, a satellite campus in rural Southeastern KY may be one of the firsts cuts in the budget.
- ▶ The process to determine an institution and location for the satellite may be challenging, as there may be competition between four-year institutions interested in establishing a residential campus.

1. Feedback is based on perspectives from Kentucky stakeholder interviews (e.g., postsecondary institution presidents, policy makers and government officials, faculty, governance leadership, and employers)

Study Area 2: 4-year offerings in Southeastern Kentucky

Expanding on a CTC builds on existing infrastructure and – with the right location – would improve access; stakeholders are supportive of this idea.

Seen as more viable based on stakeholder input¹

Seen as more viable based on stakeholder input



- ▶ Expanding a CTC to offer targeted four-year degree programs aligned to specific workforce needs in the region emerged as a fourth option during interviews, of which many stakeholders expressed support.
- ▶ The benefits of this option include the existing infrastructure in the region, the existing relationship with local communities, and the opportunity to develop degree programs specifically aligned to workforce needs.
- ▶ The residential facility for the campus is envisioned to be non-traditional, providing family and health support services to meet the unique needs of the student population.
- ▶ Stakeholders identified additional questions to explore regarding the governance of an expanded CTC (i.e., as a four-year or two-year institution), risk of continued blurred missions between two-year and four-year institutions, the cost to deliver courses, the challenge of attracting faculty, selecting the right four-year programs for expansion, and the price for students.

1. Feedback is based on perspectives from Kentucky stakeholder interviews (e.g., postsecondary institution presidents, policy makers and government officials, faculty, governance leadership, and employers)

CPE also is reviewing the effectiveness of existing and prior strategies to expand access to four-year programs in the region.

University Center of the Mountains (UCM):

- Launched in 2004 at HCTC to provide the KY River ADD with access to baccalaureate and graduate programs
- Now includes 10 university partners
- Has evolved from offering university programs onsite at HCTC, to largely transfer guidance and support offered by onsite counselors employed by HCTC and several universities
- Students have access to computers, tutoring and study spaces at HCTC
- There is no direct appropriation from the state or KCTCS for UCM, nor are there tuition sharing agreements with 4-year partners to support the model
- UCM/HCTC does not have a clear methodology for tracking students enrolled in UCM-identified programs, so it is difficult to assess the success of the model

Coal County Scholarship Program

- Degree completion scholarship for students who have completed 60+ hours.
- Limited to students from 34 coal producing counties (up from 9 in the pilot phase).
- Funded with coal severance dollars.
- Use at public or private campuses within coal counties (or other campuses for desired programs).
- Modified last-dollar scholarship
- Program ran from 2012-13 to 2019-20



Study Area 3: KCTCS Structure and Responsibilities

Transferring academic programs (AA/AS) from KCTCS to comprehensive universities raises important questions about the potential impact on students, institutions, and the state.

Potential impact on students

- ▶ How would the proposal impact accessibility and affordability for KCTCS students?
- ▶ How would the student experience and student outcomes be affected?

Potential impact on institutions

- ▶ What would the financial impact be on KCTCS campuses and universities?
- ▶ What would the programmatic impact be on institutions and their value proposition?
- ▶ To what extent does the proposed structural change address concerns about mission creep?

Potential impact on the Commonwealth

- ▶ How would the proposal impact state funding models?
- ▶ How would it affect workforce alignment and employer need?
- ▶ How would it impact the perception of postsecondary institutions in KY?

Impact on Students

Potential Benefits

- Completing academic courses at comprehensive universities may make the transition to and completion of 4-year programs easier for some students by eliminating the administrative challenges of transferring credit.

Potential Risks

- CTCs currently offer 100 and 200 level courses at lower tuition rates than 4-year institutions. A change to university **tuition rates may be cost-prohibitive** for many students. Access to dual credit courses may be similarly impacted.
- **Physical access to programs may be reduced** – particularly for place-and time-bound students – if associate-level courses and programs are transferred to comprehensive universities.
- Some students in transfer programs have **greater opportunities for success at CTCs** as an entry point into postsecondary education due to the location, the smaller size, and specialized support systems which might be lost in a transfer of programs.
- Students in KCTCS technical programs (certificates and AAS programs) benefit from **access to academic and transfer pathways** that would be unavailable (or would have to duplicated) should the system be separated.

