

MINUTES
Council on Postsecondary Education
September 22, 2002

The Council on Postsecondary Education met September 22, 2002, at 12 noon at the Radisson Plaza Hotel in Lexington, Kentucky. The meeting was held in conjunction with the 2002 Governor's Conference on Postsecondary Education Trusteeship. Chair Adams presided.

ROLL CALL

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

**COUNCIL
APPOINTMENT**

Ms. Adams announced that Governor Patton recently reappointed Mr. Pace as the student member for another year.

**APPROVAL OF
MINUTES**

The minutes of the July council meeting were approved as distributed.

**BUDGET
DISCUSSION**

Dennis Jones, President of the National Center for Higher Education Management Systems, led a discussion on ways in which state governments, postsecondary systems, and institutions can continue to move a statewide public agenda forward in tight fiscal times. His presentation focused on the need to link strategic planning and budgeting. Key subject areas included strategic management, the creation and maintenance of institutional capacity, identification of budget trade-offs, sources of institutional revenue, and budget evaluation strategies.

At the July meeting, council members raised concerns about how the universities are preparing to absorb a budget cut if one is announced. President Lee Todd, as convener of presidents, presented a system response. He discussed some of the things institutions may consider when addressing a budget cut while maintaining access and without placing an undue burden on students. He also discussed ways in which institutions can continue to move the statewide public agenda forward. If there is a state budget cut this year, the institutions will primarily focus on two areas – tuition revenues that are generated by the new students enrolled in excess of budget projections and reserves. He said that higher education in Kentucky is on the move. The budget situation is a bump in the road, but the institutions must look at this as a short-term problem and cannot change major policies and back off of the goals of House Bill 1.

ENROLLMENT

The council staff has received the estimated enrollment report from each of the public institutions. Based on these projections, the staff presented comparisons of preliminary fall 2002 enrollments to fall 2001 and to fall 1998. Since 1998, total enrollment in Kentucky's public colleges and universities is almost 190,000 students, an increase of over 31,500 students (or 19.9 percent). Community and technical college enrollment increases have contributed substantially to this growth. Since 1998, enrollment in the Kentucky Community and Technical College System alone has increased by 20,800 students, a 45.8 percent increase. The Kentucky Virtual University has grown from 230 students and nine programs in fall 1999 to 9,732 students and 32 programs in fall 2002. Enrollment in adult education programs in Kentucky has increased from 51,700 in fiscal year 2000 to 86,413 in fiscal year 2002, a 67.1 percent increase. The number of Kentuckians earning a GED in 2001 was 57 percent higher than in 2000, the sixth largest increase in the United States.

Ms. Bertelsman said that enrollment for the previous four years, 1994-97, would be useful to understand the impact of the increased enrollment. The council staff will provide this information to the council members.

When final enrollment information is received, the council staff will compare the numbers with the institutions' goals set in the key indicators process to determine progress made by the institutions.

KYVU STUDENT AND COURSE DEFINITIONS

RECOMMENDATION: The staff recommends that the council approve a new definition of a "Kentucky Virtual University student" and a "KYVU course."

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

Daniel Rabuzzi, chief operating officer of the Kentucky Virtual University, said that since start-up there has been a fair amount of conversation internally and with the institutions as to how the KYVU should count students. If this recommendation is approved, the KYVU will not be able to include some students that are currently being counted since they are not served by KYVU resources. These changes will take effect July 2003.

Mr. Freed said that the initial purpose of the virtual university was to reach people who do not have access to a traditional education on a campus. He asked if these people are being reached. Mr. Rabuzzi said that these people are primarily being served by programs offered through the KYVU with other state agencies, such as the Department for Adult Education and Literacy and the

Education Professional Standards Board, as opposed to campus-based programs.

Ms. Adams said that the P-16 Council should encourage senior adults to continue their education through the KYVU.

VOTE: The motion passed.

EEO UPDATE

An update on the partnership agreement with the U. S. Department of Education Office for Civil Rights was included in the agenda book.

CAPITAL
CONSTRUCTION

RECOMMENDATION: The staff recommends that the council approve the University of Kentucky's request to construct a Professional Development Center with \$8,000,000 of private funds.

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

Sherron Jackson of the council staff said that the University of Kentucky has not raised all of the funds but expects to have the money available within the next 12 months. The university states that project construction will not begin until all funds have been raised. This approval does not include state general funds for the annual cost of operations and maintenance for the facility. These funds would be part of the council's development of the 2002-04 biennial budget recommendations. The university has indicated that it may request funds for operations and maintenance in future biennia. The council staff will forward the council's decision to the secretary of the Finance and Administration Cabinet and to the Capital Projects and Bond Oversight Committee.

President Todd said that the building will be built on donated land on High Street near downtown Lexington. This facility will help fulfill the university's mission to provide services to people in and around downtown Lexington.

VOTE: The motion passed.

