

AGENDA
Council on Postsecondary Education
March 24, 2003
8:30 a.m.
Frankfort, Kentucky

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Adjournment

MINUTES
Council on Postsecondary Education
February 3, 2003

The Council on Postsecondary Education met February 3, 2003, at 8:30 a.m. at the council offices in Frankfort, Kentucky. Chair Adams presided.

WELCOME

Ms. Adams welcomed everyone to the first meeting of 2003 and introduced the council's new president, Tom Layzell, for comments.

Mr. Layzell said that he was glad to be at the meeting and looks forward to joining the council full-time in mid-April.

**UNIVERSITY
PRESIDENTS**

Ms. Adams recognized two new university presidents. James R. Ramsey became the president of the University of Louisville in November 2002. William Turner is serving as the interim president of Kentucky State University.

ROLL CALL

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

**APPROVAL OF
MINUTES**

The minutes of the November and December 2002 meetings were approved as distributed.

**2002-04
BUDGET UPDATE**

The first agenda item was a report on the current budget situation. Sue Hodges Moore, interim president, said that on January 29 she and the university and KCTCS presidents testified before the Education Subcommittee of the House Appropriations and Revenue Committee on the impact of budget cuts to postsecondary education. She said that six points were collectively made at that meeting:

1. The investment already made in postsecondary education in these first years of reform is paying off with record enrollments, increased retention and completion rates, and increased standards on national indicators.
2. Despite this progress, Kentucky is still behind and has a long way to go. The state ranks 49th in the percent of population with the bachelor's degree and 42nd in research and development expenditures per capita.
3. The state is using the resources it has more efficiently – cooperation has increased among the institutions, cost saving measures have been put in place on campuses, academic programs have been closed.
4. Despite the increases in postsecondary education funding, Kentucky's institutions lag behind their benchmark institutions in

other states.

5. Budget cuts of this magnitude will result in tuition increases, frozen positions, loss of faculty, and larger classes. The cuts will be felt in all corners of Kentucky because postsecondary education prepares the workforce for the 21st century.
6. Cuts to postsecondary education will hurt all sectors of education since the institutions prepare the early childhood and adult educators and train and provide development of elementary and secondary teachers. The reverse is also true – budget cuts to the other sectors of education will harm postsecondary education.

Sherron Jackson, council interim vice president for finance, discussed the activities of the council staff and the institutions in response to requests from the state budget director and the Legislative Research Commission about various budget reductions in FY 03 and FY 04. The governor on December 12 issued an executive order asking state government agencies to further restrain their expenditure activities to assist the administration in creating additional savings that could be applied to any budget deficits in the current fiscal year. The executive order did not necessarily apply to the institutions but, in the spirit of cooperation, the presidents agreed to implement, where possible, cost saving measures on their campuses. A summary of these actions was included in the agenda book.

Dennis Taulbee, council associate vice president for information, technology, and operations, said that the council staff reserved 3 percent in agency operations and in the Kentucky Virtual University in anticipation of a budget cut. If the cut of 2.6 percent is implemented by the administration and the General Assembly, the agency will be in good shape. He said that the difficulty is with the pass-through programs – programs that receive funding through the council. If cuts are taken, they will occur in the fourth quarter allotment of the current fiscal year. Mr. Taulbee said that he is hopeful that the program administrators of the pass-through programs have taken steps to adjust their expenditures in anticipation of a cut.

Mr. Greenberg said that if the institutions must impose cuts this year or next, the presidents should make sure that low-income students continue to have access to college, that students have the courses needed to graduate, and that universities continue to expand their research capacities.

Ms. Adams said that the council members have a great deal of confidence in the presidents and the budget directors of the institutions, and they should work together to ensure that any cuts do as little damage as possible to the total system of postsecondary education in Kentucky. She said that the council is most concerned about access for students, need-based scholarships, enrollment and retention, and research. She said the council also recognizes that if any part of education suffers – from early childhood development through adult education and family literacy – that all parts of education will suffer.

Ms. Bertelsman stressed the need for systemwide enrollment increases rather than increases for individual institutions. She encouraged the institutions to be creative to accomplish this without diminishing quality.

Mr. Layzell said that in these times of limited resources it is important to continue to advocate to eliminate or mitigate reductions so they may not be as severe as expected and, at the same time, continue to press vigorously for full and continued funding of the postsecondary reform movement. It is imperative to continue to make progress toward the objectives of House Bill 1 even if it is only slight progress.

Morehead State University President Ron Eaglin thanked the council for the confidence placed in the presidents. He said that giving the institutions flexibility in how they might approach the budget cuts would result in the system going forward in a positive direction.

PARTNERS FOR KENTUCKY'S FUTURE

Ms. Adams said that the council has joined with a group of education leaders to push for continuation of reform at all levels of education in Kentucky. This group, called the Partners for Kentucky's Future, held a press conference January 22 to formally adopt a resolution asserting the goals of the group and to state publicly that they are united behind reform efforts at all levels. Ms. Adams had signed the resolution on behalf of the council.

MOTION: Ms. Adams moved that the council confirm her signing the resolution on behalf of the council. Mr. Barger seconded the motion.

VOTE: The motion passed.

Ms. Bertelsman, as chair of the P-16 Council, will send a letter to the members of the Kentucky General Assembly urging them to think P-16, to not cut one segment of education in favor of another because ultimately all will suffer.

DEVELOPMENT OF 2004-06 BUDGET

The process for developing the budget for the 2004-06 biennium was discussed. Revisions to the 2002-04 Points of Consensus document began in August with discussions with the presidents, chief budget officers, and chief academic officers. The document has been revised slightly and the final document was included in the agenda book. A new clarifying statement is included in the capital budget section that acknowledges the intent that the council and the institutions will work together to identify ways to maximize institutional authority to issue debt supported by agency funds. A small work group has been appointed to pursue this issue. The calendar outlining the process and timetable for developing the 2004-06 recommendations also was included the agenda book.

MOTION: Mr. Barger moved that the council adopt the points of consensus document. Ms. Taylor seconded the motion.

VOTE: The motion passed.

TRUST FUND REPORTS

House Bill 1 established investment and incentive trust funds to advance the goals of reform. The council developed programs supported by these

funds with matching dollars from the institutions. These programs, though only a small percentage of postsecondary funding, have had a dramatic impact on the direction of institutional work and Kentucky's progress in addressing the council's five questions of reform.

Jim Applegate, the council's vice president for academic affairs, said that the council has an ongoing responsibility to ensure effective institutional use of these funds. For the first time, the trust fund reports are presented collectively, integrating program outcomes and finances. Reports were offered on the following programs:

1. Research Challenge and Regional University Excellence Trust Fund – Endowment Match Programs
2. Research Challenge Trust Fund
3. Regional University Excellence Trust Fund – Programs of Distinction
4. Regional University Excellence Trust Fund – Action Agenda Programs
5. Technology Trust Fund – Faculty Development Programs
6. Workforce Development Trust Fund – Workforce Development/Training Program

Dr. Applegate said that the council staff's review of institutional annual and biennial reports show the trust fund programs are, on the whole, addressing the five questions of reform. The programs are attracting top faculty into the state, creating high-quality research and teaching programs, increasing student enrollment and retention, providing workforce training, supporting teacher quality, and providing faculty development programs that help faculty do a better job of supporting reform.

Dr. Applegate said that the review raised some areas of concern, and the council staff will continue to work with the institutions on these issues. For example, several programs include participation of underrepresented groups of faculty and students in particular areas. These programs have been put in place but the results to date have not been dramatic, so the staff will work with the institutions to ensure that the programs create a more diverse faculty and student body.

A second concern is that some programs show a significant amount of carry forward funds. Dr. Applegate explained that some programs are new and were not fully developed by the end of the reporting period (June 30, 2002). Thus, a carry forward would be expected. He said that since June the bulk of these funds have been spent or are obligated to ongoing programs. The council staff will continue to work with the institutions to specifically identify the sources of carry forward funds and their plans for using the carry forward funds in FY 2002-03.

Ms. Bertelsman thanked the institutions and the council staff for improved reporting. She asked that future reports include information on collaboration between institutions and the KYVU and the statewide application of programs of distinction.

Mr. Greenberg asked for a report on the credibility of the Endowment Match Program to avoid future negative comments about reporting from the State Auditor's Office. He asked if there is a need for the council members to assist in the collection of outstanding pledges to the institutions for the Endowment Match Programs. He also asked the staff to report on national recognition of the programs of distinction.

INSTITUTE FOR EFFECTIVE GOVERNANCE

Dr. Moore reported that the Institute for Effective Governance will hold its first spring seminar May 19 and 20 in Lexington. The topic is improving board/president relationships, including presidential evaluation and compensation. All governing board members, presidents, and council members should attend.

LEGISLATIVE UPDATE

Information was distributed pertaining to legislation introduced in the 2003 General Assembly affecting postsecondary education.

P-16 COUNCIL REPORT

Dianne Bazell, council senior associate for academic affairs, gave a report on activities of the P-16 Council. At its December meeting, it reviewed a draft vision statement, action agenda, goals, and objectives and began a discussion of indicators to measure progress in achieving objectives. The group heard a first-year report on the research phase of the American Diploma Project. Kentucky is one of five states participating in this national project designed to define high school work that prepares students for work or college.

In other P-16 Council developments, the Kentucky Department of Education approved the Kentucky Virtual University for its list of providers of supplemental services to schools designated as Title I improvement schools in accordance with the federal *No Child Left Behind Act of 2001*. Improvement schools are low-achieving schools in which all students are permitted to transfer to other schools, and low-income students are given access to supplemental academic services.

More than 1,700 seventh-grade students attended the fall GEAR UP Kentucky expos at the University of Louisville and the University of Kentucky. These events encourage low-income middle school students to plan for college.

Dr. Bazell said that Kentucky is one of five states selected to participate in a research project sponsored by The Education Trust to examine course-taking patterns of middle and high school students to determine the effect of college preparatory courses, especially mathematics, on college placement, as well as the effect of college-level remediation on retention and graduation rates. It also is conducting a study of student "flow" patterns and the links between teacher preparation and student achievement in selected rural districts.

Ms. Adams said that the P-16 Council has been an unqualified success with a very small expenditure of money. A great deal of the initiative has been through volunteer work at the state and the local level through the development of local P-16 councils.

ENROLLMENT, RETENTION, AND TRANSFER INFORMATION

Sherri Noxel, council senior associate for information, announced official fall 2002 enrollment figures. There are 36,336 more students enrolled at Kentucky's public and independent colleges and universities than there were in 1998, an increase of almost 20 percent. That brings Kentucky's enrollment to a record 221,182 students. The Kentucky Community and Technical College System showed the largest increase since 1998 with 22,283 more students, an increase of almost 49 percent.

In addition to enrollment, official figures for student retention and transfer were announced:

- The percentage of GED completers enrolling in postsecondary education rose between 2001 and 2002. Among 1999-2000 GED completers, 17.8 percent enrolled in a Kentucky college or university within two years, up from the 16.5 percent college-going rate among 1998-1999 GED completers.
- Between 2001 and 2002, the retention rate among the public colleges and universities rose from 65.9 percent to 68.3 percent.
- The number of students transferring from a community or technical college to a university increased in 2002 to 2,877, an increase of 5.3 percent.

KEY INDICATORS

Christina Whitfield, council associate for research and information, said that updated results for the council's key indicators show that the state continues to make significant progress toward reform. She provided information on seven indicators under Questions 1, 2, and 3.

- Indicator 1.5 (number of college-level courses per 1,000 juniors and seniors): The system exceeded the 2002 goal. In 2001-02 there were 220 students enrolled in college-level work per 1,000 juniors and seniors.
- Indicator 2.1 (undergraduate enrollment): Undergraduate enrollment continued to increase at the statewide level, rising nearly 5 percent to 193,638 students in fall 2002. Seven institutions (Morehead, Murray, Northern, UK, Western, KCTCS, and Lexington Community College) exceeded their 2002 enrollment goals. Although the University of Louisville's goal is to decrease undergraduate enrollment, its enrollment levels also increased slightly. The state exceeded not only the 2002 goal but the 2003 goal as well.
- Indicator 2.2 (graduate and first-professional enrollment): The graduate and first-professional enrollment rose 6.5 percent at the system level to 23,127 students, exceeding the 2004 goal. Five universities exceeded their 2002 goals – EKV, NKU, UK, UofL, and WKU.
- Indicator 2.9 (college-going rate of GED completers within two years): The college-going rate rose from 16.5 percent in 2001 to 17.8 percent in 2002. The goal for 2002 was 15 percent so the system is well over its goal for this indicator.
- Indicator 3.1 (one-year retention rates of first-time freshmen): In fall 2001, the retention rate for the entire system was 65.9

percent. The fall 2002 rate has improved to 68.3 percent. Five institutions exceeded their goals for 2002 – NKU, UK, UofL, WKU, and KCTCS. The retention numbers are based on the new definition of retention adopted by the council in March 2002 – any student who enrolls in her native institution the following fall, transfers to another Kentucky institution, or graduates is considered retained.

- Indicator 3.3 (community and technical college transfers): There are two goals for this indicator. The first goal is for the KCTCS and LCC to increase the number of students that transfer out to any four-year institution in Kentucky, public or private. The number of students transferring from both institutions increased in fall 2002 to 2,877 students. LCC exceeded its goal for 2002. The second goal is for the universities to increase the number of community and technical college students they accept in as transfer students. This number rose significantly to exceed 2000 goals at two institutions – UofL and WKU. Numbers for KSU and UK went down slightly between 2001 and 2002 but in both cases remained above their 2002 goals.
- Indicator 3.4 (credit hours transferred by students transferring from the KCTCS and LCC to a public university): 2002 results for this indicator are mixed; the average number of credit hours transferred increased at the KCTCS and decreased at LCC.

Dr. Whitfield said that both the system and the individual institutions have exceeded many of the goals established for 2002 and beyond. Over the next several months, the council staff will work with the institutions to develop

recommendations for new goals that reflect the strong performance in 2002.

Ms. Bertelsman asked that the institutions report on what they are doing to improve the goals for indicators with red lights. She also asked for narrative information from the institutions about progress on student retention.

CAPITAL PROJECTS

There was no objection to considering under a consent agenda items 17 through 19 pertaining to capital projects.

RECOMMENDATION: The staff recommends that the council approve the University of Louisville request to expand the Research Resources Center by constructing a Cardiovascular Innovation Institute at the Health Sciences Campus with \$21,500,000 of state, private, and federal funds.

RECOMMENDATION: The staff recommends that the council approve the Murray State University request to construct the Western Regional Center for Emerging Technologies on its main campus with Economic Development Cabinet Innovation and Commercialization Center Program funds.

RECOMMENDATION: The staff recommends that the council approve the University of Kentucky request to construct a Swine Feed Mill at the Animal Research Center in Woodford County, Kentucky, with \$870,000 of federal funds.

MOTION: Ms. Bertelsman moved that the three items pertaining to capital projects be approved. Mr. Barger seconded the motion.

VOTE: The motion passed with Mr. Greenberg abstaining.

e4ky.org

A new Web site profiling educational reform in Kentucky, www.e4ky.org, was demonstrated. The site brings together selected performance indicators from Kentucky's four educational sectors – early childhood education, elementary and secondary education, adult education, and postsecondary education – and allows visitors to explore the full scope of education reform in the state. Along with Christina Whitfield and Cheryl King of the council staff, Kim Townley, executive director of the Governor's Office of Early Childhood Development, and Debbie Schumacher, associate commissioner, Office of Results Planning, Kentucky Department of Education, participated in the presentation.

CEO REPORT

Mr. Barger gave an update on the activities of the Committee on Equal Opportunities. Institutions are evaluated annually on their progress in meeting the objectives of *The Kentucky Plan for Equal Opportunities*. An institution's progress toward achieving the plan objectives determines its eligibility to add new degree programs each year. More institutions qualified for the most favorable category of eligibility for new degree programs in 2003 than in the last three years.

The Commonwealth's partnership agreement with the U.S. Office for Civil Rights ended December 31, 2002. Since the majority of the commitments have not been implemented due to budget constraints, the Commonwealth will not be released from the agreement at this time.

KSU
COMPREHENSIVE
ASSESSMENT

The council agreed in November 2001 to join with the Kentucky State University board of regents to complete a comprehensive assessment of KSU's academic programs and the adequacy and use of financial resources. The KSU Comprehensive Assessment Oversight Committee, co-chaired by Mr. Barger and Marlene Helm, selected Baker & Hostetler, LLP, of Cleveland, Ohio, to complete the assessment.

Dr. Helm said that the board of regents is grateful for the partnership with the council to conduct this thorough, independent analysis of KSU's programs and policies. She said that the board considers itself stewards of the institution and believes that this information is needed in order to make informed decisions to help move the university back to the level of excellence that the institution is capable of.