Impact on Institutions

Potential Benefits

- Comprehensive universities likely would experience increases in enrollment.
- They would likely have an increase in revenue, assuming tuition for transferred programs would be set at university levels.

Potential Risks

- The change in student mix for comprehensive universities would **require expanded student services** targeting more high-need, underprepared students.
- **Four-year campuses might experience financial pressure** if tuition for academic courses were offered at the same rate as CTCs (due to their higher delivery costs).
- **Operating and maintaining current KCTCS physical plant assets** could be a financial burden to comprehensive universities and to the state.
- **Mapping and translating student data** would be a significant undertaking. Centrally held KCTCS student records (Peoplesoft) would need to be translated and integrated by regional comprehensives (with various SIS).
- Maintaining technical programs at their current level **would require additional state resources** because technical programs have a higher cost to deliver than AA/AS programs.
- **Both two-year and four-year institutions** would need to respond to detailed²⁶ SACSCOC requirements.

Impact on the Commonwealth

Potential Benefits

- The proposed change might lead to higher transfer and completion rates for students in AA/AS programs due to a tighter alignment with university programs.
- A more singular focus by KCTCS on technical programs might strengthen alignment with workforce demands.

Potential Risks

- The increase in AA/AS students at comprehensives, but not R1s, would require **changes to the state's performance funding model**.
- Likewise, a new funding system (and likely more funding) would be **required to support technical colleges** at their current levels.
- UofL and UK are not included in the proposed restructuring, which may complicate **higher education environments in Louisville and Lexington** where many partnerships exist with JCTC and BCTC.
- **AAS (technical) programs require core general education (GE) courses**. The unified KCTCS allows shared programming, services and faculty to meet these GE needs, which would require duplication if a split occurs.
- The proposed separation of technical and academic programs might result in **heightened stigma** associated with enrolling in technical programs (a highlighted problem in the 1997 reforms).
- The **power of KCTCS as a unified system**, including the benefits of shared programs, backroom functions, and a common mission/vision would be diminished.²⁷

The proposed restructuring of KCTCS could create a chain reaction of policy and systemic change that requires analysis beyond the scope of SJR 98.

More in-depth analysis is needed:

Financial cost to institutions

- ▶ How would **existing debt at KCTCS** colleges be shared with the regionals?
- ▶ What are the **potential costs for comprehensive universities** in terms of additional student support services, faculty, and administration, mapping and translating student data, etc.?
- ▶ What **compensation** will the comprehensive universities offer new faculty/instructors needed to offer additional introductory level coursework?
- ▶ How will institutions balance this cost with **the need to keep student tuition affordable** (i.e., close to KCTCS tuition rates)?

Operations

- ▶ Do students that currently enroll in transfer programs at KCTCS want to enroll in introductory coursework at regional comprehensives instead? **Will enrollment levels be maintained?**
- ▶ **How would the existing infrastructure be divided or shared** among technical programs and comprehensive universities?
- ▶ Would comprehensive universities continue to **operate current facilities?** What role would technical colleges play in maintaining or renting existing infrastructure?
- ▶ How will this change **affect the metropolitan areas of Louisville and Lexington?** What is the role of the R1's under the proposed split?

Programs

- ▶ Since technical programs have **general education requirements**, how would these requirements be met?
- ▶ How will students **move between four-year institutions?** How would the split impact current transfer behaviors?

Feedback from stakeholders suggests there are implicit concerns about KCTCS that led to study area 3; there may be alternative approaches to addressing these concerns.

Workforce alignment / ROI of 2-year degrees and certificates

- ▶ Workforce participation in Kentucky has room for improvement. Stakeholders are interested in seeing KCTCS commit more resources to technical programs to meet employer demand.



- ▶ A stronger leader and system office to drive/coordinate program review and approval policies could uniformly improve alignment of certificates and degree programs with local employer needs.

Perceived excess proliferation of academic programs

- ▶ Kentucky has some of the highest proliferation of postsecondary certificates in the nation.
- ▶ Some stakeholders doubt the quality and employability of these certificates.



