

MINUTES
Council on Postsecondary Education
February 5, 2001

The Council on Postsecondary Education met February 5, 2001, at 10:15 a.m. at the council offices in Frankfort, Kentucky. Chair Whitehead presided.

ROLL CALL

The following members were present: Norma Adams, Walter Baker, Steve Barger, Peggy Bertelsman, Ron Greenberg, Merl Hackbart, Hilda Legg, Amanda Coates Lich, Shirley Menendez, Charlie Owen, Joan Taylor, Lois Combs Weinberg, Charles Whitehead, and Gene Wilhoit. Philip Huddleston and Lee Todd did not attend.

**JOINT MEETING
WITH KY BOARD
OF EDUCATION**

Mr. Whitehead noted that February 4 the council met jointly with the Kentucky Board of Education. He suggested that the boards meet more often to discuss common issues as they work to build a system of education in Kentucky. William Brundage, the commissioner of the Kentucky Innovation Commission, was the guest dinner speaker.

**APPROVAL OF
MINUTES**

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

**UPDATE ON
STATE ECONOMY**

Dr. James R. Ramsey, state budget director, gave a presentation on the state's economy, revenue outlook, and budget implications. Given the declining revenue estimates, at the end of January each cabinet secretary was asked to develop budget reduction plans of 2 and 4 percent for the current fiscal year. Although there are no guarantees, Dr. Ramsey said the administration would like to exempt K-12, postsecondary institutions, and Medicaid this fiscal year. If second-year cuts are necessary, a broad exemption may not be possible. He said the administration, believing that education is the key to long-term prosperity, worked hard during the last legislative session for more money for education and does not want to take it back.

**PRESIDENT'S
REPORT**

A written report from the council president was included in the agenda book. Mr. Davies called attention to the council's quarterly *Spotlight* publication, which in this issue provides enrollment information for fall semester 2000. During the past year, enrollment increased by about 8,000 students. The majority of the growth is in the Kentucky Community and Technical College System and at Lexington Community College. He said this reinforces the importance of community and technical colleges – and underscores the wisdom of the governor and the General Assembly in creating the KCTCS.

Mr. Davies said that the Strategic Committee on Postsecondary Education will meet February 7 to discuss the "points of consensus" as the basis of the council's operating and capital guidelines for the 2002-04 budget recommendations.

The first national report card on higher education in the states was issued at

the end of November by the National Center for Public Policy and Higher Education. Kentucky's grades were not very good but predictable. The report labeled Kentucky a state to watch because of its postsecondary education reforms. February 7 Patrick Callan, president of The National Center, will share information about the report card with SCOPE and will meet with leaders from across Kentucky to discuss policy issues it raises.

Mr. Davies said the council staff has submitted a budget reduction plan to the state budget director covering the council and Kentucky Virtual University operating budgets.

Mr. Davies introduced three new staff members: Yvonne Lovell, director of the GEAR UP project; Jennifer Marsh, senior associate for academic affairs; and Christina Whitfield, associate for academic programs.

LOCAL GOVERNANCE
AUTHORITY FOR
KCTCS INSTITUTIONS

RECOMMENDATION: The staff recommends that the council approve a request from the KCTCS Board of Regents to create three additional local boards of directors, bringing the total number of local boards to 16.

Dr. Michael McCall, KCTCS president, said that the board encouraged the community and technical colleges to consolidate functions, services, and programs. Some areas contain both community and technical colleges, some miles apart and some on the same property. The KCTCS has organized its community and technical colleges into 16 college districts. Thirteen of these districts contain community colleges that have local boards of directors. Three areas – northern Kentucky, Bowling Green, and Lexington – have only technical colleges so the KCTCS wishes to authorize three new boards within the system.

MOTION: Mr. Barger moved approval of the recommendation. Ms. Legg seconded the motion.

Mr. Barger said that it is important that technical college graduates or people with technical college backgrounds be appointed to all 16 of the local boards of directors. Dr. McCall agreed.

VOTE: The motion passed.

GRADUATE MEDICAL
EDUCATION REPORT

Mr. Davies said the council members want to know about issues facing Kentucky postsecondary education that are not emergencies but that merit attention. Graduate medical education is one. He said major universities operating large, complex academic health centers across the nation have experienced severe financial difficulties, in part because of huge changes in health care and how health care is financed. Dr. Lois Nora, associate dean of academic affairs and administration and professor of neurology at the University of Kentucky College of Medicine, received an American Council on Education fellowship in the last year. During that time, Dr. Nora analyzed graduate medical education for the council. She reviewed national trends and interviewed medical education leaders in Kentucky. Dr. Nora made a presentation, focusing on the changing financial climate

for academic health centers. She reviewed reasons behind the funding problem, the possible effects on academic medicine, and actions national organizations are taking to address these issues.

Mr. Greenberg asked staff to look at medical school funding and the initiatives of other states to change funding mechanisms.