Raymond Pierce with Baker & Hostetler said that a nine-person team has been assembled and has begun the assessment. The group will examine information; conduct interviews; have follow-up conversations with council members, members of the KSU board of regents, the KSU staff,

and some members of the Kentucky General Assembly; submit a report by the end of February; and then talk to the council about a plan of implementation.

GO HIGHER, EDUCATION PAYS WEB PORTAL

Information was included in the agenda book about the *Go Higher, Education Pays* Web portal, a comprehensive Web site under construction to support college going. The site will help people plan for, pay for, and apply to college. The target audiences of the site are middle and high school students, school counselors, parents, and adults who are potential postsecondary education students or in need of

skill upgrades and educational opportunities as displaced workers.

COMMUNICATION CAMPAIGN UPDATE

Jack Guthrie, chairman and chief executive officer of Guthrie/Mayes Public Relations, presented the council with two prestigious awards received for work performed as part of its *Go Higher, Education Pays* campaign. A 2002 “Globe Award” from the Worldcom Public Relations Group recognized the GO GED rallies and news conferences held in May 2001. The second was a “Landmarks of Excellence” award of merit from the Public Relations Society of America/International Association of Business Communicators for the planning and staging of the 2001 GEAR UP Kentucky Expo.

STUDENT ADVISING CONFERENCE

Dr. Moore said that the council and Northern Kentucky University will co-host a statewide conference on student advising in northern Kentucky February 20-21. The conference will allow state advising staff and faculty to learn about successful advising models being used in Kentucky, as well as “best practices” in other states.

NEW ECONOMY INITIATIVES

The council has contracted with the Kentucky Science and Technology Corporation to administer knowledge-based economy programs overseen by the council. The programs are the Research and Development Voucher Fund, Rural Innovation Fund, Commercialization Fund, the Kentucky Science and Engineering Foundation, and the Experimental Program to Stimulate Competitive Research (EPSCoR). KSTC staff members discussed ways the programs are promoting research and development and entrepreneurship in the state. The discussion was led by Kris Kimel, KSTC president; Jim Clifton, executive director of KSTC’s Innovation Group; Mahendra Jain, executive director of the Kentucky Science and Engineering Foundation; and Rick Kurzynske, statewide director of EPSCoR.

Mr. Barger requested a periodic written report on the nature of the jobs created and the impact of these efforts on specific industries.

COUNCIL BYLAWS

RECOMMENDATION: The staff recommends that the council approve changes to the council bylaws.

MOTION: Ms. Taylor moved that the changes be adopted. Mr. Baker seconded the motion.

Mr. Taulbee said that the council requested the staff to review the bylaws pertaining to four issues: attendance at council meetings, the

composition of the nominating

committee, a limitation on the terms of the chair, and the starting date for the student member of the council.

AMENDMENT TO MOTION: Mr. Pace amended the motion that the nominating committee be composed of four members (Section III.2.A).

The motion died for lack of a second.

VOTE: The original motion passed.

NEXT MEETING

The next meeting is March 24, 2003.

ADJOURNMENT

The meeting adjourned at 11:40 a.m.

Sue Hodges Moore
Interim President

Phyllis L. Bailey
Associate, Executive Relations

Focus on Reform: Economic Development and Workforce Training Matching Program

The Economic Development and Workforce Training Matching Program is guided by the Workforce Alliance, a collaborative committee representing the Council on Postsecondary Education, the Department for Adult Education and Literacy, the Cabinet for Workforce Development, the Kentucky Community and Technical College System, and the Cabinet for Economic Development. To date, the adult education initiative funds for workplace education programs have leveraged funds with the Bluegrass State Skills Corporation (BSSC) and the Kentucky Workforce Investment Network System (KY WINS). The Office of Training and Reemployment and the Office for Regional Development are active participants as well and may provide matching funds for future projects.

The Alliance accomplishes two objectives:

1. To provide a coordinated system of workforce education; and
2. To leverage new and existing resources to maximize the number of adults and employers enrolled.

The objectives are met in two ways. First, adult education and KCTCS staff, as well as economic development community liaisons, are cross-trained to represent funding resources available through the Alliance. Second, participating agencies promote learning through workplace distance learning, targeted instruction to meet workplace skill needs, ACT WorkKeys assessments, the Kentucky Employability Certificate, and the Kentucky Manufacturing Skill Assessment and Certificate.

Since 2001, the Alliance has produced significant results. Workplace education enrollment increased from 11,000 in 2001 to 22,000 individuals in 2002, with more than 600 Kentucky participating employers. Four projects, the Russell County Prehire, American Woodmark, Owensboro Mercy Health Systems, and the Nelson County Training Consortium, are presented on page 15 to illustrate Alliance activities and outcomes.

Instruction is conducted at the work site at little cost to the employer. For added convenience, two GO HIGHER SkillMobiles are available to set up at work sites, offering employers the latest in technology and training resources.

Cheryl King (council associate vice president for adult education and commissioner of the Department for Adult Education and Literacy), Keith Bird (KCTCS chancellor), and J. R. Wilhite (commissioner of

the Department of Community Development) will lead a discussion on this successful initiative at the March 24 council meeting.

Staff preparation by Cheryl King

The Workforce Alliance (Economic Development and Workforce Training Project)

FY	Project Name	Contract Amount*			Enrollment	Training Program	Employer Contribution	Results
		AE	KCTCS/ WINS	CED/BSSC				
2002	Russell County Prehire (Russell County Board of Education/Adult Education)	\$9,061			144	<ul style="list-style-type: none"> • Pre- and post- assessment • Communications • Math • Reading • Computer literacy • GED preparation 	<ul style="list-style-type: none"> • Commitment from local employers to hire at least 50% of the persons who successfully completed training. 	<ul style="list-style-type: none"> • 85 participants hired by local companies: BRUSS North American, Hitachi, Alliance Tobacco, Fruit of the Loom, G.G. F. Heritage, Lilly Creek, and Thoroughbred Trucking. 30 participants enrolled in GED preparation classes and 25 received computer literacy training.
2003	BRUSS North American			\$104,875	100	<ul style="list-style-type: none"> • Technical training 	<ul style="list-style-type: none"> • Matched CED/BSSC funding. • Employees paid for training time. 	<ul style="list-style-type: none"> • Following the Prehire project, BRUSS received CED/BSSC funding. The project is ongoing.
2002	American Woodmark, Monticello, Kentucky	\$7,350	\$83,500	\$28,181	489	<ul style="list-style-type: none"> • Math • Technical training • Computer-based training 	<ul style="list-style-type: none"> • Matched CED/BSSC funding. • Employees paid for training time. 	<ul style="list-style-type: none"> • 36 participants improved math skills. • 100 employees received technical training. • 350 employees received training in the computer-based modules. • The company decided to locate a second plant in Kentucky due to Hazard Community College's project with the American Woodmark facility in Monticello. • Other American Woodmark plants have now adopted the computer-based training.
2002 and 2003	Owensboro Mercy Health Systems (OMHS)	\$176,626	Coordinates the instructional program.	\$26,973	1,006	<ul style="list-style-type: none"> • WorkKeys Occupational Profiles to determine skills needed • WorkKeys assessments to determine employee skill levels • Targeted instruction via KYVAE to upgrade employee occupational skills • WorkKeys post-test to determine skill levels gains • Technical training 	<ul style="list-style-type: none"> • \$134,000 in employee incentives. • Employees paid for training time. • \$250 stipend for program completion and attaining skill level 4 or higher. • Matched CED/BSSC funding. 	<ul style="list-style-type: none"> • For 2002, 229 of the employees attained WorkKeys skill level 4 or higher and 388 employees completed technical training. • For 2003 to date, 160 enrolled and 112 employees have completed introduction to computer training. • The project is ongoing.
2002 and 2003	Nelson County Training Consortium (NELCO) - 15 manufacturers, distributors, healthcare facilities, and insurance industries in the Nelson County area	\$14,888	In-kind \$3,000	\$26,427	343	<ul style="list-style-type: none"> • Computer literacy training • Team building skills • Technical training • Kentucky Manufacturing Skill Standards Assessments and Certificates 	<ul style="list-style-type: none"> • Matched CED/BSSC funding. • Employees paid for training time. 	<ul style="list-style-type: none"> • 195 employees completed computer literacy training. • 43 employees completed team building training in preparation for supervisory positions. • The project is ongoing.

Note: FY 2002 figures represent total number served. FY 2003 figures represent the number of participant slots available.

*AE = Department for Adult Education and Literacy and Council on Postsecondary Education

KCTCS/WINS = Kentucky Community and Technical College System

CED/BSSC = Cabinet for Economic Development/Bluegrass State Skills Corporation

Executive Summary

Cross-Cutting Issues

Both the House and the Senate have passed the budget bill for 2002-04. As of this mailing, the governor has not signed it. A summary and highlights of what the budget includes for postsecondary education begins on page 19.

A summary of legislation pertaining to postsecondary education passed by the 2003 session of the Kentucky General Assembly begins on page 25.

Beginning on page 27, the council staff has outlined the ongoing activities relating to the development of the 2004-06 operating and capital recommendations. We will continue to work closely with the institutional staffs over the coming months and will bring you several items for discussion at the May council meeting. .

The council staff coordinates and participates in a number of conferences and other activities to promote postsecondary reform. A summary of recent activities begins on page 29.

Council on Postsecondary Education
March 24, 2003

2002-04 Budget Update

As of the mailing date, both chambers have passed the executive branch budget bill for the 2002-04 biennium (HB 269). Since there were differences in the House and Senate versions of the bill, the bill was sent to conference committee where a free conference committee substitute bill was negotiated and sent to both chambers for final approval. This final version was sent to the Governor on March 11, 2003. The Governor may sign the bill, let it become law without his signature, or veto the entire bill or parts of the bill.

Attached is a summary of the bill as passed by both chambers and is now awaiting the Governor's review. If there are changes due to line-item vetoes, a revised summary will be provided at the council meeting.

The 2002-04 budget bill includes state General Fund appropriations as follows:

For the institutions

- A 2.6 percent (\$24.4 million) recurring budget reduction in FY 2002-03. House Bill 269 includes \$962.9 million in operating funds for the institutions. The Executive Spending Plan funded the institutions at \$987.3 million in FY 2002-03. The council recommended \$1.05 billion in operating funds for the institutions, an amount which includes a request for \$34.6 million in benchmark funding.
- House Bill 269 includes a funding increase of \$18.9 million to the institutions' base budgets in FY 2003-04 for benchmark funding, bringing the total institutional base budgets to \$982.1 million. The council's recommendation included an increase of \$34.8 million, bringing the total institutional base budget recommendation to \$1.08 billion.
- Agency bond pool authority of \$155 million. Agency bond authority allows an institution to address campus-based fire/life safety, infrastructure, renovations, and new construction needs with its own money. An institution issues debt which is paid with institutional resources (usually housing and dining income, parking fees, or other institutionally generated revenue). The council's 2002-04 recommendation of agency bond authority was \$100 million.

For the Trust Funds

- Debt service in FY 2003-04 to issue \$120 million in taxable bonds for the Endowment Match Program (Bucks for Brains). The debt service amounts support one semi-annual payment in FY 2003-04 and are less than the amounts identified by House Bill 1 from the 2002 Special Session. The difference is due to the timing of bonds issuance.
- \$1.3 million in FY 2002-03 for the Technology Trust Fund (which is the current level of funding in 2001-02) - \$1.2 million for network infrastructure and \$100,000 for faculty

development. This is the same amount recommended by the council. In FY 2003-04 the budget includes \$450,000 for network infrastructure and \$50,000 for faculty development. The budget cuts \$800,000 in the Technology Trust Fund for the public communications campaign which actually results in cutting funds associated with the Kentucky Postsecondary Education Network (KPEN) and faculty development. The council recommended \$2.2 million for network infrastructure in FY 2003-04 and continuation funding of \$100,000 for faculty development.

- \$60.4 million in FY 2002-03 and \$63.0 million in FY 2003-04 for the KEES program. This amount is less than the amounts in the Executive Spending Plan and in House Bill 1. Additional funds will be available to the program from the unclaimed lottery prize fund. Revised estimates indicate that the KEES program will be able to meet obligations for 2003-04.
- \$11.8 million in FY 2002-03 for Adult Education and Literacy Incentive Funding Program. For FY 2003-04 the program is funded at \$11.0 million. The Adult Education and Literacy Incentive Funding Program was cut by \$750,000 in an attempt to eliminate the public communications campaign; however, the cut will actually affect basic adult education services.
- \$6.8 million in FY 2002-03 and \$8.8 million in FY 2003-04 for programs in the Science and Technology Trust Fund. House Bill 269 includes restricted (one-time) funds of \$1.0 million in each year of the biennium for the Rural Innovation Fund, restricted (one-time) funds of \$1.0 million in each year for the Knowledge-Based Economy Academic Programs (Engineering Education), and restricted (one-time) funds of \$2.0 million in FY 2002-03 for the Experimental Program to Stimulate Competitive Research (EPSCoR). In FY 2003-04 the \$2.0 million restricted funds for EPSCoR are replaced with recurring General Fund dollars.

For the Council on Postsecondary Education

- The budget for agency operations is \$3,958,000 both in FY 2002-03 and FY 2003-04. This is a reduction of 2.6 percent in 2002-03 when compared to the 2003 Governor's Executive Spending Plan.
- The KYVU/KYVL operating budget was reduced by 2.6 percent to \$4.5 million in FY 2002-03 and then straight-lined at the same level for FY 2003-04.
- Pass-through programs are budgeted in House Bill 269 at \$10,407,800 in FY 2002-03, a reduction of \$150,000. While House Bill 269 instructs the council to fund the Early Mathematics Testing Program and the Local P-16 Councils Program at \$100,000 for each program for FY 2002-03 and again for FY 2003-04, sufficient funds are not provided to fund all of the activities contained in the list of pass-through programs. Reductions in pass-through activities are yet to be determined as of this writing.

Information on other legislative action that impacts postsecondary education is included in the agenda item beginning on page 25.

Staff preparation by Sherron Jackson, Ron Carson, and Linda Jacobs

**COMMONWEALTH OF KENTUCKY POSTSECONDARY EDUCATION
COMPARISON OF FISCAL YEAR 2001-02, COUNCIL RECOMMENDATION, AND HOUSE BILL 269
STATE GENERAL FUND APPROPRIATIONS**

		<u>Fiscal Year 2002-03</u>		<u>Fiscal Year 2003-04</u>	
	2002-03 Executive Spending Plan	Council Recommendation	HB 269	Council Recommendation	HB 269
Postsecondary Education Institutions					
Eastern Kentucky University	\$ 73,451,800	\$ 78,350,400	\$ 71,668,300	\$ 82,337,200	\$ 73,515,900
Kentucky Community & Technical College System	189,722,700	201,889,300	185,313,100	209,434,800	189,097,700
Kentucky State University	23,162,700	24,485,500	22,412,400	24,939,500	22,631,500
Morehead State University	42,747,400	45,411,300	41,729,800	47,219,600	42,738,200
Murray State University	51,669,400	54,887,800	50,388,100	57,127,500	51,472,900
Northern Kentucky University	45,989,000	49,859,900	45,257,600	53,220,300	47,092,700
University of Kentucky	304,280,400	317,431,700	295,674,200	323,734,000	299,074,500
Lexington Community College	9,150,700	9,859,100	9,081,500	10,260,800	9,444,700
University of Louisville	176,745,200	186,171,400	172,352,500	190,469,900	174,950,000
Western Kentucky University	70,427,100	77,644,600	69,025,000	83,214,700	72,040,100
Total Postsecondary Education Institutions	\$ 987,346,400	\$ 1,045,991,000	\$ 962,902,500	\$ 1,081,958,300	\$ 982,058,200
Council on Postsecondary Education					
Agency Operations	\$ 4,063,700	\$ 4,278,900	\$ 3,958,000	\$ 4,364,500	\$ 3,958,000
KYVU/VL	4,661,900	5,652,100	4,540,700	5,749,100	4,540,700
Pass-Through Programs	10,557,800	10,800,300	10,407,800	11,043,600	10,595,000
Total Council on Postsecondary Education	\$ 19,283,400	\$ 20,731,300	\$ 18,906,500	\$ 21,157,200	\$ 19,093,700
KHEAA - Need-Based Financial Aid Programs (CAP and KTG)	\$ 41,174,200	\$ 49,600,000	\$ 46,246,800 (1)	\$ 62,000,000	\$ 65,720,600
Strategic Investment and Incentive Funding Program					
Research Challenge Trust Fund					
Endowment Match Program (debt service)	\$ -	\$ 1,250,000	\$ -	\$ 11,230,000	\$ 9,871,000
Enrollment Growth and Retention	-	-	-	-	-
Lung Cancer Research	6,280,000	6,280,000	6,280,000	5,455,000	5,455,000
Total Research Challenge Trust Fund	\$ 6,280,000	\$ 7,530,000	\$ 6,280,000	\$ 16,685,000	\$ 15,326,000
Regional University Excellence Trust Fund					
Endowment Match Program (debt service)	\$ -	\$ 250,000	\$ -	\$ 2,246,000	\$ 1,975,000
Enrollment Growth and Retention	-	-	-	-	-
Action Agenda	-	-	-	-	-
Total Regional University Excellence Trust Fund	\$ -	\$ 250,000	\$ -	\$ 2,246,000	\$ 1,975,000
Postsecondary Education Workforce Development Trust Fund					
Workforce Development Training	\$ -	\$ -	\$ -	\$ -	\$ -
Enrollment Growth and Retention	-	-	-	-	-
Administrative Information Systems	-	2,000,000	-	2,000,000	-
Total Postsecondary Education Workforce Development Trust Fund	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -

Data Source: 2002-03 Executive Spending Plan, House Bill 1 as introduced, and House Bill 269.

