

MINUTES
Council on Postsecondary Education
January 31, 2005

The Council on Postsecondary Education met January 31, 2005, at 10 a.m. at the Council offices in Frankfort. Interim Chair Ron Greenberg presided.

**NEW COUNCIL
MEMBERS**

Mr. Greenberg introduced the four new Council members.

Kevin W. Canafax of Covington is with Fidelity Investments and leads a regional management and public affairs team responsible for community, college, and government relations initiatives, business and workforce development, and employee and constituent communications for the firm's sites in the Greater Cincinnati/Northern Kentucky area. Prior to joining Fidelity, he served as vice president of communications with the Northern Kentucky Chamber of Commerce and manager of communications with the Northern Kentucky Convention and Visitors Bureau. Mr. Canafax holds a degree in broadcast management arts from Southern Ohio College and a master's in business administration from Xavier University.

Dan E. Flanagan, Campbellsville, is the bi-vocational pastor of Nolynn Baptist Church and operates a large farming business. He has served as deputy commissioner of the Kentucky Department of Agriculture and has held various positions at Campbellsville University for a number of years. He holds degrees from the University of Louisville Kent School of Social Work, the Southern Baptist Theological Seminary, and Campbellsville University.

Phyllis A. Maclin is currently the director of special services at Washington Street Missionary Baptist Church in Paducah. She has several years experience in public relations, training, creative and technical writing, marketing, and sales management. She is a public school volunteer dedicated to helping students improve self-confidence and reading comprehension. She is a former Paducah Independent School board member. Ms. Maclin holds a BA in communications from Western Kentucky University.

Alois M. Moore is a businesswoman and realtor in Hazard. She is co-owner of the Moore Restaurant Group. Ms. Moore is a former member of the Eastern Kentucky University board of regents and has been a high school teacher. She is a graduate of Eastern Kentucky University.

Mr. Greenberg explained that the members will not be sworn in at this meeting since their appointments have not been confirmed by the legislature. They can be counted in the quorum and may participate in the discussions but they cannot vote on any

motions. If their appointments are confirmed, they will be sworn in at the March Council meeting.

MoSU
PRESIDENT

Mr. Greenberg also welcomed Dr. Wayne D. Andrews, the 13th president of Morehead State University. President Andrews has 27 years of higher education experience, serving 17 years at East Tennessee State University and 10 years as a faculty member at Illinois State University.

ROLL CALL

The following members were present: Walter Baker, Kevin Canafax, Dan Flanagan, Richard Freed, Ron Greenberg, Esther Jansing, Phyllis Maclin, Alois Moore, Charlie Owen, Tony Stoeppel, Joan Taylor, and John Turner. Peggy Bertelsman, Susan Guess, John Hall, and Gene Wilhoit did not attend.

COUNCIL BYLAWS

RECOMMENDATION: The staff recommends that the Council approve the revisions to the Council bylaws to change the terms of the chair and vice chair to a February/January schedule.

MOTION: Ms. Jansing moved that the recommendation be approved. Mr. Owen seconded the motion.

VOTE: The motion passed.

ELECTION OF
CHAIR AND
VICE CHAIR

Ms. Jansing presented a report from the nominating committee for officers to serve through January 2006. The committee nominated Mr. Greenberg as chair and Mr. Turner as vice chair.

MOTION: Mr. Stoeppel moved that the nominations be accepted. Ms. Taylor seconded the motion.

VOTE: The motion passed.

PRESIDENT
EVALUATION
COMMITTEE

Mr. Greenberg announced the appointment of a committee to conduct the annual evaluation of the Council president. Members are Mr. Baker (chair), Ms. Jansing, Mr. Owen, Ms. Taylor, and Mr. Turner. The committee will give a report at the March Council meeting.

APPROVAL
OF MINUTES

The minutes of the November 2004 Council meeting were approved as distributed.

GEAR UP KY AND
GO HIGHER KY
INITIATIVES

The Focus on Reform portion of the agenda highlighted the GEAR UP Kentucky (Gaining Early Awareness and Readiness for Undergraduate Programs) and Go Higher Kentucky initiatives.

GEAR UP is a program funded by federal dollars that encourages young people to stay in school, study hard, and take the right

courses to prepare for college. More than 17,000 middle school students currently participate. The program is engaged in partnerships between and among schools, colleges, businesses, communities, and nonprofit organizations to support school leadership and improve instruction in the middle grades. Murray State University President King Alexander, Terry Waltman (area director for the West Region of GEAR UP Kentucky), and Jennifer Van Waes (director for the GEAR UP Partnership at the West Kentucky Educational Cooperative) provided information on a recently developed early intervention program (WE CAN) that provides support and scholarships to low-income students, an approach that GEAR UP hopes to replicate with postsecondary institutions across Kentucky.