- ▶ Frequent program portfolio assessment and rationalization could eliminate programs with low completion.
- ▶ A workforce alignment rating visible to students could better align students to employer demand.
- ▶ Sharing certain courses across campuses through online delivery could more efficiently commit resources for higher quality courses.

Academic pathway effectiveness / Transferability

- ▶ Though AA and AS degrees from KCTCS are transferable to all public 4-years, stakeholders want to reduce the barrier to transfer to 4-year degree programs, especially since AA and AS degrees are perceived as having questionable value in the workplace.

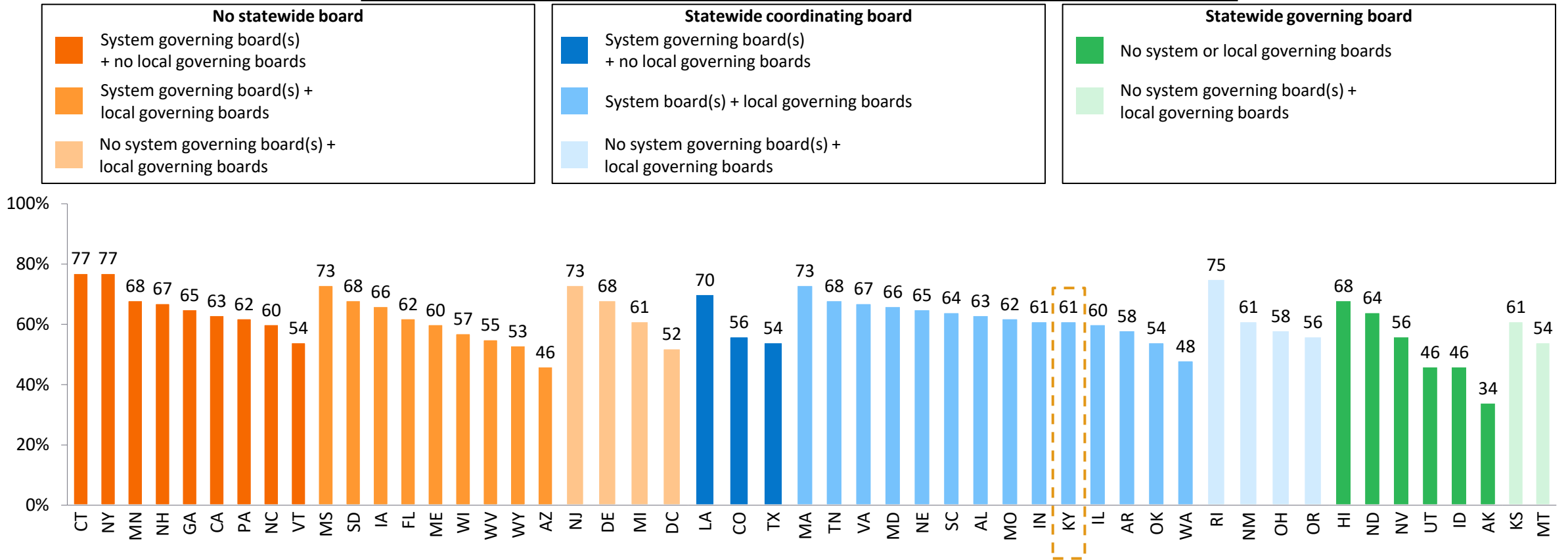


- ▶ Creating a more centralized transfer process at CPE for public institutions could help streamline the experience for students.