COMMONWEALTH OF KENTUCKY POSTSECONDARY EDUCATION
COMPARISON OF FISCAL YEAR 2001-02, COUNCIL RECOMMENDATION, AND HOUSE BILL 269
STATE GENERAL FUND APPROPRIATIONS

		Fiscal Year 2002-03		Fiscal Year 2003-04	
		2002-03 Executive Spending Plan		Council Recommendation	
		Council Recommendation		HB 269	
		HB 269		HB 269	

**COMMONWEALTH OF KENTUCKY POSTSECONDARY EDUCATION
COMPARISON OF FISCAL YEAR 2001-02, COUNCIL RECOMMENDATION, AND HOUSE BILL 269
STATE GENERAL FUND APPROPRIATIONS**

		Fiscal Year 2002-03			Fiscal Year 2003-04		
		2002-03 Executive Spending Plan	Council Recommendation	HB 269	Council Recommendation	HB 269	
Technology Initiative Trust Fund							
Equipment Replacement (debt service)	\$	-	\$ -	\$ -	\$ -		
Network Infrastructure		1,200,000	1,200,000	1,200,000	2,200,000	450,000	
Public Communications Campaign		-	-	-	-	-	
Faculty Development		100,000	100,000	100,000	100,000	50,000	
Total Technology Initiative Trust Fund	\$	1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 2,300,000	\$ 500,000	
Physical Facilities Trust Fund							
Capital Renewal & Maintenance (debt service)	\$	-	\$ -	\$ -	\$ 2,962,000	\$ -	
Renovation, Replacement & Infrastructure (debt service)		-	-	-	589,000	-	
New Construction (debt service)		-	-	-	-	-	
Total Physical Facilities Trust Fund	\$	-	\$ -	\$ -	\$ 3,551,000	\$ -	
Student Financial Aid and Advancement Trust Fund-KEES	\$	62,431,300	\$ 58,826,100	\$ 60,431,300	\$ 74,722,300	\$ 63,000,000	
Adult Education and Literacy Funding Program	\$	11,768,000	\$ 11,768,000	\$ 11,768,000	\$ 11,768,000	\$ 11,018,000	
Science and Technology Funding Program							
Research Development	\$	3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	
Commercialization		750,000	750,000	750,000	750,000	750,000	
Regional Technology Corporations		500,000	500,000	500,000	500,000	500,000	
Rural Innovation Fund (3)		-	1,000,000	-	1,000,000	-	
Knowledge Based Economy Academic Programs (4)		-	3,000,000	-	3,000,000	-	
Kentucky EPSCoR/Science and Engineering Foundation (5)		2,521,600	4,626,200	2,521,600	4,626,200	4,521,600	
Total Science and Technology Funding Program	\$	6,771,600	\$ 12,876,200	\$ 6,771,600	\$ 12,876,200	\$ 8,771,600	
Enrollment Growth and Retention Trust Fund	\$	-	\$ 1,311,500	\$ -	\$ 22,300,000	\$ -	
Teacher Quality Trust Fund	\$	-	\$ -	\$ -	\$ 4,000,000	\$ -	
Total Strategic Investment and Incentive Funding Program	\$	88,550,900	\$ 95,861,800	\$ 86,550,900	\$ 152,448,500	\$ 100,590,600	
Total Postsecondary Education	\$	1,136,354,900	\$ 1,212,184,100	\$ 1,114,606,700	\$ 1,317,564,000	\$ 1,167,463,100	

1 Includes General Funds carried over from FY 02 in the amount of \$5,072,600.

2 Funding for the Endowment Match program provides a one time debt service payment in FY 2003-04.

3 HB 269 includes \$1.0 million restricted funds in each year for the Rural Innovation Fund.

4 HB 269 includes \$1.0 million restricted funds in each year for the Knowledge Based Economy Academic Programs.

5 HB 269 includes \$2.0 million in one-time restricted funds in FY 2002-03 for EPSCoR.

6 \$2.0 million was put in the Education Professional Standards Board.

Note: In FY 02, debt service in the Technology Trust Fund (\$3.8 million) and the Physical Facilities Trust Fund (\$20.9 million) was transferred to the Finance and Administration Cabinet. Funds in FY 02 for the Enrollment G

COMMONWEALTH OF KENTUCKY POSTSECONDARY EDUCATION
COMPARISON OF FISCAL YEAR 2001-02, COUNCIL RECOMMENDATION, AND HOUSE BILL 269
STATE GENERAL FUND APPROPRIATIONS

	Fiscal Year 2002-03			Fiscal Year 2003-04	
	2002-03 Executive Spending <u>Plan</u>	Council <u>Recommendation</u>	<u>HB 269</u>	Council <u>Recommendation</u>	<u>HB 269</u>
program, Action Agenda, Workforce Development Training, and Faculty Development have been transferred to the institutions' base budgets.					

Council on Postsecondary Education
March 24, 2003

Legislative Update

The 2003 Kentucky General Assembly adjourned March 11 and will return March 24 and 25 to complete its work. At this writing, few pieces of legislation have passed that have a direct impact on the postsecondary system. Below is a brief description of some of those:

- Senate Bill 85 establishes procedures for making available postsecondary textbooks and instructional materials in forms accessible to people with disabilities. The Council on Postsecondary Education is required - to the degree funds are available - to maintain a repository of these materials.
- Senate Bill 152 excludes individuals who reside outside the 50 states from serving on the board of regents of a comprehensive university or the Kentucky Community and Technical College System. The Council on Postsecondary Education is required to notify current regents who are ineligible to serve.
- House Bill 40 allows Kentucky students who are enrolled in theology, divinity, or religious programs of study to receive scholarships and grants administered by the Kentucky Higher Education Assistance Authority. These students were previously ineligible.
- House Bill 194 requires the Council on Postsecondary Education to work with the Kentucky Commission on Services and Supports for Individuals with Mental Illness on workforce issues in the field of mental health.
- House Bill 223 makes various changes to the Kentucky Postsecondary Education Improvement Act of 1997 regarding the structure and governance of the Kentucky Community and Technical College System.
- House Concurrent Resolution 141 directs the Interim Joint Committee on Education to study the Kentucky Educational Excellence Scholarship (KEES) program and suggest changes to the program before the 2004 session of the General Assembly.

Staff preparation by Bill Swinford

Development of 2004-06 Operating and Capital Recommendations and Tuition Guidelines

Over the coming months, the council and institutional staffs will begin compiling data on the benchmark institutions and refining the guidelines that are to be used to develop the 2004-06 operating budget and capital projects recommendations. The council staff will bring several discussion items to the council at its May meeting.

Benchmark Funding Model

The council staff in consultation with institutional staff will review the most recent data available (FY 2002) from the Integrated Postsecondary Education Data System (IPEDS) for the benchmark institutions. Benchmark institutions will be surveyed to update state funding information on debt service and mandated non-instructional public service and research programs. By agreement through the *Points of Consensus* (adopted at the February council meeting), the benchmark model will be used and the current benchmark institutions will be retained to develop the 2004-06 operating budget recommendation.

Tuition and Fees Revenue Deduction

The council staff in consultation with institutional staff will review the tuition guidelines and present a set of draft guidelines for the 2004-06 recommendation. The 2002-04 tuition guidelines suggested a standard deduction of 30 percent for the KCTCS, Lexington Community College, and Kentucky State University and a 37 percent reduction for the other universities. The benchmark funding model deducts tuition and fees revenue from the calculated public funds for the benchmark and Kentucky institutions to determine the funding need.

The council staff in consultation with the institutions will revise the tuition guidelines. Each institution establishes its own tuition rates consistent with guidelines approved by the council.

Funding Objective - Measure of Central Tendency

The council staff in consultation with institutional staff will develop a draft measure of central tendency (defined as an average of a set of observations such as a mean, median, or a percentile) to be used to determine the 2004-06 benchmark funding objective for each institution. Several measures will be calculated and discussed with the institutions and then presented to the council for discussion. After further discussion with the presidents and chief budget officers, the council staff will bring a recommendation on the 2004-06 measure of central tendency to the council for action.

Enrollment

The council staff will discuss with institutional staff the possibility of using the estimated fall 2003 enrollment to calculate the institutions' 2004-06 benchmark funding need. The 2002-04 benchmark funding calculation used the estimated fall 2001 FTE enrollments.

2004-06 Capital Planning

The institutions and council staff are developing the 2004-2010 Six-Year Capital Plan, which is to be submitted to the Capital Planning Advisory Board on or before April 15, 2003. Typically, the projects identified in the first two years (2004-06) of the Six-Year Capital Plan evolve into the capital projects request.

The council staff with input from institutional staffs will develop suggestions for establishing the postsecondary education statewide capital construction priorities or priority categories.

Following the discussions with the institutions, the council staff will bring a recommendation to the council for discussion and consideration.

Special Requests

The council staff will discuss with institutional staffs how to improve the request and evaluation guidelines to be used for submission of special requests for 2004-06. After the discussions with the institutional staffs, the council staff will bring a recommendation on the 2004-06 Special Funding Request Guidelines and Evaluation Criteria to the council for consideration.

Staff preparation by Sherron Jackson and Linda Jacobs

Conference Update

The council staff coordinates and participates in numerous conferences and other activities to promote postsecondary reform. At each council meeting, the staff will report on recent activities.

Kentucky's participation in the National Forum on College-Level Learning's student learning project promises to provide valuable results, results that will help answer Question 4 ("Are we preparing Kentuckians for life and work?"). Representatives of four pilot states participating in the National Forum project met in Louisville February 13 and 14. Governor Patton opened the meeting. Among the Kentucky attendees were Ron Greenberg, Tom Layzell, Sue Hodges Moore, Bob Sexton, Gary Cox, Mark Wasisko (representing postsecondary education chief academic officers), and Rick Feldhoff (representing faculty leadership). During the meeting, staff from the National Forum presented the model that will be used to assess student learning for the 2004 version of *Measuring Up*, the state-by-state national report card on postsecondary education. Participants discussed strategies for increasing support for the project within the participating states (particularly among independent institutions), working with national testing entities to gather data necessary for the project, and sustaining the project at a national level. Over the next several months, the council staff will work with institutional representatives to gather information in support of Kentucky's participation.

The Council on Postsecondary Education and Northern Kentucky University hosted the 2003 Student Advising Conference February 20 and 21. The conference was a response to recent student engagement and alumni surveys that identified academic and career advising as areas in need of institutional attention and improvement. The conference theme, "Promoting Student Success Through Advising," offered opportunities for teams from each of Kentucky's public postsecondary institutions to learn about new initiatives to provide student support and improve retention and job placement. Conference presentations addressed Question 3 ("Are more students advancing through the system?") and Question 4 ("Are we preparing Kentuckians for life and work?").

Dr. Wes Habley, Director of the Office of Educational Practices, American College Testing Program, provided the keynote address. He outlined the future of advising, including innovative approaches to advising an increasingly diverse student body. Dr. Catherine Buyarski, Director of the University College Advising Center, Indiana University-Purdue University Indianapolis, presented advising strategies recognized by the National Academic Advising Association's Outstanding Institutional Program Awards in 2000 and 2001. In addition, presentations from faculty and staff at Kentucky's postsecondary institutions explored use of technology in advising, increasing campus support for advising activities, and advising non-traditional students.

Over 250 participants attended the conference. A communication network will be created to connect teams across the campuses and support improvements in advising practices. Follow-up activities will be held at the May Faculty Development Conference. Conference evaluations were extremely positive. Mr. Whitehead attended the conference.

To increase the accessibility to postsecondary education and postsecondary enrollments (Question 2, "Are more students enrolling?"), the Kentucky Virtual University held a Policy Workshop for Accessibility of Online Instruction March 6 at the University of Louisville Shelby Campus. The workshop allowed more than 60 participants from over 30 different institutions and state agencies to share resources and lessons learned and to discuss accessibility issues as they met to develop institutional ADA/Section 508 compliance policies for online instruction and to discuss policy implementation. The workshop discussions also were Web-cast live to the institutions by the Kentucky Community and Technical College System. These activities, and an October 10, 2002, ADA Symposium for Online Instruction, were made possible through the support of the institutions, Norb Ryan (State ADA Coordinator, Cabinet for Workforce Development), and the Kentucky Council on Developmental Disabilities.

Plans are underway for the first spring seminar of the Institute for Effective Governance to be held May 19 and 20 in Lexington. All council members, governing board members, and presidents should attend. The seminar will open with a general session on president/board relationships followed by breakout sessions for individual boards. Tuesday's sessions will focus on sustaining reform in tight fiscal times.

Monday evening's reception and dinner will be held in conjunction with the annual Faculty Development Conference. Tom Layzell will be the keynote speaker at dinner.

The Faculty Development Conference also will be May 19 and 20 in Lexington. The council's conference has been linked with the KCTCS annual faculty conference. Three to five hundred faculty are expected to attend. The conference theme is "The Scholarship of Teaching and Learning: Engaging the Learner" and addresses Question 3 ("Are more students advancing through the system?") and Question 4 ("Are we preparing Kentuckians for life and work?"). Programs will help faculty meet the needs of an increasingly diverse population of students. Faculty will share innovative approaches to teaching that meet the needs of minority and nontraditional students, including students with disabilities, adult students, and part-time students. Programs also will demonstrate creative uses of new technologies that increase all students' learning.

Staff preparation by Christina Whitfield, Deborah Jackson,
Myk Garn, Phyllis Bailey, and Ben Boggs

Executive Summary

1. Are more Kentuckians ready for postsecondary education?

The staff recommends that the council approve the proposed amendments to the administrative regulation titled 13 KAR 2:090. *Kentucky Educational Excellence Scholarship (KEES)* and file the administrative regulation with the Legislative Research Commission in accordance with the statutory requirements in KRS Chapter 13A. (For details, see page 35).

In response to requests made by students, high schools, and agencies responsible for implementing the KEES program, the staff proposes several amendments to the council's administrative regulation governing the program. A public hearing is scheduled for May 28, 2003.

Beginning on page 57 is a P-16 Council report that describes recent developments on the American Diploma Project and the creation of a very active network of local P-16 councils.

Commissioner of Education Gene Wilhoit will give a report on the activities of the Kentucky Department of Education.

Revisions to KEES Regulation

Action: The staff recommends that the council approve the proposed amendments to the administrative regulation titled, 13 KAR 2:090. *Kentucky Educational Excellence Scholarship (KEES) Program* and file the administrative regulation with the Legislative Research Commission in accordance with the statutory requirements in KRS Chapter 13A.

These proposed amendments to the administrative regulation update the lists of five-year undergraduate programs and equivalent undergraduate programs, clarify instructions for submitting information by the children of military parents, and modify the KEES curriculum definition.

The proposed amendments are:

- That five-year engineering programs in which Kentucky residents enroll through the Academic Common Market be added (Attachment A) and that the University of Kentucky's undergraduate architecture program be removed from the list of five-year programs. UK re-configured its undergraduate architecture program as a four-year program when implementing a master's in architecture program. Students enrolled in five-year programs are eligible for 10 semesters of KEES awards. These programs require a significantly greater number of credit hours than most undergraduate programs.
- That additional equivalent undergraduate programs be added to the KEES List 402 (Attachment B) as requested by the University of Kentucky and the University of Louisville. Equivalent undergraduate programs allow students to be classified as graduate-level students prior to completing a bachelor's degree. Students in equivalent undergraduate programs are eligible for eight semesters of KEES awards, despite being listed as graduate students in the latter part of the program.
- That the form used by the children of military parents to submit high school grade information, "Data Submission-KEES Form 302, September 2002," be modified (Attachment C).
- That the definition of the KEES curriculum be modified to allow students who graduate from high school at the end of the fall semester to earn KEES awards when they complete three or more courses of study during their last semester of high school. Current regulations require five courses to qualify for KEES support.

See the revised administrative regulation (Attachment D).

A public hearing on the proposed amendments is scheduled May 28, 1p.m., in Conference Room B at the council offices in Frankfort. The final version of the KEES administrative regulation will be submitted to the council.