GoHigherKy.org is an integrated, Web-based student services system which helps with academic and financial planning for college beginning in middle school, college selection, financial aid searches and applications, and online college applications. Dr. Joe McCormick, executive director of the Kentucky Higher Education Assistance Authority, introduced the newly launched Web portal. Terry Wilson, program coordinator for the Southeast Region of GEAR UP Kentucky, introduced two GEAR UP students (Whitney Mimes and Heidi Marsh, both sophomores at Cumberland High School in Whitley County) to demonstrate the site.

2004-05
STRATEGIC
PLANNING
PROCESS

An update on the 2004-05 strategic planning process was included in the agenda book. The draft public agenda has been distributed for public feedback. The Council will consider the final document at the March meeting.

COMPREHENSIVE
FUNDING
MODEL REVIEW

RECOMMENDATION: The staff recommends that the Council approve the preliminary benchmark selection model and the funding distribution methodology and that the funding distribution methodology be effective upon approval by the Council.

MOTION: Ms. Jansing moved that the recommendation be approved. Ms. Taylor seconded the motion.

Dr. Layzell said that during the next two months the Council staff will continue a process of testing the benchmark selection model to determine if any additional revisions are needed. If necessary, the staff will present revisions to the Council.

The funding distribution methodology was approved by the Council in November 2003 to address the distribution of funds when less than the Council's full budget recommendation is

provided or when budget reductions are necessary. Several issues prompted a review of the methodology.

VOTE: The motion passed.

2004-06
BUDGET

RECOMMENDATION: The staff recommends that the Council urge the General Assembly to pass a budget providing sufficient funding to maintain postsecondary education's progress toward House Bill 1 goals and objectives.

MOTION: Mr. Freed moved that the recommendation be approved. The motion was seconded by Ms. Jansing.

Dr. Layzell said that this is a reaffirmation of the 2004-06 budget recommendation approved in November 2003. He said that it important for the Council to reaffirm its support of the recommended budget as the General Assembly begins the 2005 legislative session.

VOTE: The motion passed.

2003-04
ACCOUNTABILITY
REPORT

Dr. Layzell said that in December 2004 the Council submitted its annual accountability report to the Office of the Governor and the Legislative Research Commission as directed by KRS 164.020(3). The purpose of the report is to inform policymakers and the public of systemwide and institutional progress toward achieving the goals of the *Postsecondary Education Improvement Act of 1997* and the public agenda. The report is available on the Council's Web site.

LEGISLATIVE
UPDATE

A list of bills that relate to postsecondary education was distributed. The Council staff will send updates to the Council members during the legislative session.

AFFORDABILITY
POLICY
STATEMENTS

RECOMMENDATION: The staff recommends that the Council approve the following policy statements developed by the Affordability Policy Group regarding tuition policy and statewide tuition reciprocity agreements.

Tuition policy statements:

- Institutions shall present a report to the Council on Postsecondary Education and the Affordability Policy Group at the May 2005 meeting regarding proposed FY 2005-06 tuition rates, to include the analysis of specific affordability considerations and strategies used by each institution in their decision-making process for 2005-06 tuition increases. Institutions shall also include an analysis of the amount of institutional need-based and

other student financial aid increases in individual award limits, if applicable. The Council staff will work with the institutions on the format and the content of these reports.

- Institutions shall provide the data and assistance necessary for the Council and the national consultant to complete a detailed affordability study.

Reciprocity agreement policy statements:

- All agreements should maintain a reasonable balance between the benefits afforded to the Kentucky students and non-Kentucky students. Agreements will be considered balanced if there is reasonable similarity between exchanges of students and financial costs. Agreements that are deemed disproportionately unbalanced should be extended for only two years and the two-year agreements should contain provisions intended to correct the imbalance. If after two years the disproportionate imbalance remains despite the adjustment, the agreements should be phased out over the next two-year period. If an agreement is terminated, students that began their education under the agreement will continue to be considered reciprocity students. Agreements with a reasonable balance should be implemented for a four-year period. The Council staff will work with the institutions to develop means of determining when a disproportionate imbalance exists.
- Unless prohibited by statute, in future agreements, the tuition rate to be charged by participating institutions should be the greater of either: 1) the hosting state's resident tuition or 2) the beneficiary state's average resident tuition for institutions in the same Carnegie Classification.