Appendix

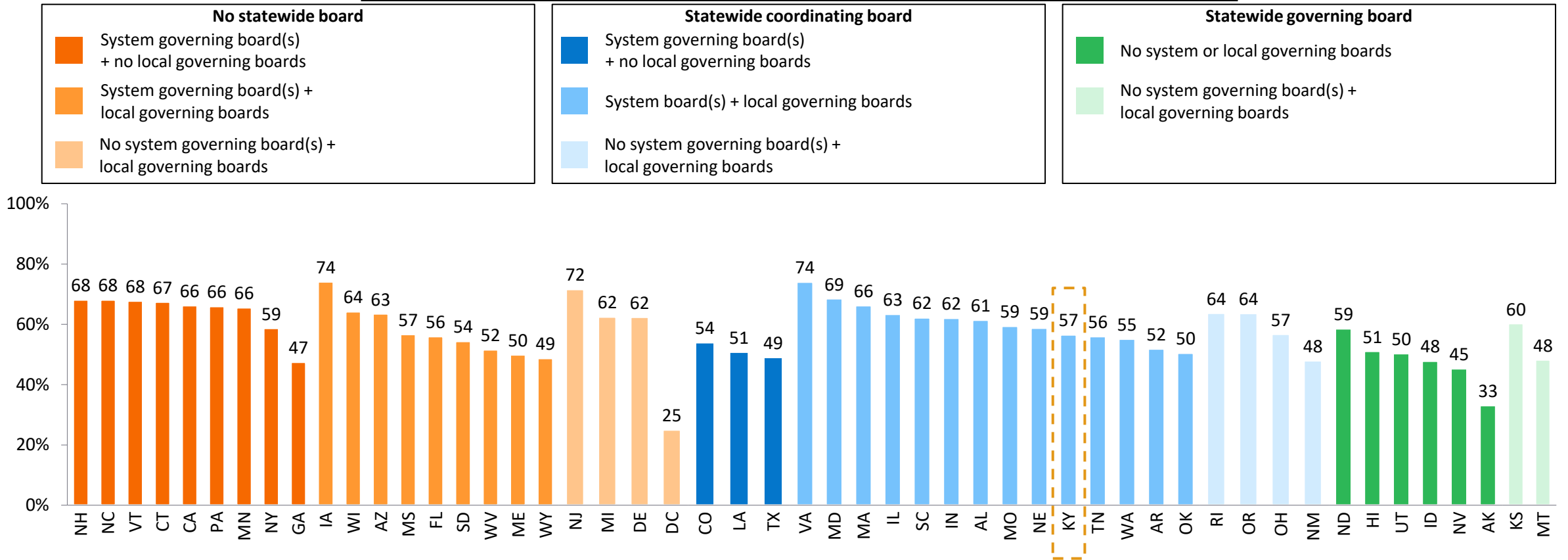
Postsecondary going-rate varies between and within governance structures types indicating that no single structure is better than another

Percent of high school grads enrolling directly in college, 2020



Postsecondary 4-year graduation rate varies between and within governance structures types indicating that no single structure is better than another

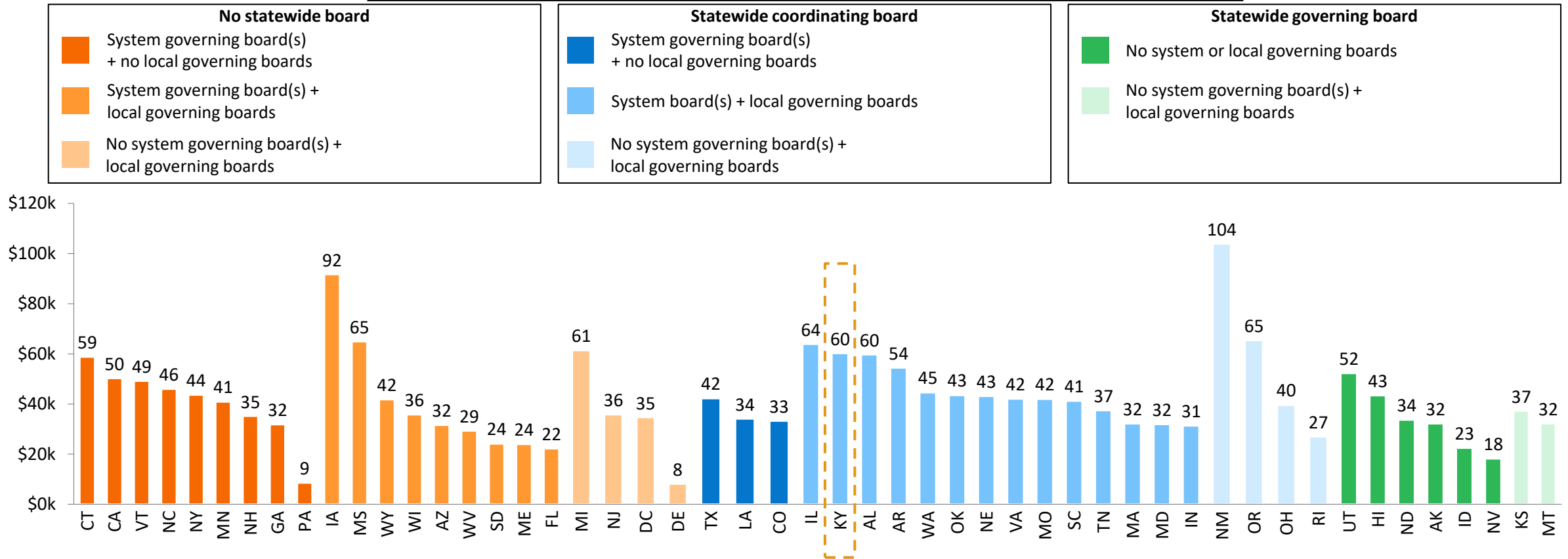
6-year completion rate¹, 4-year public institutions, 2021