Staff preparation by Barbara Cook

**Additional Engineering Programs Available for Five-Year KEES
Awards**

CIP	Program Title
14.0201	Aerospace Engineering
14.0401	Architectural Engineering
14.0501	Biomedical Engineering
14.1301	Engineering Science (Biomedical Engineering)
14.1401	Environmental Engineering
14.2301	Nuclear Engineering
14.2401	Ocean Engineering
14.2801	Textile Engineering
14.3501	Industrial Engineering

March 2003

Equivalent Undergraduate Programs List 402, J

Program

Accounting
 Accounting
 Agricultural Economics
 Agriculture/Agricultural Sciences, General
 Anthropology
 Biology
 Biology
 Biosystems and Agricultural Engineering
 Business
 Business (MBA)
Business Administration
 Chemical Engineering
Chemical Engineering
 Chemistry
 Chemistry
 Civil Engineering
Civil Engineering
 Classics and Classical Languages and Literatures
 Clinical Psychology
 Communications
 Communications
 Community Organization, Resources and Services
 Computer and Information Sciences
Computer Engineering and Computer Science
 Corporate and Organizational Communication
 Counselor Education/Student Counseling and Guidance Services
Dentistry
Dentistry
 Diplomacy and International Commerce
 Economics
 Electrical Engineering
Electrical Engineering
 Elementary Teacher Education
 Elementary, Middle and Secondary Education Administration
 Engineering Technology/Technician, General
 Engineering/MBA
 Engineering/MPA
 English Language and Literature, General
 Exercise Sciences/Physiology and Movement Studies
Family Studies
 Forestry Sciences
 French
 French
 Geography
 Geosciences
 History
 History
 Human Services
 Humanities
 Individual and Family Development Studies
Industrial Engineering
 Information Sciences and Systems
 Junior High/Intermediate/Middle School Teacher Education
Law

Equivalent Undergraduate Programs List 402, J:

Program

Materials Engineering
 Mathematics
 Mathematics
 Mechanical Engineering
Mechanical Engineering
Medicine
Medicine
 Music History and Literature; Music - General Performance
 Music Teacher Education
 Nursing
 Nursing
 Nursing, General (Post-R.N.)
 Occupational Safety and Health Technology/Technician
 Physical Education Teaching and Coaching
 Physical Therapy
 Physics
 Physics
 Political Science and Government
 Psychology, General
 Public Administration
 Public Administration
 Reading Teacher Education
 Secondary Teacher Education
 Sociology
 Sociology
 Spanish
Spanish
 Special Education, General
 Speech Pathology and Audiology
 Teaching English as a Second Language/Foreign Language
 Technology Teacher Education/Industrial Arts Teacher Education
 Trade and Industrial Teacher Education (Vocational)
 Water Science

January 2003 [~~September 2002~~]

Institution

Murray State University
 University of Kentucky
 University of Kentucky
 Murray State University
 University of Kentucky
 Murray State University
 University of Louisville
 University of Kentucky
 Murray State University
 Bellarmine University
University of Louisville
 University of Kentucky
University of Louisville
 Murray State University
 University of Kentucky
 University of Kentucky
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 Murray State University
 Murray State University
 University of Kentucky
 Lindsey Wilson College
 University of Louisville
 University of Kentucky
University of Louisville
 Murray State University
 Murray State University
University of Kentucky

January 2003 [~~September 2002~~]

Institution

University of Kentucky
Murray State University
University of Louisville
University of Kentucky
University of Louisville
University of Kentucky
University of Louisville
University of Kentucky
Murray State University
Bellarmine University
University of Kentucky
Murray State University
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Data Submission – KEES Form 302, January 2003 ~~September 2002~~

Data requirements for Kentucky students with custodial parent
or guardian in active military service outside Kentucky

Kentucky Department of Education
Division of Data Policy Management and Research
500 Mero Street
Frankfort, Kentucky 40601
Phone: 502-564-5279 Fax: 502-564-9166
Email: datarepo@kde.state.ky.us

Kentucky Educational Excellence Scholarship (KEES) Data Submission Format

Please submit the data listed below in the format described below to the Kentucky Department of Education (KDE) for each student as requested. Data submitted should always be for the academic year just completed and must be received by KDE not later than June 30 each year. Additional information about the KEES program is available at <http://www.kheaa.com>.

Field Name	Start	Length	End	Type	Required	Format/Comments/Edits
Social Security Number	1	9	9	A/N	Yes	Must be a valid SSN
Last Name	10	35	44	A/N	Yes	
First Name	45	12	56	A/N	Yes	
Middle Initial	57	1	57	A/N	No	
Date of Birth	58	8	65	N	Yes	Format = CCYYMMDD (19830729) <i>Must be valid date.</i>
Street Address/P.O. Box/Route	66	30	95	A/N	Yes	Use street address for current residence
City	96	24	119	A/N	Yes	Use city of current residence
State	120	2	121	A	Yes	Must be a valid state code
Zip Code	122	5	126	N	Yes	Use zip code of current residence
Zip Plus 4	127	4	130	N	No Yes	Must be filled with '0000' if Zip + 4 is not known. Field must contain '0000' if code is not known.
High School Graduation Date	131	8	138	N	Yes	Format = CCYYMMDD (Actual or Projected). <i>Must be greater than 20010630.</i>
Academic Year	139	8	146	N	Yes	Format = CCYYCCYY (20012002). This will always be the Academic Year that the student just completed .
Academic Classification	147	2	148	N	Yes	<i>Must = '08', '09', '10', '11', or '12'.</i> This is the student's Academic Classification for the Academic Year just completed .
District Code	149	3	151	N	Yes	Must = '999'
School Code	152	3	154	A/N	Yes	Must = 'MIL'
KEES Eligible Student	155	1	155	A/N	Yes	Value = 'Y' if student requested that the data be submitted, if the student's curriculum meets the requirements of the KEES curriculum, if the student's high school is a member of an organization belonging to the Commission on International and Trans-Regional Accreditation or is a Department of Defense School, and if the student attended the school for at least 140 days of the minimum school term, and has a 2.5 GPA or above at the end of any academic year beginning after July 1, 1998, and who is not a convicted felon, else

						value = 'N'. <i>Must be a 'Y' or 'N'.</i>
Yearly Grade Point Average (Not required for Academic Classification '08'.)	156	3	158	N	No Yes	Format = 9v99 e.g. if the GPA is 3.76 then the value of this field would be '376'. GPA is for the Academic Year just completed and does not include prior year grades (i.e., it is not cumulative). Must not exceed 5.0. Field must contain a valid value for all academic years greater than '08'
ACT Score	159	2	160	A/N	No	ACT or SAT score required for seniors for supplemental award consideration. <i>Must = '00' to '36'.</i>
SAT Score	161	4	164	A/N	No	ACT or SAT score required for seniors for supplemental award consideration. <i>Must = '0000' to '1600'.</i>
Cumulative Grade Point Avg. (Not required for Academic Classification '08'.)	165	3	167	A/N	Yes	Format = 9v99 e.g. if the GPA is 3.76 then the value of this field would be '376'.
Gender	168	1	168	A	Yes	M – Male F – Female
Race	169	1	169	N	Yes	1 – White (not Hispanic) 2 – Black (not Hispanic) 3 – Hispanic 4 – Asian or Pacific Islander 5 – American Indian or Alaska Native 6 – Other
Filler	170	31	200	A/N	Yes	Filled with spaces.

The submitted text file should be named **K999MIL.YY** (With YY equal to the school year for which this file is being submitted. For example, for the school year 2001-2002, the file should be named **K999MIL.02**). Email the text file to datarepo@kde.state.ky.us.

Kentucky Educational Excellence Scholarship (KEES)

KEES, Kentucky's merit-based scholarship, is available to all eligible students based on their high school grades and highest ACT score. Students must have an annual 2.5 or better GPA for the base amount of the scholarship and a 15 or higher ACT (or equivalent SAT) score for the bonus award. Students can earn up to \$2,500 that can be applied to their college costs each year. Students do not need to apply for the scholarship. High schools are responsible for providing information about eligible students to the Kentucky Department of Education. The KDE will compile and forward the student data to the Kentucky Higher Education Assistance Authority (KHEAA). KHEAA will send award notifications to students after the end of each school year.

KEES merit-based scholarship data will be used by the Council on Postsecondary Education to monitor the transition of high school graduates into the postsecondary education system. This data will allow for the calculation of statewide college-going rates and be used in the analysis of student transition and success issues in support of P-16 initiatives.

The Council on Postsecondary Education (CPE) is empowered under KRS 164.020(6) to engage in analysis and research of postsecondary education. The Council's approach to collection, maintenance, and use of postsecondary education data and to the release of this information is within the guidelines established by state and federal statutes.

Confidentiality

KHEAA, primarily responsible for administering KEES, is empowered under KRS 164.744 to insure loans and to provide loans, grants, scholarships, and work-study awards to students who are residents of Kentucky. KHEAA certifies that information obtained by KHEAA from local school districts shall be used exclusively by KHEAA for the purposes

prescribed in KRS 164.744 and that no such information shall be disclosed by KHEAA to any other person or organization nor used or disclosed for any other purpose.

The Council on Postsecondary Education (CPE) is empowered under KRS 164.020(6) to engage in analysis and research of postsecondary education. The Council's approach to collection, maintenance, and use of postsecondary education data and to the release of this information is within the guidelines established by state and federal statutes.

The Family Educational Rights and Privacy Act of 1974 (Buckley Amendment), as amended, is the basis for the CPE's policy on confidentiality and for the release of student-specific data. Council staff maintains the same level of confidentiality as practiced by all institutions of postsecondary education, consistent with state and federal law, and responds to external data requests in the form of compiled information rather than raw data.

General information on KEES program eligibility and requirements may be addressed to Tim Phelps with KHEAA at (800) 928-8926 ext. 7391 or (502) 696-7397. Information is also easily accessible through the KHEAA web site at www.kheaa.com.

Questions concerning authorized curriculum and grading scale may be addressed to Barbara P. Cook with the Council on Postsecondary Education at (502) 573-1555. This information is also available on the KHEAA web site at www.kheaa.com.

Questions concerning the file format may be addressed to Tina Logan or Michele Holmes with the Department of Education at (502) 564-5279.

1 COUNCIL ON POSTSECONDARY EDUCATION

2 (Amendment)

3 13 KAR 2:090. Kentucky Educational Excellence Scholarship (KEES) Program.

4 RELATES TO: KRS 154A.130(4), 164.7535, 164.7871, 164.7874, 164.7877, 164.7879,
5 164.7881, 164.7885, 164.7889

6 STATUTORY AUTHORITY: KRS 164.020(29), 164.7874, 164.7877(3), 164.7879(1), (2), (3),
7 164.7881(4)(a) and (c), (6)

8 NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.7877(3) requires the council to
9 administer the Kentucky Educational Excellence Scholarship (KEES) Program. KRS 164.7877(3)
10 requires the council to administer the funds appropriated to the trust fund for the program. KRS
11 164.7874(14) requires the council to determine the KEES curriculum's courses of study. KRS
12 164.7879(3)(c) requires the council to determine the eligibility of a noncertified, nonpublic high
13 school graduate and for a GED recipient for a supplemental award. KRS 164.7874(3) requires the
14 council to establish a table to convert an SAT score to an ACT standard. KRS 164.7881(6) requires
15 the council to establish a five (5) year postsecondary education program standard. KRS
16 164.7881(4)(a) requires the council to establish overall award levels for the program. KRS
17 164.7879(2)(c) requires the council to determine eligibility for children of parents who are in the
18 military and who claim Kentucky as their home of record. KRS 164.7535 and 164.7881(4)(c) re-
19 quire the council to identify equivalent undergraduate programs of study. This administrative regu-
20 lation establishes those requirements relating to the Kentucky Educational Excellence Scholarship
21 (KEES) Program.

Section 1. Definitions. (1) "Academic term" means the fall or spring semester or their equivalence under a trimester or quarter system at a postsecondary education institution and shall not include summer sessions.

(2) "Academic year" is defined in KRS 164.7874(2).

(3) "Accredited out-of-state high school" means a high school that is:

(a) Located in a state other than Kentucky or in another country; and

(b) A member of an organization belonging to the Commission on International and Trans-Regional Accreditation.

(4) "ACT" means the test:

(a) Administered to a student for entrance to a Kentucky postsecondary education institution; and

(b) Owned by the ACT Corporation of Iowa City, Iowa.

(5) "Advanced placement" means a cooperative educational endeavor between secondary schools and colleges and universities administered by the College Board of the Educational Testing Service and recognized by KDE.

(6) "Authority" or "KHEAA" is defined in KRS 164.7874(4).

(7) "Council" or "CPE" is defined in KRS 164.7874(7).

(8) "Cumulative grade point average" means the total grade point average for a postsecondary education student as reported by the postsecondary education institution where a student is currently enrolled.

(9) "Department of Defense school" means a school operated by the U. S. Department of Defense for the purpose of providing a high school education to a child whose custodial parent or

guardian is in active military or diplomatic service in a state other than Kentucky or in another country.

(10) "Eligible high school student" is defined in KRS 164.7874(8) and 164.7879(2)(c).

(11) "Enrolled" means the status of a student who has completed the registration requirements, except for the payment of tuition and fees, at a participating postsecondary education institution that a student is attending.

(12) "GED" means a general educational development diploma awarded to a student.

(13) "High school" is defined in KRS 164.7874(12).

(14) "International baccalaureate course" means a course in a secondary education program sponsored by the International Baccalaureate Organization and recognized by the KDE in 704 KAR 3:340, Section 2(3)(b).

(15) "KDE" means the Kentucky Department of Education authorized and established pursuant to KRS 156.010.

(16) "KEES curriculum" is defined in KRS 164.7874(14).

(17) "Participating institution" is defined in KRS 164.7874(18).

(18) "SAT" means the test:

(a) Administered to a student for entrance to a Kentucky postsecondary education institution; and

(b) Owned by the college board.

Section 2. High School Grade Point Average Calculation and Reporting. (1) An eligible high school student's grade point average, as defined in KRS 164.7874(11), for an academic year shall be calculated using each grade awarded for all courses taken during an academic year.

(2)(a) Except as provided in paragraph (b) of this subsection, an eligible high school student's

grade point average shall be calculated by:

1. Taking the number of units in a course multiplied by the course grade as expressed on a 4.0 point grading scale where 4.0 is an "A" and 0.0 is an "F;"

2. Adding the total number of points accumulated for an academic year; and

3. Dividing the total number of points accumulated in subparagraph 2 of this paragraph by the total number of units for the academic year.

(b) Notwithstanding the provisions of paragraph (a)1 of this subsection, for an eligible high school student taking an advanced placement or international baccalaureate course during the academic year, the grade assigned shall be calculated using a 5.0 point scale where 5.0 is an "A" and 1.0 is an "F."

(3) The grade point average reported for an eligible high school student for each academic year shall include all information as set forth in KRS 164.7885(1) and in the manner as the KDE or the KHEAA shall require.

(4) A high school student who participated in an educational high school foreign exchange program or the Congressional Page School that was approved by the student's local high school shall have the student's grade point average reported in accordance with KRS 164.7879(2)(b).

Section 3. High School Students of Custodial Parents or Guardians in Active Military Service.

(1)(a) For purpose of determining eligibility under the provisions of KRS 164.7879(2)(c), a high school student shall establish that the custodial parent or guardian meets the requirements of KRS 164.7879(2)(c)1 and 2 and shall submit the council's "Home of Record Certification" designated as KEES 102.

(b) The council annually shall certify to the Kentucky Department of Education the names of students who are eligible under the provisions of KRS 164.7879(2)(c).

1 (c) The council annually shall notify the eligible high school student and the custodial parent or
2 guardian of the student's eligibility.

3 (2)(a) A high school student, determined to be eligible for the KEES program under the terms of
4 KRS 164.7879(2)(c) and subsection (1)(a) of this section, shall be responsible for:

- 5 1. Requesting grade and curriculum information from the local school; and
- 6 2. Requesting that the local school submit the information to the Kentucky Department of Edu-
7 cation using the Kentucky Department of Education's "Curriculum Certification" Form KEES 202
8 and the "Data Submission" Form KEES 302.

9 (b) The Kentucky Department of Education, upon receipt of curriculum and grade information
10 from an accredited out-of-state high school or Department of Defense school for a student deter-
11 mined to be eligible for the KEES program under this section, shall:

- 12 1. Verify that the submitted curriculum meets the requirements of Section 4 of this administra-
13 tive regulation;
- 14 2. Verify that the out-of-state high school or Department of Defense school is an accredited high
15 school;
- 16 3. Retain the "Curriculum Certification" on file until the student's eligibility has expired; and
- 17 4. Submit the grade information to the KHEAA.