Mr. Greenberg asked for information on the retention of out-of-state students that attend Kentucky institutions. He said that it is important to identify the retention of intellectual capital within the state.

NKU President Jim Votruba asked that the Council look at the financial impact if reciprocity agreements are discontinued.

Dr. Layzell said that there is a particular issue with northern Kentucky because of an Ohio statute. Additional steps may need to be taken to achieve the desired balance.

MOTION: Ms. Taylor moved that the recommendation be approved. Ms. Jansing seconded the motion.

VOTE: The motion passed.

P-16 COUNCIL
UPDATE

A report of P-16 Council activities was included in the agenda book. Dr. Freed, chair of the P-16 Council, called attention to the assessment of accomplishments of P-16 collaboration across the Commonwealth during the five years since its inception. At its March meeting, the P-16 Council will focus on whether to use the ACT as a state assessment test.

COMMISSIONER
OF EDUCATION
REPORT

A written report on activities of the Kentucky Board of Education was provided for information.

SEAMLESSNESS
POLICY GROUP

Mr. Baker reported on the Seamlessness Policy Group. The group has received feedback on a survey sent to students enrolled in the Kentucky Community and Technical College System. Of the 5,000 students who responded, 65 percent are presently employed or seeking employment; 58 percent of the courses they are taking are in health, business, and education; and 50 percent have a goal to seek a bachelor of arts degree or higher. Mr. Baker said that the Council staff is working with the four institutions that are not yet participating in the Course Applicability System. A minority student success conference is scheduled for March 28-29. A dual enrollment study is ready to begin and should produce interesting insights.

FALL 2004
ENROLLMENT

Fall 2004 enrollments show smaller growth than previous years but continue the increases that began with reform in 1998. Dr. Layzell said that the postsecondary institutions remain on target to enroll 80,000 additional undergraduate students by 2015. Highlights include:

- A record high 231,612 students enrolled at public and independent postsecondary institutions in Kentucky. Public institutions alone enrolled 200,633 students.
- The University of Kentucky reported the largest fall semester first-time freshman class to date.
- The percent increase from fall 2003 total enrollment was 1.1 percent; between 2000 and 2003, the increase was 5.5 percent.
- Enrollment of high school students in college-level courses remained virtually unchanged from fall 2003 at approximately 14,300 students.

Enrollment growth since 1998:

- Since 1998, total postsecondary education enrollment increased by 46,766 students or 25.3 percent.
- Undergraduate enrollment increased 41,679.
- While all public institutions have grown in enrollment, the KCTCS showed the largest increase with 30,343 more students, an increase of 58.8 percent since 1998.

CEO REPORT

A report on activities of the Committee on Equal Opportunities was provided for information.

2005 DEGREE
PROGRAM
ELIGIBILITY
WORKFORCE/
ECONOMIC
DEVELOPMENT
POLICY GROUP

The annual report on institutional eligibility to add new degree programs in calendar year 2005 was included in the agenda book.

Ms. Jansing introduced Dr. Allyson Handley, senior advisor to the Governor and the Council President for economic initiatives. Dr. Handley will serve as the lead staff person for the Workforce/Economic Development Policy Group. Ms. Jansing thanked Dr. Cheryl King for the outstanding staff work that she has provided the policy group since its organization. Ms. Jansing asked Dr. Handley to give the report from the policy group.

Dr. Handley said that the policy group talked about ten areas that need to be put into place to advance the efforts of postsecondary economic development. Those areas are:

1. State economic incentives and removal of existing barriers
2. Higher education commercialization incentives
3. Workforce development specifically looking at existing and potential workers ranging from Ph.D. to technicians
4. Educational flexibility and responsiveness building on many of the efforts that have been put in place to date and the willingness of the institutions (both public and independent) to respond to the needs and what would stimulate economic development
5. Entrepreneurial development and orientation
6. Venture capital and the relative absence of venture capital in Kentucky
7. Partnerships and collaboration
8. Leveraging investments
9. Capitalize on existing niches and expertise
10. Create and sustain economic clusters

IMPROVING
EDUCATOR
QUALITY GRANT
PROGRAM

RECOMMENDATION: The staff recommends that the Council award federal *No Child Left Behind*, Title II, Part A funds in the amount of \$1,128,000 for March 1, 2005-June 30, 2006, to support five projects:

- Making Algebra Accessible (Appalachian Rural Systemic Initiative, University of Kentucky Research Foundation) - \$275,000
- Expansion of Content Literacy in Middle and High School Classrooms (Collaborative Center for Literacy Development, University of Kentucky) - \$200,000
- Biodiversity in the Natural and Cultural World: Collaboration of Nine Universities (Murray State University) - \$240,000
- The AAA Project: Articulating Algebra for All (Northern Kentucky University) - \$275,000
- Improving Student World Language Performance: Using Assessment as the Guiding Force in Standards-Based Instruction (Western Kentucky University) - \$138,000

The Improving Educator Quality (formerly Eisenhower) State Grant Program awards grants to partnerships that deliver research-based professional development programs to K-12 teachers. Content-area specialists reviewed the ten grant proposals received and made recommendations to the Council staff to reward funds to these five projects.

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

VOTE: The motion passed.

NEW PROGRAM

RECOMMENDATION: The staff recommends that the Council approve the Doctor of Philosophy in Nursing Science (CIP 51.1608) proposed by the University of Louisville.

MOTION: Mr. Owen moved that the program be approved. Mr. Turner seconded the motion.

VOTE: The motion passed.

**PROGRAM
PRODUCTIVITY
REVIEW**

RECOMMENDATION: The staff recommends that the Council accept the third program productivity review report, commend the universities for their continued work in reviewing their academic programs, and authorize the Council staff to work with the institutions to pursue additional changes to some programs and report back to the Council in May 2005.

Dr. Layzell said that, of the 272 programs identified for review, the universities will close 42 and make changes to 45 others to increase productivity. In the first, second, and third round of program productivity reviews, a total of 195 academic programs have been designated for closure and 273 significantly altered to

increase productivity. This is evidence that institutions are reducing inefficiencies, reallocating resources internally to address reform goals, and aligning program offerings with needs of the Commonwealth.

Mr. Owen asked the staff to provide an detailed analysis to the Council about the effect the results of the productivity reviews have had on each institution and the system. Staff should review the original intent of the reviews and report on the institutions' efficiencies, collaborations, financial savings, and utilization of the savings as a result of the closed or altered programs.

MOTION: Mr. Turner moved that the report be accepted. Mr. Owens seconded the motion.

VOTE: The motion passed.

TEACHER
QUALITY SUMMIT
2004

Information was included in the agenda book on the 2004 Teacher Quality Summit held in Bowling Green October 14-15, 2004.

PUBLIC HEALTH
STRATEGY FOR
EDUCATION AND
RESEARCH

A report from the Public Health Advisory Committee was provided for information. The committee continues its work to implement the Strategic Plan for Public Health Education and Research approved by the Council in July 2004.

2004-06 CAPITAL
REQUEST
TECHNICAL
MODIFICATIONS

RECOMMENDATION: The staff recommends that the Council approve the list of institutionally funded capital projects and amend its 2004-06 biennial budget recommendation, originally approved in November 2003.

The staff will forward the recommendation to the Office of the State Budget Director for consideration of inclusion in the Governor's 2004-06 capital budget request. The transmittal letter should clearly state what the Council is endorsing – the projects listed in the 2004-06 budget request on page 89 of the agenda book with a 10 percent inflationary increase plus additional projects listed on Attachment A of the agenda item (page 127-129 of the agenda book) funded by private funds, federal funds, agency bonds, restricted funds, or from the CPE agency bond pool.

MOTION: Mr. Owen moved that the recommendation be approved. Mr. Turner seconded the motion.

VOTE: The motion passed.

RESOLUTIONS

Resolutions were presented for former Council members Steve

Barger, Lois Combs Weinberg, Charles Whitehead, and Ken Winters.

MOTION: Mr. Baker moved that the resolutions be adopted. Ms. Jansing seconded the motion.

VOTE: The motion passed.

NEXT MEETING The Council's Executive Committee will meet March 2 and the Council will meet March 21-22.

FUNDING
ADEQUACY
COMMITTEE Mr. Greenberg appointed a committee to develop an approach for long-term funding for postsecondary education. Members are Mr. Owen (chair), Mr. Turner, Mr. Canafax, Mr. Stoeppe, and Ms. Moore. Some non-voting external members may be added. Mr. Greenberg asked Dr. Layzell to work with the committee to frame a charge for its work.

ADJOURNMENT The meeting adjourned at 12:20 p.m.

Thomas D. Layzell
President

Phyllis L. Bailey
Associate, Executive Relations