1. Obtained by dividing number of completers within 150% of normal time by adjusted cohort size, excluding certificate completions
Source: IPEDS

Postsecondary cost to educate varies between and within governance structures types indicating that no single structure is better than another

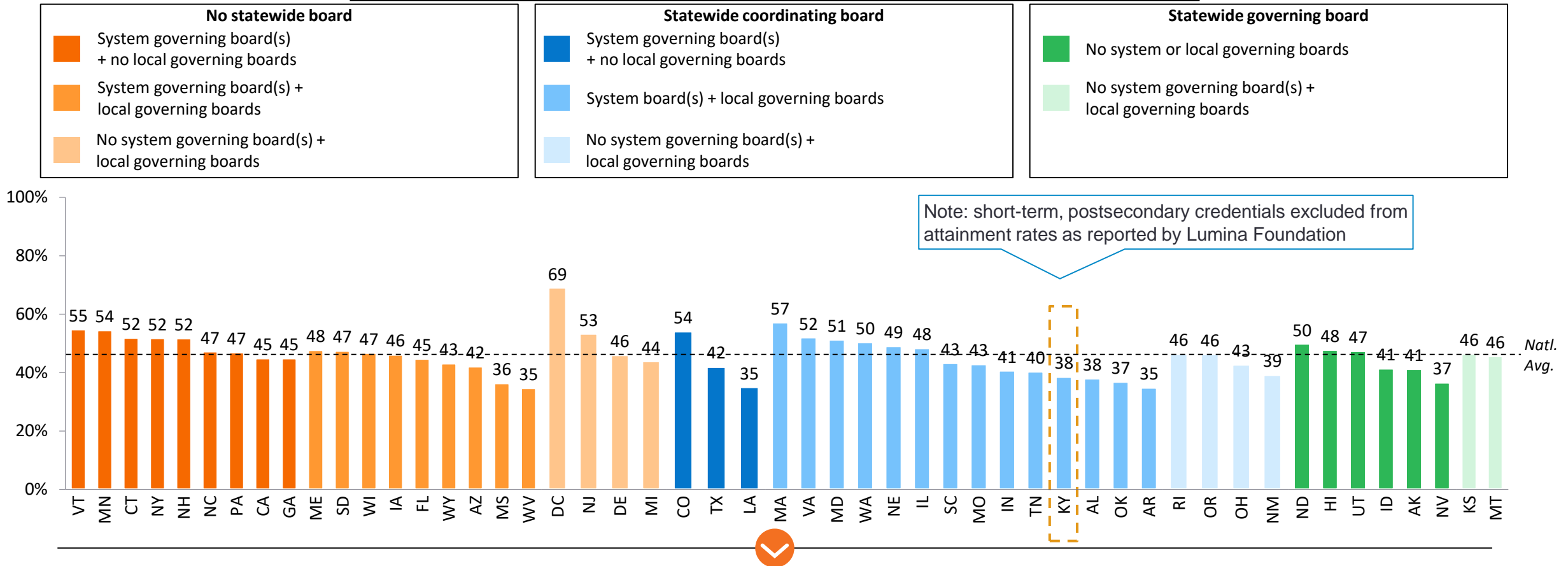
Cost to educate (per FTE), 4-year public institutions¹, 2022