18 Section 4. KEES. (1) A Kentucky postsecondary student shall be eligible to receive a base
19 scholarship award if the student:

- 20 (a) Has earned a base scholarship award in high school;
- 21 (b) Has completed the KEES curriculum as set forth in subsection (2) of this section;
- 22 (c) Has graduated from a Kentucky high school except as provided in Section 2(4) or 3 of this
23 administrative regulation; and

1 (d) Is enrolled in a participating institution in an eligible program.

2 (2) Except as provided in subsection (4) ~~{{(3)}}~~ of this section, the KEES curriculum shall consist
3 of the courses and electives required by this subsection.

4 (a) For a student enrolled in high school during the 1998-1999 academic year, the curriculum
5 required in 704 KAR 3:305, Section 1 or 2, as appropriate without restriction on the type of elec-
6 tives taken.

7 (b) For a student enrolled in high school during the 1999-2000 and 2000-01 academic years and
8 who is required to meet the curriculum standards in 704 KAR 3:305, Section 1, the eight (8) elec-
9 tives required by 704 KAR 3:305, Section 1, shall be taken in the areas and according to the stand-
10 ards established in paragraph (d) of this subsection.

11 (c) For a student enrolled in high school during 1999-2000 and for each year thereafter who is
12 required to meet the curriculum standards in 704 KAR 3:305, Section 2, five (5) of the seven (7)
13 electives required by 704 KAR 3:305, Section 2 shall be taken in the areas and according to the
14 standards established in paragraph (d) of this subsection.

15 (d) The following subject areas and standards shall be applicable for electives. An elective in:

16 1. Social studies, science, mathematics, English/language arts, or arts and humanities shall be a
17 course whose academic content is as rigorous as the content established for courses in this area in
18 703 KAR 4:060.

19 2. Physical education or health shall be a course whose academic content is as rigorous as the
20 content established for courses in this area in 703 KAR 4:060, and shall be limited to one-half (1/2)
21 academic unit of credit for each area.

22 3. Foreign languages shall be a course whose academic content includes teaching the spoken
23 and written aspects of the language.

4. Agriculture, industrial technology education, business education, marketing education, family and consumer sciences, health sciences, technology education or career pathways shall be a course whose academic content is beyond the introductory level in the vocational education areas of study as established by 703 KAR 4:060.

(3) Students who graduate from high school at the end of the fall semester of their senior year and who meet the requirements of KRS 164.7874 (14) are eligible to earn a KEES award for that year upon:

(a) completion of no fewer than three (3) courses of study; and

(b) satisfying the provisions of KRS 164.7879.

(4) A high school may substitute an integrated, applied, interdisciplinary or higher level course for a required course or required elective if:

(a) The course provides the same or greater academic rigor and the course covers the minimum required content areas or exceeds the minimum required content areas established in 703 KAR 4:060, and the document "Academic Expectations"; or

(b) The course is an honors course, cooperative education course, advanced placement course, international baccalaureate course, dual credit course, or a course taken at a postsecondary education institution.

(5) ~~[(4)]~~ A high school annually shall provide written documentation to a student on whether the student's schedule of coursework meets the requirements of the KEES curriculum.

Section 5. Eligible Postsecondary Education Programs. (1) An eligible program shall be a certificate or degree program offered by a participating institution and recognized by the council.

(2) An eligible program at an out-of-state participating institution shall be limited to those programs that qualify through the Academic Common Market administered by the Southern Regional

Education Board except as provided in subsection (4) of this section.

(3) Pursuant to KRS 164.7881(6), the following academic programs at Kentucky postsecondary education institutions shall be approved as five (5) year baccalaureate degree programs:

(a) ~~Architecture (04.0201);~~

~~(b) Landscape architecture (04.0601);~~ and

(b) ~~(c)~~ Engineering (14.0101, 14.0201, 14.0301, 14.0401, 14.0501, 14.0701, 14.0801, 14.0901, 14.1001, 14.1201, 14.1301, 14.1401, 14.1701, 14.1801, 14.1901, 14.2101, 14.2301, 14.2401, 14.2801, 14.9999.01, 14.3501).

(4) Pursuant to KRS 164.7535 and 164.7881(4)(c)1, an academic program shall be designated as an equivalent undergraduate program of study if the student in the program of study:

(a) Has not received eight (8) semesters of a KEES award;

(b) Is classified by an institution as a graduate or professional student and is enrolled in one (1) of the following academic programs:

1. Pharm. D;

2. The optometry or veterinary medicine programs at an institution which is a part of the Kentucky Contract Spaces Program; or

3. A program contained on the Equivalent Undergraduate Programs List 402; and

(c) Has not completed a baccalaureate degree.

Section 6. SAT Conversion Table. Pursuant to KRS 164.7874(3), the following SAT to ACT Conversion Table shall be used:

Table C-2

Concordance Between SAT I Recentered V+M Score and ACT Composite Score

SAT I V+M	ACT Compo- site	SAT I V+M	ACT Compo- site	SAT I V+M	ACT Composite	SAT I V+M	ACT Compo- site	SAT I V+M	ACT Compo- site
1600	35-36	1370	31	1140	25	910	19	680	14
1590	35	1360	31	1130	25	900	19	670	14
1580	35	1350	30	1120	24	890	18	660	14
1570	35	1340	30	1110	24	880	18	650	13
1560	35	1330	30	1100	24	870	18	640	13
1550	34	1320	30	1090	24	860	18	630	13
1540	34	1310	29	1080	23	850	17	620	13
1530	34	1300	29	1070	23	840	17	610	13
1520	34	1290	29	1060	23	830	17	600	13
1510	34	1280	29	1050	22	820	17	590	13
1500	33	1270	28	1040	22	810	17	580	12
1490	33	1260	28	1030	22	800	16	570	12
1480	33	1250	28	1020	22	790	16	560	12
1470	33	1240	28	1010	21	780	16	550	12
1460	33	1230	27	1000	21	770	16	540	12
1450	32	1220	27	990	21	760	16	530	12
1440	32	1210	27	980	21	750	15	520	12
1430	32	1200	26	970	20	740	15	510	11
1420	32	1190	26	960	20	730	15	500	11
1410	32	1180	26	950	20	720	15		
1400	31	1170	26	940	20	710	15		
1390	31	1160	25	930	19	700	14		
1380	31	1150	25	920	19	690	14		

This table can be used to relate SAT I V+M scores to ACT Composite scores.

The estimates are based on the test scores of 103,525 students from fourteen (14) universities and two (2) states who took both the ACT and the SAT I between October 1994 and December 1996. Because the ACT and the SAT I have different content, students' actual scores on the ACT could differ significantly from the concordance estimates in the table.

Source: ACT, Inc. Questions about the concordance study may be directed to ACT's Research Division (319/337-1471).

January 1998

Section 7. Criteria for Supplemental Award to Noncertified, Nonpublic High School Students and to GED Students. (1) A Kentucky resident who is a citizen, national or permanent resident of the United States and who graduates from a nonpublic Kentucky high school not certified by the Kentucky Board of Education shall be eligible for a supplemental award if:

(a) The student is not a convicted felon;

(b) The date of the student's graduation is May 1999 or thereafter;

(c) The student takes the ACT or SAT and has at least a minimum score as established by KRS 164.7879(3); and

(d) The student enrolls in a participating institution within five (5) years after graduation from high school.

(2) A Kentucky resident who is a citizen, national or permanent resident of the United States and who has not graduated from either a certified Kentucky high school or a nonpublic Kentucky high school that is not certified by the Kentucky Board of Education shall be eligible for a supplemental award if:

(a) The student is not a convicted felon;

(b) The student's eighteenth (18) birthday occurs on or after January 1, 1999;

(c) The student takes and receives a GED diploma in Kentucky within five (5) years of attaining eighteen (18) years of age;

(d) The student takes the ACT or SAT and achieves a minimum score for eligibility as established by KRS 164.7879(3); and

(e) The student enrolls in a participating institution after July 1, 1999, and within five (5) years of receiving the GED diploma.

(3) A student who graduates from or attends an accredited out-of-state high school or Department of Defense school shall qualify for a supplemental award if:

(a) The parents meet the provisions of KRS 164.7879(2)(c)1 and 2;

(b) The student takes the ACT or SAT and achieves a minimum score for eligibility as established by KRS 164.7879(3); and

(c) The student enrolls in a participating institution within five (5) years of graduating from or attending the accredited out-of-state high school or Department of Defense school.

(4) An eligible student who receives a GED diploma within five (5) years of attaining eighteen (18) years of age shall be eligible for a supplemental award if:

(a) The student takes the ACT or SAT and achieves a minimum score for eligibility as established by KRS 164.7879(3); and

(b) The student enrolls in a participating institution within five (5) years of receiving the GED diploma.

(5) A student requesting a supplemental award under this section shall notify the participating institution where the student has or intends to enroll.

(6)(a) Residency shall be determined by a participating institution in accordance with 13 KAR 2:045.

(b) A participating institution shall determine a student's eligibility for a supplemental award under this section and shall notify KHEAA of the student's eligibility.

Section 8. Supplemental Award. An eligible high school student who receives a supplemental award as a result of taking and receiving a GED within five (5) years of obtaining eighteen (18) years of age shall have a maximum of five (5) years eligibility beyond the date the GED is received.

Section 9. Administrative Responsibilities and Expenses of Program. (1) The CPE annually shall determine the level of funding for expenses associated with the program and shall allocate funds from the "Wallace G. Wilkinson Kentucky Educational Excellence Scholarship Trust Fund" described in KRS 164.7877(1) and (3).

(2) The KDE and the KHEAA annually, by June 15, shall provide to the CPE a budget proposal indicating the amount of funds requested and a detailed listing of the expenditures necessary to operate the program.

(3) The CPE shall notify the KDE and the KHEAA of the amount of funds available for the next fiscal year no later than April 30 of the fiscal year preceding the fiscal year that funds are to be made available.

(4) The CPE shall develop an allotment schedule for the release of the administrative funds and shall notify the KDE and the KHEAA of that schedule.

Section 10. Incorporation by Reference. (1) The following material is incorporated by reference:

(a) "Home of Record Certification, KEES 102", September 2002.

(b) "Curriculum Certification, KEES 202", September 2002;

(c) "Data Submission, KEES 302", January 2003 ~~{September 2002}~~; and

(d) "Equivalent Undergraduate Programs List 402", January 2003 ~~{September 2002}~~.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Council on Postsecondary Education, 1024 Capital Center Drive, Suite 320, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m.

Sue Hodges Moore
Interim President
Council on Postsecondary Education

Date

APPROVED AS TO FORM:

Dennis L. Taulbee
General Counsel
Council on Postsecondary Education

Date

P-16 Council Update

The state P-16 Council will meet March 13, the day after this agenda book is mailed. Postsecondary and P-12 representatives, business, labor, and other education stakeholders will join the P-16 Council at its meeting to form a policy panel to review the research conducted during the first year of *The American Diploma Project*. The goal of the ADP, working with five states including Kentucky, is to make the high school diploma more meaningful to students, postsecondary institutions, and employers alike by securing an agreement to use high school accountability measures in admissions, placement, and hiring decisions. By establishing the changes that need to be made in high school standards in order to obtain this agreement, states will be assured that they have set the bar currently for high school graduation.

The ADP sponsors directed a review, in each participating state, of the assessments that high school students and college freshmen undergo and organized a comparative analysis of the skills that postsecondary faculty believe are necessary for college success with what is actually taught and tested in high school. The ADP sponsors also examined the high school course-taking patterns of workers in highly skilled and mid-level jobs to determine the kind of secondary curriculum, based on actual workplace expectations, that is most likely to prepare students for successful employment in a knowledge-based economy. The project also studied the legal implications of using high school accountability measures for advising, placement, and hiring.

The purpose of the March 13 review with important Kentucky stakeholders is to determine which short- and long-term recommendations to make to Kentucky's various policy-making bodies so that Kentucky's high school standards and assessments can be linked to postsecondary and workforce expectations. Sue Pimentel, an ADP consultant, will join Sheila Byrd, director of the ADP, in leading the discussion. Results of the March 13 meeting will be shared at the March 24 council meeting.

The Council on Postsecondary Education approved two new local councils: one, in Warren and Barren counties, is a designated Go Higher community; and the other covers five counties in the Pennyriple region. The process for forming and reviewing local P-16 councils and Go Higher communities has been combined, and Go Higher communities will now be determined competitively. Several other counties are in the process of developing applications to become Go Higher communities and to form local P-16 councils.

Representatives from Kentucky's local P-16 councils and Go Higher communities met as a group for the second time in February at Elizabethtown Community College. They elected a steering committee and named themselves the Kentucky P-16 Local/Regional Network. They plan to convene regularly prior to the state P-16 Council's quarterly meetings and will report on key issues and activities for local and regional councils at state P-16 Council meetings. They also communicate by a listserv, and a P-16 Web site is in development. All of these efforts will allow

communities to share ideas for raising Kentucky's level of educational attainment with one another and with the state P-16 Council.

Local councils also are working to increase dual credit arrangements between high schools and postsecondary institutions and to raise the level of mathematics achievement statewide. The Owensboro Regional Alliance recently joined representatives of the Lexington Area P-16+ Council to help in the creation of dual enrollment opportunities for Lexington area high school students similar to Owensboro's Discover College programs. Northern Kentucky's Council of Partners in Education has sponsored mathematics colloquia to develop a consensus on how better to meet the mathematics needs of high school students across the state.

Staff preparation by Dianne M. Bazell

Executive Summary

2. Are more students enrolling?
3. Are more students advancing through the system?

Because of inclement weather, the February meeting of the Committee on Equal Opportunities was rescheduled for March 18. The committee will discuss the final report to the U.S. Office for Civil Rights, the report on the comprehensive assessment of Kentucky State University, and an update on teacher education programs. A report on the CEO meeting will be made at the March 24 council meeting. Additional information begins on page 61.

Mr. Raymond Pierce with Baker & Hostetler, LLP, of Cleveland, Ohio, will be present at the March 24 council meeting to discuss the final report of the Kentucky State University comprehensive assessment. A copy of the report will be sent to council members prior to the meeting.

Council on Postsecondary Education
March 24, 2003

CEO Report

The Committee on Equal Opportunities will meet March 18. The council staff will report that the final status report has been forwarded to the U.S. Department of Education's Office for Civil Rights (OCR) and that the report addressed several commitments in the agreement that have not been completed: the enhancement of Kentucky State University (including the renovation of three facilities); a commitment to improve the KSU teacher education program and the student success rate on the PRAXIS exam; and the University of Louisville's Pathway to Success Program.

The partnership with the OCR ended December 31, 2002. Because all of the commitments in the agreement have not been completed, Kentucky does not expect to be released from the partnership. The agreement between the Commonwealth and the OCR was entered into in May 1999 for the purpose of bringing Kentucky into compliance with Title VI of the Civil Rights Act of 1964. The OCR will determine Kentucky's status by March 31, 2003.

Reports to the Committee

The CEO will discuss the final report of the KSU Comprehensive Assessment at its meeting March 18. Representatives of the assessment team will be present at the March 24 council meeting to discuss the final report. A copy of the report will be sent to council members prior to the meeting.

KSU will present information showing progress toward improvements in the teacher education program. The results of the most recent administration of the PRAXIS exam will not be available until late March or early April.

UofL will present information showing that the Pathways to Success Program does not have a disparaging impact on the enrollment of African American students at the University of Louisville. Information also will be presented showing improved access to the teacher education program for African Americans.

The committee will hear reports about program implementations, student support services, and campus environment from institutional equal opportunity representatives. Dr. Lucien Yates, director of education, recruitment, and retention, Kentucky Department of Education, will discuss programs being implemented to increase the number of African Americans credentialed to become high school principals and superintendents in the Commonwealth.

Planned Activities

The Kentucky Association for Blacks in Higher Education Conference will be held in downtown Louisville at the Galt House Hotel April 16-18, 2003.

The Empowering the Black Community for the 21ST Century Conference will be held at the Galt House Hotel in downtown Louisville, Wednesday, April 23, 2003. The theme of the conference is "Community Advocacy: Education - The Common Thread."

The third statewide conference for participants of the Governor's Minority Student College Preparation Program will be held June 11-12, 2003, at Eastern Kentucky University. At least 200 students are expected to attend.

Transylvania University will host the 16TH Annual Academically Proficient African American High School Junior and Senior Conference June 20-21, 2003. Approximately 300 students, parents, and college representatives from across the Commonwealth are expected to participate.

The Committee on Equal Opportunities is scheduled to meet Monday, April 21, 2003, in Meeting Room A at the council office. However, the committee may wish to change this date because of the March 18 meeting.

Staff preparation by Rana Johnson and Sherron Jackson

Executive Summary

4. Are we preparing Kentuckians for life and work?
5. Are Kentucky's communities and economy benefiting?

The council staff presented a status report on the incentive trust funds at the February 3, 2003 meeting. The council members asked for more information regarding audit compliance, diversity, and pledge collection. This information begins on page 65.