PUBLIC HEALTH

Dr. Moore said that Western Kentucky University has received notification that the Council on Education in Public Health has accredited its Master of Public Health program. This action will strengthen the collaborative public health initiative currently underway in the state among Eastern Kentucky University, the University of Kentucky, the University of Louisville, and Western Kentucky University.

COUNCIL
PRESIDENTIAL
SEARCH

Mr. Baker gave an update on the search for a new council president. Committee members have received resumes of nominees and will meet September 24 to discuss the applicants. The applicants will be reduced to a smaller number to be interviewed by the screening committee. From that group a smaller number will be brought to the council for consideration.

KSU

Board chair William Wilson updated the council on the presidential search at Kentucky State University. The regents have three goals – to stabilize the institution financially, establish strong leadership, and move the university forward.

In a period of approximately 18 months, KSU has had three major audits. It has gone from an embarrassing disclaimer to a clean opinion. In the process, the institution made several major staff changes. The institution has a new chief finance officer, a new budget director, a new controller, a new internal auditor, and a new director of human resources.

Mr. Wilson said that Kentucky State has been embarrassed by the PRAXIS exam scores and by the attacks on the university. The institution asked the council to help KSU with resources and dealing with the academic issues on the KSU campus. A joint study of the academic programs should be completed in four to six months and will provide information on what the institution needs to do. The board is very much involved in doing what needs to be done to assure that the credibility and the name of Kentucky State University is upheld.

In terms of moving the university forward, Mr. Wilson said that leadership becomes the key. Dr. Paul Bibbins has been appointed as interim president and the board has great confidence in him. The board is looking for a long-term interim to be in place by January 2003, and the board will help define this person's role. The board will serve as the search committee for a permanent president and is using the services of a national search firm. The board hopes to have a president in a year to 18 months. Mr. Wilson thanked the council for its support of KSU.

Ms. Adams thanked Mr. Wilson for his comments and for his leadership and time commitment to KSU. She said that the council is very concerned about KSU and its future. The institution is the state's only historically black college and one of the two landgrant universities. There are needs that Kentucky has that only Kentucky State can serve. There are students who will find their comfort and success only on that campus. The council very much wants to be proud of the role it plays in our system.

The council has a responsibility to ensure that Kentucky State

University is a contributing partner in helping advance our strategic agenda on behalf of the people of the Commonwealth. We must be concerned when it appears that taxpayer dollars may not have been spent efficiently and effectively. We must be concerned when our future teachers are not meeting minimum standards. And we must be concerned when faculty and staff work hard to sustain and improve the institution but their work falls victim to poor administrative leadership.

The university's recent problems, as documented in the state's media, reflect poorly on our entire system and make it impossible to celebrate the successes that occur on Kentucky State's campus every day – in aquaculture and community outreach and training for state workers and other areas of service to Kentucky. The successes of postsecondary education reform are getting lost as a result of these distractions.

Ms. Adams said that the university's community deserves better. Kentucky deserves better. And the council demands better.

Kentucky's postsecondary education reform will only succeed in the long run if all of our institutions are well managed and financially sound. Kentucky State's board has a lot of work to do. The council knows that the board has dedicated itself to improving the condition of the university and identifying strong leadership to move the institution forward.

Ms. Adams reported that on September 7 the council and the Kentucky State University board jointly issued a request seeking proposals for an outside consultant to assist in conducting a comprehensive assessment of the university's academic programs and the institution's use and adequacy of resources. Ms. Adams appointed four council members – Mr. Barger, Mr. Whitehead, Ms. Jansing, and Mr. Baker – to work with the council staff and representatives of the KSU board to oversee the assessment.

Ms. Adams said that the council is confident that the KSU board will take aggressive action to bring about necessary changes to ensure that every student seeking to further her education at Kentucky State University has the opportunity to learn at the highest possible level. She said that the council stands ready to help.

Mr. Hall said that KSU should be benchmarked against the models of the best universities in the country that are similar. These institutions should be examined as to why they are successful and KSU is not. He said that resources should not be an issue in the search for the new president and the institution should have the flexibility to attract the best possible person to this position. He

said he is concerned about the role of the long-term interim president.

Mr. Freed suggested that Mr. Wilson appoint the KSU faculty regent to the assessment committee.

Mr. Baker suggested that the term of the interim president be shortened and that the board move aggressively to appoint a new president. He said that the people of Kentucky are justifiably upset about the situation at KSU. He said that the council may need to think about what to do with KSU over the long term.

Mr. Wilson said that the board has a lot of work to do and asked for the council's patience and support.

Ms. Adams again thanked Mr. Wilson for his efforts and wished the university well.

The 2003 meeting schedule was included in the agenda book.

2003 MEETINGS

The meeting adjourned at 1:50 p.m.

ADJOURNMENT

Sue Hodges Moore
Interim President

Phyllis L. Bailey
Associate, Executive Relations