1. Derived by dividing expenses of 4-year public postsecondary institutions (COL- and inflation-adjusted) by total enrollment in 4-year public institutions
Source: NCES

Postsecondary attainment varies between and within governance structures types indicating that no single structure is better than another

Attainment rate for ages 25-64, excluding short-term credentials, 2021



Other metrics of higher education effectiveness tell a similar story: higher education governance structure alone does not determine a state's postsecondary attainment and economic development outcomes as demographic and systemic factors play significant roles as well

TITLE: Follow-up on Council Retreat Discussion

DESCRIPTION: The Council will continue the discussion from the Council retreat and staff will provide follow-up actions and information requested.

PRESENTERS: Lee Nimocks, Jennifer Fraker, Amanda Ellis, Rick Smith, Leslie Sizemore

SUPPORTING INFORMATION

The Kentucky Council on Postsecondary Education met on June 8 and 9, 2023, in a board retreat. At the retreat, the Council engaged in a number of conversations on recent legislative actions, shifts in the landscape of higher education over recent years, and CPE's latest successes and continued areas of needed growth and focus. At the end of the first day, Council members met in small groups to reflect on those discussions to narrow their focus and intents to identify common themes and thoughts for the 2023-24 academic year. The following morning, the Council culminated its focus by reviewing the following drafted statement and priorities of focus for the board:

The Council envisions a future where higher education serves as a catalyst for social mobility, economic prosperity and community development. To accomplish this, the CPE board will prioritize:

- 1) Improving collaboration, coordination and communication with Kentucky stakeholders, the public at-large, postsecondary institutions and the workforce; and*
- 2) Removing barriers and increasing supports to and through college completion for all students with continued focus on URM and low-income student populations.*

During this session, CPE staff will discuss the analysis and current work in progress to meet the priorities identified with a focus on branding and communication efforts and workforce initiatives.

CPE Work Session September 19, 2023

Dr. Rick W. Smith Sr.

Vice President External Relations and
Economic Partnerships

Kentucky Council on Postsecondary
Education



Higher education is being questioned by the public for a variety of reasons.

This is affecting college-going rates and enrollment.