Updated information is now available for two research and development indicators under Question 5. Results for Indicator 5.8, endowments in the research priority areas of the knowledge-based economy, are mixed. Results for Indicator 5.9, expenditures from endowments and gifts in the research priority areas, show significant progress. More information begins on page 73.

The staff recommends that the council award federal *No Child Left Behind*, Title II, Part A funds in the amount of \$1,082,500 for April 1, 2003 – July 31, 2004, to support four projects. (For details and a list of the projects, see page 77).

Projects funded under the Improving Educator Quality State Grant Program engage postsecondary faculty in delivering professional development to teachers working in high-need school districts in the areas of mathematics, science, reading, and school leadership. The

program replaces the Dwight D. Eisenhower Higher Education Grant Program, which funded professional development workshops for K-12 mathematics and science teachers.

Last summer the council staff visited each university and the KCTCS to review campus policies and procedures for approving new academic programs. At that time, the council staff made several recommendations for improvement to the institutions. A report summarizing the their responses begins on page 79.

The staff recommends that the council approve the University of Kentucky request to renovate the Urology Clinic of the Wright Medical Plaza facility on the main campus with \$550,000 of private funds. (For details, see page 83).

The staff recommends that the council approve the University of Kentucky request to renovate the Pediatrics Hematology and Oncology Clinic of the Kentucky Clinic Building, with \$850,000 of private funds. (For details, see page 85).

The University of Kentucky has requested that the council approve the renovation of the Urology Clinic and the renovation of the Pediatrics Hematology and Oncology Clinic to support patient diagnosis and treatment, as well as research. Both projects are public/private collaborative efforts between UK, private business, and citizens to provide adequate facilities to serve the needs of patients.

Endowment Match Program Status Report

The trust fund status report that was presented to the council at its February 3 meeting contained a report on the investment and incentive trust funds established through House Bill 1. The report examined the sources and uses of match program funds for FY 2001-02. Council members asked for additional information regarding audit compliance, diversity, and pledge collection. A summary of the information follows.

Audit Compliance

Potter & Company, LLC, the council's external auditors, noted both in the 2000-01 and 2001-02 audit report (Finding 02-6) that the language in the Regional University Excellence Trust Fund states the purpose of the trust fund is to encourage the comprehensive universities to develop at least "one nationally recognized program of distinction or one nationally recognized applied research program." The Bucks for Brains program was created in 2000 as an independent program with funds located in the Research Challenge Trust Fund and the Regional University Excellence Trust Fund. It was never intended that the Bucks for Brains dollars be limited to a single, nationally recognized program of distinction or nationally recognized applied research program. The council guidelines allow the comprehensive universities to match endowment funds in areas other than those suggested by the statute. The council agreed to provide language to the executive branch for inclusion in the 2002-04 appropriations bill. The council did so during discussions with the state budget office in 2002 and again in 2003. The requested changes are incorporated in the proposed 2002-04 appropriations bill.

The agency's external auditors also noted that, while the council guidelines permit the comprehensive universities to request a limited amount of funds in the arts and humanities, there is no definition of "limited" in the guidelines that allows for an evaluation of whether requests conform to the guidelines. The council staff proposes to report institutional endowment activity in the arts and humanities to the council so the council can determine whether or not institutional requests in the arts and humanities are, in fact, limited.

Pledge Collection

According to council guidelines, pledges are eligible for state match provided they are based on a written contract or agreement and include a payment schedule that does not exceed five years from the initial pledge date. University officials are required to notify the council staff of the possibility of unpaid pledges six months before the end of the five-year deadline, or immediately when a gift has been revoked.

In July 2002, the Endowment Match Program entered its fifth year of operation. This milestone is significant in that pledges matched during the program's first year (FY 1999) are due by June 30, 2003. The council staff disbursed \$100 million of 1998-2000 program funds to the University of Kentucky and the University of Louisville in 1999 and 2000. Of that amount, \$38.7 million was matched against cash or cash equivalent gifts, and \$61.3 million was matched against pledges (see Table 1). By June 30, 2002, nearly 70 percent of the pledges had been paid, leaving a balance of about \$19.5 million in pledges outstanding.

Following the February 3 council meeting, university officials were asked to provide an assessment of outstanding pledges (as reported June 30, 2002) that are due between March 1, 2003, and March 1, 2004. Using information contained in the 2001-02 match program reports, the council staff identified three pledges totaling \$891,309 at the University of Louisville and 29 pledges totaling \$9,744,202 at the University of Kentucky that are due by March 1, 2004. Campus officials were asked to assess the likelihood of collecting the full amount of these pledges by the due date. The University of Louisville reports that the \$891,309 coming due by March 1, 2004, has already been paid. The University of Kentucky reports that \$933,568 has been paid since June 30, 2002, and expects another \$8,016,659 to be paid on time. According to university officials, it is doubtful that the remaining \$793,975 will be paid by the due date, since the donor has requested more time to complete the pledge. Council guidelines stipulate that pledged funds not received within the required, five-year time frame must be replaced with another eligible cash gift or the unmatched portion of state funds (plus an allowance for accrued interest) will revert to the trust fund for reallocation. The council and the University of Kentucky staffs are discussing this matter.

Extension of Deadline to Match Comprehensive Institution Secondary Pool

At its July 22 meeting, the council ratified a change in the match program guidelines, extending the deadline for submitting requests for 2000-02 program funds to December 31, 2002. As a result of this change, any comprehensive university funds not matched by the assigned institution by the December 31 deadline would become available for match by other comprehensive universities that had fully matched their program allocations by June 30, 2002.

When the December 31, 2002, deadline arrived, all institutions had submitted requests for their share of the endowment match funds; there were no unclaimed funds available for match by other institutions. Each of the six comprehensive universities submitted requests for the full amount of their respective 2000-02 match program appropriations prior to December 31, 2002. To date, the council staff has transferred \$119.1 million in 2000-02 program funds to the universities and is processing the remaining \$852,062 in pending requests (see Table 2).

Institutional Allocation and Use of Endowment Match Fund

The 2000-02 Endowment Match Program Guidelines stipulate that at least 60 percent of match program funds disbursed to the research universities must be used to support the academic disciplines of engineering, technology, computer science, health sciences, life sciences, mathematics, or physical sciences. These areas are of strategic benefit to Kentucky and are core components of the knowledge-based economy.

The council staff, working in conjunction with campus officials, has determined that both of the state's research universities have satisfied the 60 percent requirement with respect to their use of 2000-02 program funds. The University of Kentucky received a total of \$66,667,000 of 2000-02 funds. Of that amount, \$40,082,544, or 60.1 percent, was used to establish or expand endowments in council priority areas. The University of Louisville used \$27,233,000, or 81.7 percent, of its \$33,333,000 allocation to create or enhance endowments in the priority areas.

Diversity

During the 2002 legislative session, Senator Gerald Neal asked the council staff to provide information about the ethnicity of faculty occupying endowed chair and professorship positions established through the Endowment Match Program. The staff and university officials agreed that demographic information pertaining to program faculty and staff should be reported on an ongoing basis and that a timetable for increasing the diversity of program hires should be established. As a result of that agreement, a demographic component was added to program reporting procedures prior to submission of the 2000-01 annual reports. (Note: House Bill 269 [the budget bill just passed by the 2003 General Assembly] calls for the universities to develop and implement strategies for achieving reasonable diversity in the recruitment and retention of women, African Americans, and other underrepresented minorities for positions funded by the Endowment Match Program.)

The 2001-02 match program reports that were presented to the council at its February meeting show a gain in the number of women hired in endowed professorship positions. As can be seen in Table 3, about 21 percent of endowed professors are female, up from 18 percent in 2001. The proportion of women occupying endowed chair positions remained relatively unchanged at around 12 percent. The results are mixed with respect to minority hires. The reports show an increase in the number of non-white faculty hired in endowed chair positions. As can be seen in Table 4, about 12 percent of endowed chairs are minorities, up from 8 percent in 2001. The proportion of non-white faculty occupying endowed professorship positions decreased from 15 percent in 2001 to 14 percent in 2002.

Additional progress has been made in the eight months following the end of the 2001-02 reporting period (i.e., since June 30, 2002). A recent ad hoc survey of chief budget officers indicates that the number of female faculty has increased from 25 to 33 and the number of minority faculty has increased from 19 to 22, with three newly filled positions held by African Americans.

Staff preparation by Dennis Taulbee, Sherron Jackson and Bill Payne

Table 1

**Commonwealth of Kentucky
Endowment Match Program
Collection of Pledges Matched Against 1998-2000 Program Funds**

As of June 30, 2002

Institution\Sequence	Date Requested	State Funds Disbursed	Matched Against		Pledges Outstanding	Percent Paid
			Cash or Equivalent	Pledges		
University of Kentucky						
First Request	12/09/98	42,463,700	18,598,033	23,865,667	6,991,144	70.7%
Second Request	03/10/99	7,783,400	1,319,150	6,464,250	2,694,067	58.3%
Third Request	04/09/99	5,073,900	699,212	4,374,688	524,173	88.0%
Fourth Request	05/07/99	4,787,900	980,450	3,807,450	1,063,064	72.1%
Fifth Request	06/14/99	6,558,100	35,000	6,523,100	2,224,600	65.9%
		66,667,000	21,631,845	45,035,155	13,497,048	70.0%
University of Louisville						
First Request	01/13/99	14,000,000	7,500,000	6,500,000	291,309	95.5%
Second Request	02/18/99	1,500,000	300,000	1,200,000	600,000	50.0%
Third Request	06/15/99	8,000,000	8,000,000	-	-	100.0%
Fourth Request	07/19/99	5,480,000	-	5,480,000	4,980,000	9.1%
Fifth Request	09/13/99	2,000,000	-	2,000,000	125,000	93.8%
Sixth Request	10/25/99	2,353,000	1,228,000	1,125,000	33,030	97.1%
		33,333,000	17,028,000	16,305,000	6,029,339	63.0%
		100,000,000	38,659,845	61,340,155	19,526,387	68.2%

Source: CPE, Endowment Match Program Database and 2001-02 Annual Summary Reports.

Table 2

**Commonwealth of Kentucky
Endowment Match Program
Distribution of 2000-02 Match Program Funds**

As of February 28, 2003

Trust Fund/Institution	Amount Allocated	Amount Disbursed	Requests Pending	Remaining Balance
Research Challenge Trust Fund				
University of Kentucky	\$ 66,667,000	\$ 66,667,000	\$ -	\$ -
University of Louisville	33,333,000	33,333,000	-	-
Sub-Total	<u>\$ 100,000,000</u>	<u>\$ 100,000,000</u>	<u>\$ -</u>	<u>\$ -</u>
Regional University Excellence Trust Fund				
Eastern Kentucky University	\$ 4,900,000	\$ 4,900,000	\$ -	\$ -
Kentucky State University	1,503,000	650,938	852,062	-
Morehead State University	2,925,000	2,925,000	-	-
Murray State University	3,383,000	3,383,000	-	-
Northern Kentucky University	2,664,000	2,664,000	-	-
Western Kentucky University	4,625,000	4,625,000	-	-
Sub-Total	<u>\$ 20,000,000</u>	<u>\$ 19,147,938</u>	<u>\$ 852,062</u>	<u>\$ -</u>
Grand Total	<u><u>\$ 120,000,000</u></u>	<u><u>\$ 119,147,938</u></u>	<u><u>\$ 852,062</u></u>	<u><u>\$ -</u></u>

Source: CPE, Endowment Match Program Request Database.

Table 3

**Commonwealth of Kentucky
Endowment Match Program
Gender of Program Faculty and Staff**

As of June 30, 2002

Institution	Chairs				Professors				Staff				Total			
	Male	Female	Total	Percent Male	Male	Female	Total	Percent Male	Male	Female	Total	Percent Male	Male	Female	Total	Percent Male
Research Universities																
University of Kentucky	21	3	24	87.5	61	14	75	81.3	121	238	359	33.7	203	255	458	44.3
University of Louisville	20	2	22	90.9	1	0	1	100.0	5	8	13	38.5	26	10	36	72.2
Sub-Total	41	5	46	89.1	62	14	76	81.6	126	246	372	33.9	229	265	494	46.4
Comprehensive Universities																
Eastern Kentucky University	1	1	2	50.0	0	1	1	0.0	0	0	0	--	1	2	3	33.3
Kentucky State University	0	0	0	--	0	0	0	--	0	0	0	--	0	0	0	--
Morehead State University	0	0	0	--	2	1	3	66.7	0	0	0	--	2	1	3	66.7
Murray State University	0	0	0	--	0	0	0	--	0	0	0	--	0	0	0	--
Northern Kentucky University	0	0	0	--	0	1	1	0.0	0	0	0	--	0	1	1	0.0
Western Kentucky University	1	0	1	100.0	7	2	9	77.8	0	0	0	--	8	2	10	80.0
Sub-Total	2	1	3	66.7	9	5	14	64.3	0	0	0	--	11	6	17	64.7
Grand Total	43	6	49	87.8	71	19	90	78.9	126	246	372	33.9	240	271	511	47.0
	% Female			12.2	% Female			21.1	% Female			66.1	% Female			53.0

Source: CPE, Endowment Match Program 2001-02 Annual Summary Reports.

Change between 2001 and 2002	Chairs		Professors	
	% Female 2001		% Female 2001	
	% Female 2002	11.8	% Female 2002	18.2
		12.2		21.1
	Difference	0.4	Difference	2.9

Table 4

**Commonwealth of Kentucky
Endowment Match Program
Race of Program Faculty and Staff**

As of June 30, 2002

Institution	Chairs				Professors				Staff				Total			
	White	Non-White	Total	Percent White	White	Non-White	Total	Percent White	White	Non-White	Total	Percent White	White	Non-White	Total	Percent White
Research Universities																
University of Kentucky	20	4	24	83.3	63	12	75	84.0	286	73	359	79.7	369	89	458	80.6
University of Louisville	20	2	22	90.9	1	0	1	100.0	7	6	13	53.8	28	8	36	77.8
Sub-Total	40	6	46	87.0	64	12	76	84.2	293	79	372	78.8	397	97	494	80.4
Comprehensive Universities																
Eastern Kentucky University	2	0	2	100.0	1	0	1	100.0	0	0	0	--	3	0	3	100.0
Kentucky State University	0	0	0	--	0	0	0	--	0	0	0	--	0	0	0	--
Morehead State University	0	0	0	--	3	0	3	100.0	0	0	0	--	3	0	3	100.0
Murray State University	0	0	0	--	0	0	0	--	0	0	0	--	0	0	0	--
Northern Kentucky University	0	0	0	--	1	0	1	100.0	0	0	0	--	1	0	1	100.0
Western Kentucky University	1	0	1	100.0	8	1	9	88.9	0	0	0	--	9	1	10	90.0
Sub-Total	3	0	3	100.0	13	1	14	92.9	0	0	0	--	16	1	17	94.1
Grand Total	43	6	49	87.8	77	13	90	85.6	293	79	372	78.8	413	98	511	80.8
	% Non-White			12.2	% Non-White			14.4	% Non-White			21.2	% Non-White			19.2

Source: CPE, Endowment Match Program 2001-02 Annual Summary Reports.

Change between 2001 and 2002	Chairs		Professors	
	% Non-White 2001		% Non-White 2001	
	% Non-White 2002	8.8	% Non-White 2002	15.6
		12.2		14.4
	Difference	3.4	Difference	-1.2

Progress Report on Key Indicators: Research and Development

Updated information is available for two indicators under Question 5: “Are Kentucky’s communities and economy benefiting?” Results for Indicator 5.8, endowments in the research priority areas of the knowledge-based economy, are mixed. Results for Indicator 5.9, expenditures from endowments and gifts in the research priority areas, show significant progress.

In February 2002, the council approved goals for two indicators measuring progress on endowments and expenditures in the research priority areas for the knowledge-based economy. As part of its strategic plan for a knowledge-based economy, the Kentucky Innovation Commission identified five research priority areas. These areas are based on the availability of researchers, federal funding potential, the likelihood that Kentucky could gain national recognition in the area, and whether research could yield technology transfer and commercialization opportunities.

Results from 2001-02 show that endowments in the research priority areas rose at the University of Louisville and declined at the University of Kentucky. Detailed information is included in the attachment. Highlights include:

- The University of Louisville’s endowments in the research priority areas rose to \$160,260,485 in 2001-02. This represents a 56 percent increase over UofL’s 2000-01 endowment level, and exceeds the institution’s goals through 2003-04.
- The University of Kentucky’s endowments in the research priority areas dropped to \$145,852,048 in 2001-02. UK’s goal for 2001-02 (\$158,522,400) was slightly lower than the institution’s actual endowment levels in 2000-01; the university expected a slight decline in research priority endowments due to fluctuating market values. UK also reported a large decrease in the Environment and Energy category, due to the reclassification of UK’s \$12.9 million Robinson Trust Fund. Funds from the Robinson Trust – previously used to finance several research activities – are now needed to support the Robinson Scholars program.