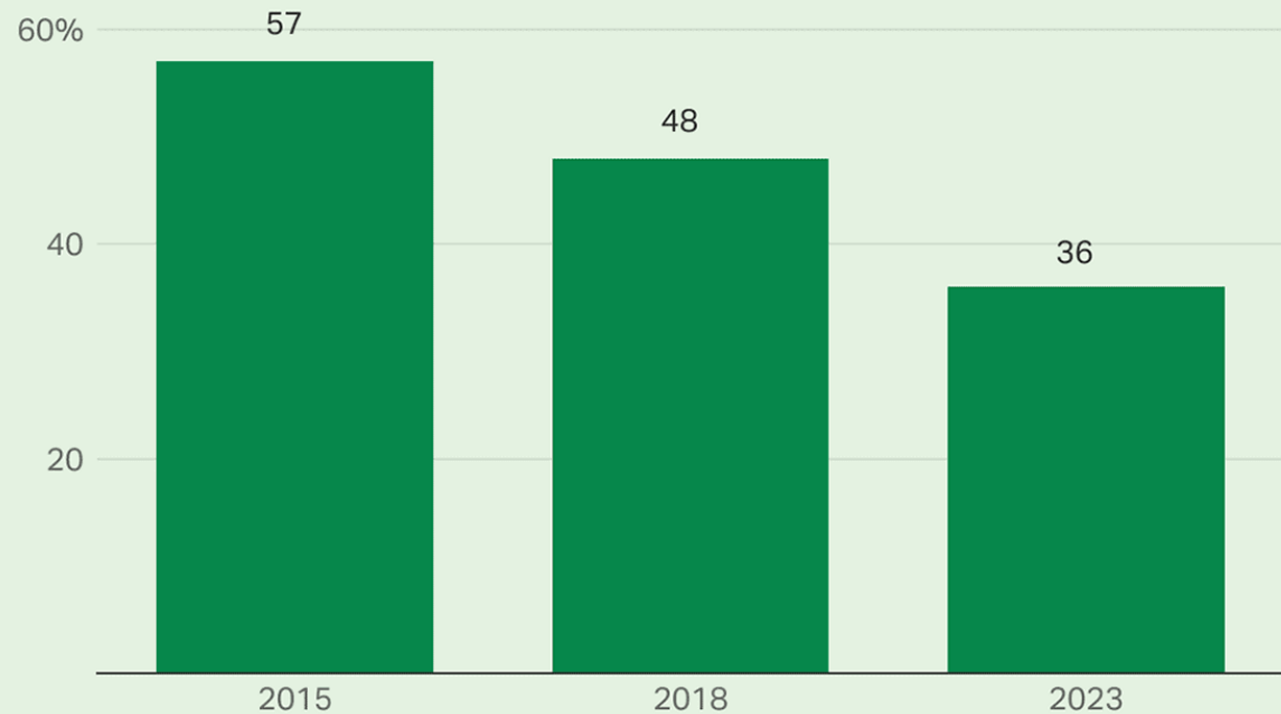
GALLUP
July 11, 2023

Americans' Confidence in Higher Education Down Sharply By: Megan Brennan

Confidence in Higher Education Declines

Share of Americans Who Say They Have Confidence in Higher Education

% "A great deal" or "quite a lot" of confidence



GALLUP®

CPE: Improving perceptions of higher ed

CPE Public Relations and Marketing Plan Under Development 2023



- Value” a priority of the state’s strategic agenda for higher education
- “Higher Education Matters” is the Council’s tagline
- “Media Relations/Earned Media/Digital Media
- Branding Kentucky Council on Postsecondary Education (CPE)

CPE: External Relations and Economic Partnerships

Organization Structure

Gabrielle Gayheart-- Associate Director of Digital Media and Internal Communications

Jesse Osbourne-- Director of Strategic Communications and Brand Identity

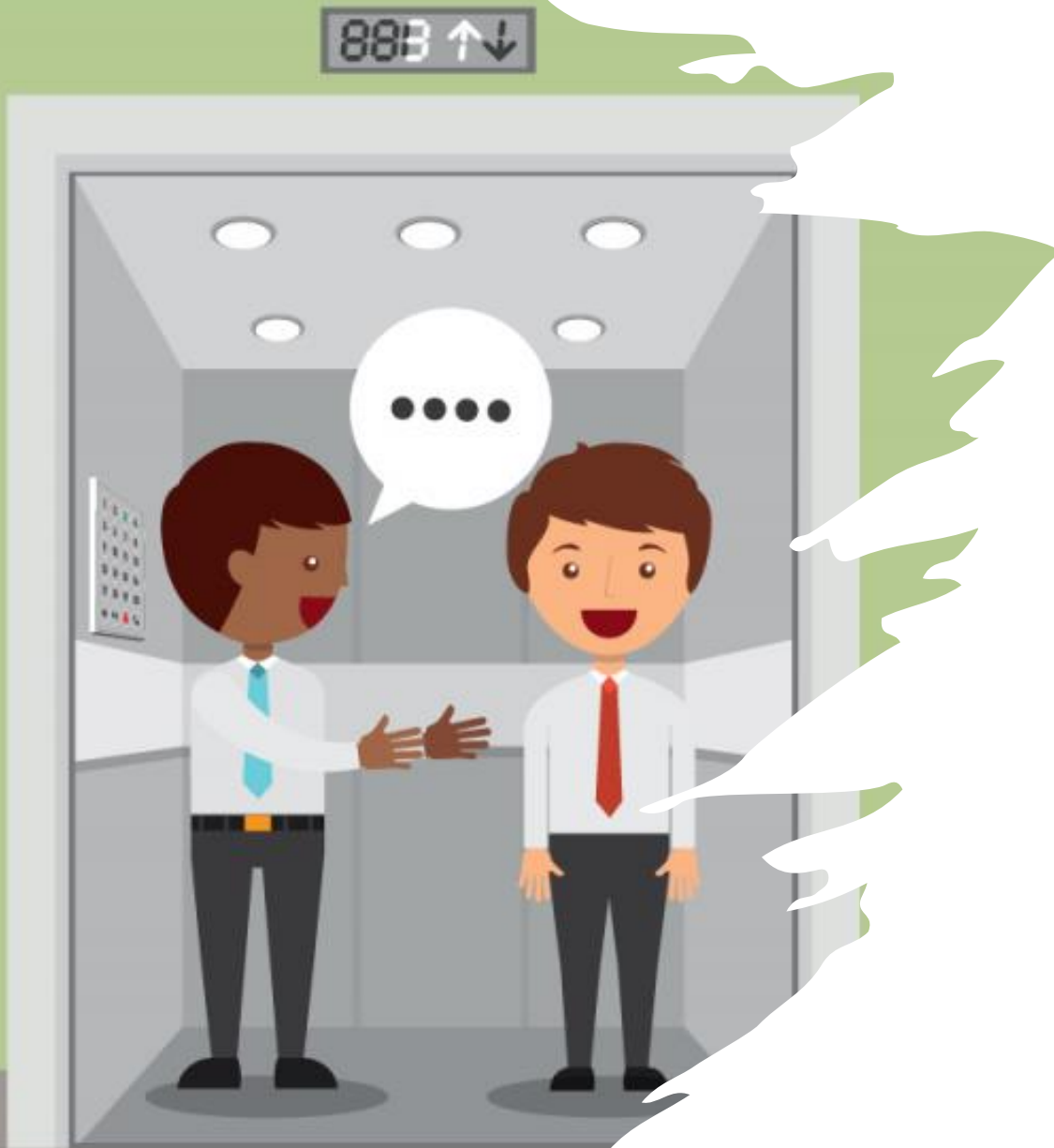
Intern TBD—External Relations and Economic Partnerships