Using the traffic light evaluation system, the light for Indicator 5.8 is yellow, indicating some progress.

Expenditures from endowments and gifts in the research priority areas increased at both the University of Kentucky and the University of Louisville during 2001-02:

- The University of Kentucky’s research priority expenditures rose from \$9,426,620 in 2000-01 to \$14,273,479 in 2001-02. This 51 percent increase exceeded UK’s goals

through 2004-05. UK reported a substantial increase in Biosciences expenditures due to a \$3.5 million gift for the Gluck Equine Center.

- Research priority expenditures at the University of Louisville rose to \$7,790,376 in 2001-02, an increase of over 200 percent from the previous year. UofL exceeded its established goals through 2005-06.

The light for Indicator 5.9 is green, indicating good progress for this indicator. Results are now available for four indicators under Question 5. The overall light for this question remains green, indicating good progress.

Over the next several months, the council staff will work with UK and UofL to revise goals for Indicators 5.8 and 5.9.

Staff preparation by Christina Whitfield

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 5: Are Kentucky's communities and economy benefiting?

5.8 Endowments in the research priority areas for the knowledge-based economy

University of Kentucky

Research Priority Area	Actual					Goals			
	1998-99	1999-00	2000-01	2001-02	2001-02	2002-03	2003-04	2004-05	2005-06
Human Health and Development	\$34,059,068	\$50,751,614	\$64,410,228	\$65,253,098	\$61,189,700	\$65,821,700	\$73,541,700	\$82,419,700	\$85,507,700
Biosciences	\$43,326,007	\$49,661,142	\$51,068,415	\$46,779,339	\$48,515,000	\$52,187,500	\$58,308,400	\$65,347,500	\$67,795,800
Materials Science and Advanced	\$8,462,287	\$12,600,996	\$15,734,808	\$14,782,908	\$14,948,100	\$16,079,600	\$17,965,500	\$20,134,400	\$20,888,700
Information Technologies and	\$6,055,441	\$8,838,812	\$8,838,510	\$8,124,696	\$8,396,600	\$9,032,200	\$10,091,600	\$11,309,800	\$11,733,600
Environmental and Energy Technologies	\$26,623,835	\$26,576,092	\$26,813,692	\$10,912,007	\$25,473,000	\$27,401,300	\$30,615,100	\$34,311,000	\$35,596,500
Total	\$118,526,638	\$148,428,656	\$166,865,653	\$145,852,048	\$158,522,400	\$170,522,300	\$190,522,300	\$213,522,400	\$221,522,300

University of Louisville

Research Priority Area	Actual					Goals			
	1998-99	1999-00	2000-01	2001-02	2001-02	2002-03	2003-04	2004-05	2005-06
Human Health and Development	\$18,701,947	\$71,343,913	\$74,963,772	\$107,288,844	\$86,711,961	\$102,647,559	\$120,779,937	\$126,818,934	\$133,159,880
Biosciences	\$6,880,389	\$8,074,004	\$11,072,230	\$10,345,318	\$11,625,842	\$12,207,134	\$12,817,490	\$13,458,365	\$14,131,283
Materials Science and Advanced									
Manufacturing	\$344,690	\$3,181,465	\$7,669,056	\$20,456,162	\$8,052,509	\$8,455,134	\$8,877,891	\$9,321,785	\$9,787,874
Information Technologies and									
Communications	\$3,297,420	\$6,214,812	\$8,806,982	\$21,012,159	\$9,247,331	\$9,709,698	\$10,195,183	\$10,704,942	\$11,240,189
Environmental and Energy Technologies	\$0	\$0	\$0	\$1,158,002	\$0	\$0	\$0	\$0	\$0
Total	\$29,224,446	\$88,814,194	\$102,512,040	\$160,260,485	\$115,637,600	\$133,019,500	\$152,670,500	\$160,304,000	\$168,319,200

Source: University of Kentucky and University of Louisville

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 5: Are Kentucky's communities and economy benefiting?

5.9 Expenditures from endowments and gifts in the research priority areas for the knowledge-based economy

University of Kentucky

Research Priority Area	Actual					Goals			
	1998-99	1999-00	2000-01	2001-02	2001-02	2002-03	2003-04	2004-05	2005-06
Human Health and Development	\$2,682,399	\$5,948,428	\$3,372,421	\$4,938,953	\$5,064,900	\$5,448,300	\$6,087,400	\$6,822,200	\$7,077,800
Biosciences	\$3,470,641	\$4,075,799	\$4,848,024	\$7,522,624	\$4,157,900	\$4,472,600	\$4,997,200	\$5,600,500	\$5,810,300
Materials Science and Advanced Manufacturing	\$341,430	\$466,363	\$704,808	\$963,430	\$608,600	\$654,700	\$731,500	\$819,800	\$850,500
Information Technologies and Communications	\$72,994	\$86,420	\$152,188	\$348,984	\$109,300	\$117,600	\$131,400	\$147,200	\$152,700
Environmental and Energy Technologies	\$413,078	\$296,275	\$349,179	\$499,488	\$337,000	\$362,500	\$405,000	\$453,900	\$470,900
Total	\$6,980,542	\$10,873,285	\$9,426,620	\$14,273,479	\$10,277,700	\$11,055,700	\$12,352,500	\$13,843,600	\$14,362,200

University of Louisville

Research Priority Area	Actual					Goals			
	1998-99	1999-00	2000-01	2001-02	2001-02	2002-03	2003-04	2004-05	2005-06
Human Health and Development	\$876,231	\$1,031,748	\$1,672,640	\$5,957,980	\$1,823,178	\$1,987,264	\$2,166,117	\$2,361,068	\$2,573,564
Biosciences	\$34,697	\$188,075	\$238,468	\$592,560	\$259,931	\$283,324	\$308,824	\$336,618	\$366,913
Materials Science and Advanced Manufacturing	\$78,675	\$137,690	\$154,437	\$547,009	\$168,337	\$183,487	\$200,001	\$218,001	\$237,621
Information Technologies and Communications	\$123,769	\$110,415	\$242,997	\$666,318	\$264,866	\$288,704	\$314,688	\$343,010	\$373,880
Environmental and Energy Technologies	\$0	\$0	\$0	\$26,509	\$0	\$0	\$0	\$0	\$0
Total	\$1,113,371	\$1,467,928	\$2,308,542	\$7,790,376	\$2,516,311	\$2,742,779	\$2,989,629	\$3,258,696	\$3,551,978

Source: University of Kentucky and University of Louisville

Key Indicators of Progress

toward Postsecondary Reform in Kentucky

March 2003 - Progress Report



1. Are more Kentuckians ready for postsecondary education?Some progress

Preparation of Adults

- ☐ 1. Percentage of adults at literacy levels one and twoNext measurement 2003
- ☐ 2. Percentage of adults with less than high school diploma or GEDNext measurement 2003

Preparation of Recent High School Graduates

- ☒ 3. Average ACT scores of high school graduatesNo progress
- ☒ 4. Percentage of high school graduates taking the ACTNo progress
- ☒ 5. Number of college-level courses per 1,000 HS juniors and seniorsExceeded goal
- ☒ 6. Percentage of high school students completing ACT core courseworkSome progress
- ☐ 7. High school test scoresUnder development

Affordability (Family Ability to Pay)

- ☒ 8. Percentage of income needed to pay for college expensesMet goal

2. Are more students enrolling?Good progress

Postsecondary Enrollment

- ☒ 1. Number of undergraduates (system total)Exceeded goal
- ☒ 2. Number of graduates/professionals (public universities)Exceeded goal
- ☒ 3. Number of students enrolled in KYVU credit coursesExceeded goal
- ☐ 4. Number of "new students" enrolled in KYVU credit coursesUnder development

College Participation

- ☒ 5. Percentage of the adult population enrolled in KY collegesMet goal
- ☒ 6. Percentage enrolled from target countiesSome progress

College-Going

- ☒ 7. Percentage of students attending college directly out of high schoolExceeded goal
- ☒ 8. Percentage from target countiesGood progress
- ☒ 9. College-going rates of GED completers within two yearsExceeded goal

3. Are more students advancing through the system?Good progress

Persistence and Completion

- ☒ 1. One-year retention rates of first-time freshmenGood progress
- ☐ 2. One-year retention rates of underprepared studentsNext measurement 2003
- ☒ 3. Number of community and technical college transfersGood progress
- ☒ 4. Average number of credit hours transferredNo progress

Graduation

- ☐ 5. Percentage of adults with a bachelor's degree or higherNext measurement 2003
- ☒ 6. Six-year graduation rates of bachelor's degree studentsGood progress
- ☒ 7. Five-year graduation rates of transfer students - three-year averageGood progress

● 4. Are we preparing Kentuckians for life and work?Under development

Undergraduate Student Experience

- 1. National Survey of Student Engagement.....Next measurement 2003

Alumni Satisfaction

- 2. Undergraduate alumni survey resultsNo goal
○ 3. Graduate alumni survey resultsUnder development 2003

Civic Engagement

- 4. Undergraduate alumni surveyNo goal
○ 5. National Survey of Student Engagement.....Next measurement 2003

Knowledge and Skills

- 6. Teacher Preparation ProgramsUnder development
○ 7. Foundational skills.....Under development

● 5. Are Kentucky's communities and economy benefiting?Good progress

Employment of Graduates

- 1. Percentage of college graduates working in KentuckyUnder development
○ 2. Percentage of out-of-state college graduates working in Kentucky.....Under development

Employer and Community Satisfaction

- 3. Employer and community satisfaction with KY graduates and completersUnder development
○ 4. Employer and community satisfaction with institutions' supportUnder development

Research and Development

- 5. Total research and development expenditures per full-time faculty.....Next measurement 2003
● 6. Total extramural research and development expendituresGood progress
● 7. Federal research and development expendituresSome progress
● 8. Endowments in knowledge-based economy (KBE) areasSome progress*
● 9. Expenditures from endowments and gifts in KBE areasGood progress*
○ 10. Productivity of research spaceUnder development

* Results updated March 2003

LEGEND

● Good Progress ● Some Progress ● No Progress ● Pending

Improving Educator Quality State Grant Program

Action: The staff recommends that the council award federal *No Child Left Behind*, Title II, Part A funds in the amount of \$1,082,500 for April 1, 2003 - July 31, 2004, to support four projects.

The Improving Educator Quality State Grant Program replaces the Dwight D. Eisenhower Higher Education Grant Program, which funded professional development workshops for K-12 math and science teachers. The new program gives states increased flexibility to fund research-based training for teachers and administrators in content areas other than math and science. In return, states must demonstrate that program activities result in measurable improvements in student achievement.

The council staff, with input from the Kentucky Department of Education, the Education Professional Standards Board, and the state P-16 Council, established four priorities for IEQ funds: mathematics and science, reading, school leadership, and foreign language. Additionally, they encouraged institutions to form more extensive partnerships across traditional service area boundaries to reach teachers in schools with significant achievement gaps.

Content-area specialists reviewed the 13 grant proposals received and made recommendations to the council staff. Four proposals were selected. Brief descriptions of these projects follow.

Eastern Kentucky University: \$300,000

Using High Quality and Award-Winning Literature to Support Reading Comprehension in Mathematics and Science

Sara Delano Moore and William P. Bintz

Eastern Kentucky University, the University of Kentucky, and Paducah/West Kentucky Community and Technical College will deliver professional development to mathematics and science teachers in grades four through eight in Pulaski, McCracken, and Rowan counties, as well as in GEAR UP Kentucky schools across the state. A total of 80 teachers and 90 instructional leaders and library and media specialists will be trained to develop and implement hands-on instructional units that use award-winning literature to improve students' reading comprehension of math and science concepts.

Murray State University: \$300,000

Modeling Watershed Studies Across the Commonwealth of Kentucky

Joseph Baust

Murray State University, along with Eastern Kentucky University, Morehead State University, Northern Kentucky University, Western Kentucky University, and Campbellsville University,

will train 135 teachers to use the environment, specifically local watersheds, as an integrating context for hands-on, real-world math and science instruction. In addition to five summer workshops, teachers will receive ongoing resources and support to ensure successful implementation of instructional strategies during the school year.

Northern Kentucky University: \$228,500

Planting Seeds, Cultivating Clusters: Strengthening Middle Grade Mathematics and Science in Northern Kentucky

Linda Sheffield

Northern Kentucky University, Thomas More College, the Northern Kentucky Educational Cooperative, and the P-16 Council of Partners will train 18 lead teachers in middle school math and science who then will work with 124 teachers in 21 high-need districts in Kenton, Campbell, and Pendleton counties. Lead teachers will receive intensive summer training on the Japanese model of in-depth study of mathematics and science in order to facilitate teacher study groups in local schools. Additionally, 21 principals, administrators, site-based council members, parents, and counselors will receive training to become stronger instructional leaders and to support and evaluate the high-level mathematics and science teaching occurring in their schools.

University of Louisville: \$254,000

A Multidisciplinary Literacy Approach to Closing the Achievement Gap for Urban Middle School Students

Ann Larson and Linda Irwin-Devitis

The University of Louisville and the University of Kentucky will train 45 lead middle school teachers who will train an additional 105 teachers in Jefferson and Fayette counties to use consistent strategies for improving reading and writing across the curriculum. Summer institutes, teacher sharing sessions, and faculty demonstrations will target teachers of students who lag behind their peers in an effort to close the achievement gap. The themes of popular culture and the media will be used to develop analytical and critical thinking skills in underachieving students.

Preparation by Melissa McGinley

Changes in Institutional New Program Approval Process

Campus consultation visits are an important part of the academic program approval and review processes approved by the council in 1999. In addition to setting productivity standards and streamlining online review approval processes for new programs, the council required assessment of each institution's policies for approving new academic programs. In spring 2002, the council staff visited each university and the KCTCS to review campus policies and procedures. Specifically, staff looked for: (1) a rigorous process to determine the need for the program; (2) consultations with employers and other relevant outside groups in program design; (3) collaborative efforts, including articulation agreements with similar programs at other postsecondary institutions; and (4) sound methods for evaluating student learning and program success.

In addition to reviewing formal documentation of policies, the council staff conducted a process audit using two recently approved programs at each institution. The review revealed that program approval practices across the campuses varied in the amount of attention given to needs assessment, external consultation, collaboration, student success measures, and program success criteria. The council staff communicated its findings to the institutions and asked the institutions to respond to staff recommendations. A detailed report of the campus consultation visits and council staff findings were presented to the council July 22, 2002. This current report summarizes the institutions' December 2002 responses to staff recommendations. In all cases, institutions made improvements in specific areas based on staff recommendations. Examples of those changes follow. It should be noted that the review found many good procedures already in place. The University of Louisville, for example, requires new programs to clearly identify goals and measures for student learning and success. The KCTCS does an exemplary job of linking new programs to the needs of employers.

Recommendation 1: Each institution should standardize its needs assessment process to ensure that programs link to economic and community needs.

Response: Eastern Kentucky University, one institution responding specifically to this recommendation, incorporated requirements for a needs analysis in its revised *Guidelines on Curriculum Policies and Procedures for Academic Affairs*. Morehead State University and Kentucky State University added language to their program approval policies, tying needs assessment to the council's key indicators and five questions. MoSU provided examples in its policy manuals of appropriate needs assessments that include primary and secondary data from employers and other external groups to guide those developing proposals. In its recently revised process, Northern Kentucky University requires that a marketing plan targeting potential students be developed for each new program to ensure adequate enrollment and degree productivity.

Recommendation 2: The process for developing new programs should require consultation about curriculum with groups expected to supply students (high schools and the KCTCS) and those offering additional education and employment to graduates.

Response: EKU's revised policy states that "evidence of collaboration and consultation in the design of the program with expected employers and those who will supply students to the program must be provided." The University of Kentucky implemented a new requirement for evidence that prospective employers and feeder programs were consulted in its design. The KCTCS is implementing new requirements to link development of its programs to four-year degree programs at the universities.

Recommendation 3: Institutions should strengthen requirements for collaboration with other institutions to improve access, efficiency, and quality for both new and existing programs. Articulation agreements should be developed as part of the original design of the program.

Response: In its "checklist" for new academic programs, Murray State University now states that each program proposal must include evidence of consultation with related programs within the university, with other institutions in the state, and with the KCTCS. UK's new program form requires evidence of consultation and collaborative agreements with other state institutions or evidence that these agreements were sought and explanations for why collaborative agreements were not feasible.

In addition to the changes implemented by the institutions to foster collaboration, the campus consultation visits led to changes in the council's own program approval process. Specifically, a required pre-posting for each proposed program was added to the online program approval process. The review showed that programs are often not formally posted online for approval until late in the development process. Pre-posting a program upon initial approval at the department level will allow more time for institutions to share information and create collaborative arrangements.