Melissa Young--Executive Editor and Chief Writer

Mary Jackson—Senior Associate External Relations and Economic Partnerships

Dr. Rick W. Smith Sr. --Vice President External Relations and Economic Partnerships





Short version

The CPE is the state's coordinating agency for colleges and universities. We work closely with campuses, employers, and state leaders to improve opportunity and raise the education level in the state to build a stronger workforce, economy and quality of life for Kentuckians.

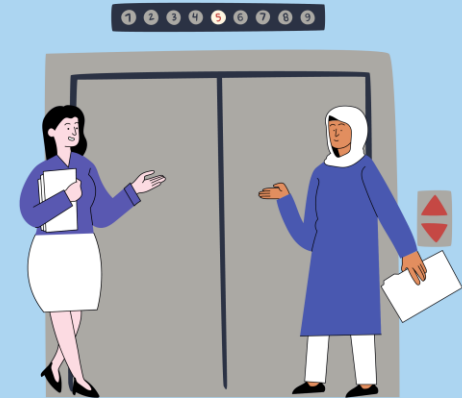
Long version

The Council on Postsecondary Education is the state's coordinating agency for colleges and universities. We set education policies and advance a comprehensive agenda to help more students go to college, graduate with a high-quality credential, and transition to a strong career. We promote college affordability by moderating tuition increases, encouraging on-time completion, providing early college opportunities for student in high school, supporting increased financial aid and institutional support, and promoting greater efficiencies and innovation. We also provide a consumer protection role by reviewing and approving all academic programs and monitoring and licensing non-public colleges and universities in our state.

Additionally, we:

- Set a statewide strategic agenda to guide campus and state planning;
- Review and approve market-driven programs in high-wage fields;
- Develop a unified budget request for public colleges and universities;
- Administer programs to help high school students transition to college;
- Work with employers to identify high need programs and career pathways;
- Incentivize campus performance through the funding model;
- Advocate for higher education with the executive and legislative branches; and
- Provide accountability by monitoring and reporting on campus and state progress toward goals.

Why You Need an Elevator Pitch



Handouts for Feedback
from Council



CPE Member Communications Toolkit

September xx, 2023





Affordability



Transitions



Success



Equity



Talent



Value

HIGHER EDUCATION *Matters*

A Statewide Strategic Agenda for
Kentucky Postsecondary Education

2022-2030