Recommendation 4: Each institution should ensure that new programs have measures of student learning and student success standards in place prior to beginning the program.

Response: KSU and UK added requirements addressing criteria for student learning and success that developing programs must answer. MuSU now requires that criteria for measuring student success in the program be clearly defined, including SACS-mandated assessment of student learning, completion rates, employment rates, and professional exams.

Recommendation 5: Each institution should include criteria for assessing program success within a specified time.

Response: EKU now explicitly includes CPE program productivity requirements in its program success standards and requires projections showing how these standards will be met. Western Kentucky University noted plans to include more explicit reference to quantitative outcome criteria in new program development procedural guidelines.

To summarize, each institution responded positively to specific staff recommendations for changes in its new program approval processes. These changes should help ensure that new programs are aligned with state needs and are productive in the long term.

Staff preparation by Jim Applegate and Barbara Cook

University of Kentucky Urology Clinic Renovation

Action: The staff recommends that the council approve the University of Kentucky request to renovate the Urology Clinic of the Wright Medical Plaza facility on the main campus with \$550,000 of private funds.

The University of Kentucky proposes to renovate the Urology Clinic in the Wright Medical Plaza facility on the main campus using \$550,000 of private funds.

The council has the statutory responsibility to review and approve postsecondary education capital projects costing \$400,000 or more regardless of fund source. Because the estimated cost of this project exceeds the \$400,000 threshold, the council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated.

The project involves the renovation of 4,000 square feet in the Wright Medical Plaza facility to provide an outpatient clinic, offices, and support space. The Wright Medical Plaza of the Kentucky Clinic Complex is located near the intersection of South Limestone Street and Rose Street and across from the Chandler Medical Center. The University of Kentucky has certified that funding for the project (\$550,000) is available from private sources. Renovation of the Urology Clinic will not increase the need for operations and maintenance costs from the state General Fund.

Following council action, the staff will forward the council's recommendation to the secretary of the Finance and Administration Cabinet and to the Capital Projects and Bond Oversight Committee.

University of Kentucky Pediatrics Hematology and Oncology Clinic Renovation

Action: The staff recommends that the council approve the University of Kentucky request to renovate the Pediatrics Hematology and Oncology Clinic of the Kentucky Clinic Building, with \$850,000 of private funds.

The University of Kentucky proposes to renovate the Pediatrics Hematology and Oncology Clinic in the Kentucky Clinic Building on the main campus using \$850,000 of private funds.

The council has the statutory responsibility to review and approve postsecondary education capital projects costing \$400,000 or more regardless of fund source. Because the estimated cost of this project exceeds the \$400,000 threshold, the council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated.

The project involves the renovation of 4,000 square feet of the Kentucky Clinic space to house the Pediatrics Hematology and Oncology Clinic. The renovation supports the provision of more space, an infusion room, handicapped accessible restrooms, a larger treatment room, waiting area, onsite pharmacy, physicians work areas, consultation room, central storage, and additional support space. The Kentucky Clinic is located near the intersection of South Limestone Street and Rose Street. The University of Kentucky has certified that funding for the project (\$850,000) will be available from private sources. The university further agrees that construction will not begin until the funding is available. Renovation of the Pediatrics Hematology and Oncology Clinic will not increase the need for operations and maintenance costs from the state General Fund.

Following council action, the staff will forward the council's recommendation to the secretary of the Finance and Administration Cabinet and to the Capital Projects and Bond Oversight Committee.

Staff preparation by Sherron Jackson

Executive Summary

The Council Business

The staff recommends that the council approve changes to the council bylaws. (For details, see page 89).

The council approved changes to the bylaws at the February 3 meeting but a section was mistakenly left out of that version. The staff brings the corrected bylaws back to the council for approval.

The council's bylaws require that the chair appoint a nominating committee at the March meeting to select officers for the coming year. Ms. Adams will announce the appointments at the meeting.

Council on Postsecondary Education
March 24, 2003

Council Bylaws

Action: The staff recommends that the council approve changes to the council bylaws.

The council approved changes to the bylaws February 3, 2003. A change in the bylaws on page 2 under III. Policy, Section 1.D.2, was improperly made. Paragraph D.3, along with two corresponding subparagraphs, has been added. The attached bylaws reflect the correction.

Staff preparation by Dennis L. Taulbee

COUNCIL ON POSTSECONDARY EDUCATION

1.2: BYLAWS

I. Statement of Purpose

The bylaws provide a framework for the deliberations and actions of the Council on Postsecondary Education (CPE) in carrying out statutory duties and responsibilities. The bylaws establish rules for notification and conduct of meetings and the selection of officers.

II. Statutory Authority

Authority for council actions comes from *KRS Chapter 164* encompassing public, private nonprofit, and proprietary degree-granting postsecondary institutions. The council bylaws also conform to the requirements of *KRS Chapter 61, the Kentucky Open Meetings Law*.

III. Policy

Section 1: General Rules

A. Amendment of Bylaws

- A.1 The council may amend, revoke, or adopt additional bylaws by action of eight of the voting members.
- A.2 Notice shall be given to the members of any proposed changes or additions to the bylaws in the agenda of a regularly scheduled or special meeting of the council. All changes shall be consistent with state law and administrative regulations.

B. Conduct of Meetings

- B.1 The council and all council appointed committees shall follow *Robert's Rules of Order* concerning motions, recognition of speakers, and order of business.
- B.2 The chair may recognize a non-council speaker.
- B.3 The council shall designate a parliamentarian from the membership of the council or council staff to assist the chair in interpreting the rules of order.

C. Policy Statements and Administrative Regulations

- C.1 Actions taken by the council shall constitute the policy of the council until changed or superseded.
- C.2 The council may act by adoption of policy or by administrative regulation when permitted by law.
- C.3 The council shall promulgate administrative regulations when required by state law.
- C.4 The policy statements of the council including all administrative regulations shall be available to the public on the council Website.

D. Attendance at Council Meetings

- D.1 Council members shall make a best effort to attend and participate at all regularly scheduled meetings.
- D.2 If a council member is unable to attend and participate at a regularly scheduled or special meeting of the council, the member shall notify the chair and president of the council.
- D.3 If a council member fails to attend three regularly scheduled council meetings during a calendar year, the chair:
 - a. shall consult with the member about the reason for the absences; and
 - b. may discuss the matter with the executive committee.

Section 2: Selection and Terms of Officers

A. Nominating Committee

- A.1 A nominating committee shall be appointed by the chair by April 30 for the purpose of nominating a new chair and vice chair.
- A.2 A council member seeking council office shall not be a member of the nominating committee.
- A.3 The recommendations of the nominating committee shall be presented to the council at a regularly scheduled or special meeting prior to June 30 of each year.

B. Selection of Officers

- B.1 A chair and vice chair shall be elected annually at a regularly scheduled or special

meeting and shall each serve a one year term commencing July 1.

- B.2 In the absence of the chair or in the event the chair is unable to perform, the vice chair shall perform the duties of the chair. In the absence of both the chair and vice chair or in the event the vice chair is unable to perform the duties of the chair, the council shall appoint a temporary chair.
- B.3 In the event the chair resigns and the vice chair assumes the duties of the chair, the council may select a vice chair to complete the unexpired term of the vice chair.
- B.4 The president shall serve as the secretary to the council and shall cause the minutes of the meetings of the council to be recorded and presented to the council.
- B.5 The chair and vice chair are limited to three consecutive one-year terms.

Section 3: Meetings of the Council on Postsecondary Education

A. Regular Meeting Schedule

- A.1 The council shall set the regular meeting schedule for the next year by resolution prior to the last regularly scheduled meeting of the calendar year.
- A.2 The regular meeting schedule shall provide that the council meet no less than quarterly but may provide for more than quarterly meetings. *KRS 164.011(9)*
- A.3 The schedule and agenda of regular meetings shall be made available to the public through release to the press by written or electronic means. *KRS 61.820*
- A.4 The council shall meet with the Advisory Conference of Presidents at least once each year. *KRS 164.021*

B. Special Meetings and Emergency Special Meetings

- B.1 A special meeting or emergency special meeting is a meeting that is not part of the regular schedule of meetings established by the council pursuant to Section 3 A.1. above.
- B.2 The chair may call a special meeting of the council when, in the view of the chair, such a meeting is necessary. *KRS 164.011(9) and KRS 61.823*
- B.3 The chair shall call a special meeting upon receipt of a written request from a majority of the council stating the reason for the meeting. *KRS 164.011(9) and KRS 61.823*
- B.4 The following items are required in calling a special meeting and in the conduct of the special meeting:

- a. The agenda of a special meeting shall be stated in the notification of the meeting.
- b. Discussions and action at a special meeting shall be limited to items listed on the agenda in the notice. *KRS 61.823(3)*
- c. Written notice shall be provided to every member of the council and to each media organization filing a written request to be notified. The notice shall be provided as soon as possible but shall be calculated to be received at least twenty-four hours before the special meeting. *KRS 61.823(4)(a)(b)*

B.5 Emergency special meetings may be called by the chair subject to the following requirements:

- a. The agency makes reasonable efforts to inform members of the council, the public, and the media of the date, time, and place of the meeting. *KRS 61.823(5)*
- b. The chair shall, at the commencement of the meeting, state the reason for the emergency: the statement shall subsequently appear in the minutes of the special meeting. *KRS 61.823(5)*
- c. Discussion and action by the council is limited to the emergency for which the meeting was called. *KRS 61.823(5)*

C. Place of the Meeting

- C.1 The council shall fix the place of meetings at the time they are scheduled. The council may change the place of meetings. *KRS 164.070*
- C.2 The council may hold meetings, regularly scheduled or special, by video teleconference. Meetings held by video teleconference shall conform to the notice requirements of the Open Meetings Law and Section 3 A. and B. of the council bylaws. Meetings held by video teleconference also shall conform to these requirements:
 - a. The notice of the meeting shall clearly state that the meeting is a video teleconference. *KRS 61.826(2)(a)*
 - b. The locations of the video teleconference as well as the designation of one location as the primary location shall be contained in the notice. *KRS 61.826(2)(b)*
 - c. Rules concerning participation, distribution of materials, and other matters that apply at the primary location shall apply to all video teleconference locations. *KRS 61.826(3)*

D. Notice of and Agenda for Meetings

- D.1 Notice of all meetings, regularly scheduled and special, shall be given to members at least ten (10) days prior to the time of the meeting unless all members of the council waive notice. Waiver may be given orally or in writing. *KRS 164.080*
- D.2 The agenda and supporting materials for a regularly scheduled meeting shall, to the extent possible, be available to the members at least seven (7) days prior to the meeting. In the event some agenda materials are not available within the required time period, the president shall, as soon as possible, indicate in writing the reason for the delay and when the materials shall be available.
- D.3 Notice to members shall be by mail, personal delivery, or electronic transmission such as facsimile (FAX) or e-mail.
- D.4 The notice of a regularly scheduled or special meeting shall contain the date, time, place of the meeting, and the agenda. *KRS 61.823(3)*
- D.5 Notice of and the agenda for all meetings shall be given to the Advisory Conference of Presidents. *KRS 164.021*
- D.6 Special information to be presented to the council by interested parties shall be provided to the president or chair of the council seven (7) days in advance of the scheduled meeting. The chair may waive this requirement.

E. Minutes of Meetings

- E.1 The minutes of all meetings, regular and special, shall accurately record the deliberations of the council and all actions taken.
- E.2 All meetings of council committees shall be recorded on audio tape, and the tape shall be permanently maintained.
- E.3 The minutes shall be open to public inspection immediately following the next regularly scheduled meeting of the council. *KRS 61.835*

F. Quorum and Council Actions

- F.1 A quorum shall be a majority of the appointive membership of the council. *KRS 164.011(10)*
- F.2 A quorum shall be required to organize and conduct business. *KRS 164.011(11)*
- F.3 An affirmative vote of eight (8) of the appointive members shall be required to carry all propositions. *KRS 164.090 and KRS 164.011(11)*

- F.4 The council may consolidate multiple agenda items of a similar nature for the purpose of voting if there is no objection from a council member.
- a. Before a vote is taken, the chair shall ask if any member objects to the consolidation of the items and shall specify the items to be voted upon.
 - b. The objection of a single member of the council shall be sufficient to require a separate vote on each item.
- F.5 The council may, at regularly scheduled meetings, act on any subject within the powers of the council. The council may, by an affirmative vote of eight members, add items to the agenda of a regularly scheduled meeting.

G. Closed Sessions

- G.1 It is the policy of the council that all meetings, regularly scheduled or special, be open to the public unless the matter under discussion meets the exceptions contained in *KRS 61.810*.
- G.2 The following requirements, consistent with *KRS 61.815*, shall be met as a condition for conducting closed sessions:
- a. The chair shall give notice in the open meeting of the general nature of the business to be discussed in a closed session.
 - b. The chair shall state the reason for the closed session citing a specific *KRS 61.810* provision authorizing a closed session.
 - c. The session may be closed only upon a motion made and approved by a majority of the appointive membership of the council present at the meeting.
 - d. No formal action may be taken at a closed session.
 - e. No matters may be discussed at a closed session other than those publicly announced prior to convening a closed session.
- G.3 The requirements of the council for the conduct of closed sessions shall at all times meet the requirements of *KRS 61.815*.

Section 4: Committees

A. Committees--General

- A.1 The council may create, modify, or abolish any committee, unless the committee is established by statute, upon action taken by a majority of the appointive membership.

- A.2 The chair of the council shall appoint members to all committees unless membership is directed by statute or council policy.
- A.3 The chair of the council shall assign specific tasks and subject matter to all committees unless action of the council directs the assignment of a task or subject matter to a committee.
- A.4 The president shall assign staff, as appropriate, to assist committees
- A.5 The chair of the council shall be an ex officio, voting member of all committees.
- A.6 All committees shall conform to the requirements of the Open Meetings Act.

B. Executive Committee

B.1 Membership

The Executive Committee shall consist of the chair, vice chair, and three other council members appointed by the chair.

B.2. Purpose

Review all agency budget and personnel matters, provide for an annual audit of the agency, evaluate the president, and recommend annual compensation for the president.

B.3. Terms

The three appointed members shall serve one-year terms.

Section 5: Compensation and Expenses of Members

A. General

- A.1 For the purpose of compensation and payment of expenses to members of the council, meetings shall include all regularly scheduled and special meetings of the council; meetings of council committees; hearings; and special events where a member represents the council at the request of the chair.
- A.2 Members of the council who reside out of state shall not be reimbursed for out-of-state travel to council meetings. *KRS 164.050*

B. Compensation of Members

- B.1 Members of the council shall receive compensation for each meeting attended in the

amount specified by *KRS 164.050*.

C. Expenses of Members

- C.1 Council members shall receive reimbursement for actual expenses incurred traveling to and attending meetings of the council as defined in Section 5 6A.1.
- C.2 The chief state school officer shall receive reimbursement of expenses in the same manner as other expenses reimbursed through the Department of Education.

Section 6: President and Staff

A. President

- A.1 The council shall set the qualifications for the position of president. *KRS 164.013(1) and (3)*.
- A.2 The council shall, when selecting a president, employ a search firm and conduct a national search. *KRS 164.013 (1)*
- A.3 The president is the chief executive officer of the council and as such makes proposals to the council for consideration, develops and directs the programs and plans established by the council, ensures compliance with federal and state law, and represents the council on numerous state, regional, and national education and planning organizations. Specific duties of the president are contained in the statutes. *KRS 164.013*.
- A.4 The president is responsible for employing, directing, and administering the staff.
- A.5 The president shall make periodic reports to the council on the operation of the agency as the council shall so direct.
- A.6 The council shall perform an evaluation of the president and shall fix the compensation and terms of the contract annually.
- A.7 The president shall be compensated on a basis in excess of the base salary of any president of a Kentucky public university. The council annually shall review the salaries of the presidents of the public universities to assist in satisfying this requirement. *KRS 164.013(6)*.
- A.8 The president shall have a contract for a term not to exceed five years, renewable at the pleasure of the council.
- A.9 The president has a statutory role in the licensing of private colleges and universities and

shall exercise those duties consistent with the requirements of the statutes and the direction of the council. *KRS 164.945 through 164.947 and KRS 164.992.*

B. Staff

- B.1 Staff of the council shall be employed by and be responsible to the president of the council.
- B.2 Staff shall serve at the pleasure of the president, subject to the provisions, rules, and regulations approved by the council. The president shall develop and maintain rules and policies regulating the rights, duties, and responsibilities of employees.
- B.3 The president shall develop and maintain an organization chart for the organization and shall ensure that all positions have written descriptions of duties and responsibilities.
- B.4 The president shall develop and maintain a performance evaluation system for all employees.

Certification:

Sue Hodges Moore, Interim President

Previous Actions:

Original Approval: August 27, 1997

Amended: January 12, 1998

Amended: September 17, 2001

Amended: February 3, 2003

Amended: March 24, 2003