LEGISLATIVE UPDATE

The most recent legislative bill-tracking chart was included in the agenda book, showing the status of legislation in the Kentucky General Assembly of interest to the council.

KEY INDICATORS OF
PROGRESS TOWARD
POSTSECONDARY
EDUCATION REFORM

Sue Hodges Moore provided a status report on development of the key indicators of progress toward postsecondary education reform. Since the November meeting, the document has been shared with a number of constituent groups and individuals to seek advice. The response has been overwhelmingly positive, especially to the five questions that frame reform goals. Based on these conversations, changes have been made to the particular indicators but the five questions remain. The staff is meeting individually with the institutions to discuss systemwide goals as well as goals specific to each institution, including projections of undergraduate and graduate enrollments, retention rates, and graduation rates. The council staff will seek approval of selected key indicators at the March 2001 meeting. Others will be brought before the council over the course of the coming year as they are completed.

Mr. Greenberg asked that a sixth question be added – are Kentucky’s colleges improving their academic performance?

2001 DEGREE
PROGRAM ELIGIBILITY

An information item was presented on degree program eligibility in 2001. The annual assessment is part of the council’s monitoring of progress under the *1997-2002 Kentucky Plan for Equal Opportunities*.

PARTNERSHIP
WITH OCR

A status report was provided on the partnership agreement with the U.S. Department of Education’s Office for Civil Rights. Institutional implementation of the partnership commitments is well under way, and the agreement is expected to be completed on schedule by December 31, 2002, provided that Kentucky State University can fulfill its commitment to renovate the Young Hall dormitory. In a previous meeting, based on a request from KSU, the council approved a recommendation to postpone renovation of the Young Hall dormitory to the 2002-04 budget because of financial issues facing KSU at this time. The OCR requested that the Committee on Equal Opportunities not visit all university campuses in 2001 but to visit only Kentucky State University. The OCR staff said the institutions have not been given sufficient time to implement the recommendations and wants to provide additional opportunity to do so.

DEVELOPMENT OF

RECOMMENDATION: The Academic Affairs Committee recommends

LOCAL P-16 COUNCILS

that the council endorse the plan to develop local P-16 councils created by the state P-16 Council but delay consideration of funding for the plan until the March 19 meeting.

MOTION: Mr. Greenberg moved approval of the recommendation. Mr. Barger seconded the motion.

VOTE: The motion passed.

APPALACHIAN P-16 REGIONAL SUMMIT

President Ron Eaglin of Morehead State University announced the Appalachian P-16 Regional Summit to be held at Morehead February 20-21. This conference will address teacher and administrator training and retention.

TEACHER EDUCATION AGENDA

Ms. Weinberg said that discussion at the February 4 joint meeting of the council and the Kentucky Board of Education was dynamic in terms of the progress and discussion about possible changes in schools of education and teacher preparation. She asked the council staff to ensure that the institutions report their progress.

KYVU/KYVL REPORT

Miko Pattie, director of the Kentucky Virtual Library, gave highlights of the KYVL annual report. The virtual library was one year old November 1, 2000. There have been more than 4 million searches of the databases during the first year. Marketing planned for the next few months will make Kentuckians more aware of the services provided.

Mary Beth Susman said that the Kentucky Virtual University recently participated in the Governor's Conference on Latin America. The KYVU announced its partnership with Monterrey Technical Virtual University in Mexico to provide opportunities to Spanish-speaking Kentuckians to study in their native language, for Kentuckians to study abroad from their homes, and to develop transfer agreements between Kentucky institutions and Monterrey Tech. Monterrey Tech is the largest private university in Latin America with 85,000 students and 30 campuses. The KYVU is Monterrey Tech's first virtual university liaison.

Dr. Susman said that the Distance Learning Advisory Committee recently approved a goal of 4,000 enrollments for KYVU by fall 2002. Current enrollment for this semester is 3,700. Students are predominantly those who are already registered at the campuses and come from all 120 Kentucky counties, 22 other states, and 8 foreign countries. The ratio is two-to-one female and the average age is 32. She said that a substantial marketing plan to promote fall enrollment would begin in April.

Ms. Adams presented the Academic Affairs Committee report.

JOINT
ENGINEERING
PROGRAMS

RECOMMENDATIONS:

- The staff recommends that the council reassert its commitment to the “Strategy for Statewide Engineering Education in Kentucky” and to approving joint programs in engineering to begin fall 2001.
- The staff recommends that the council commend Western Kentucky University, Murray State University, the University of Kentucky, and the University of Louisville for their work in creating the two Frameworks of Agreement on joint bachelor’s degrees in civil, mechanical, electrical, and telecommunications engineering starting fall 2001. The universities will soon seek approval for each joint program, providing full detail on curriculum, staffing, and cost.

MOTION: Ms. Adams moved approval of the recommendations. Ms. Menendez seconded the motion.

VOTE: The motion passed.

ACADEMIC
PROGRAM
PRODUCTIVITY
REVIEW

RECOMMENDATIONS:

- The staff recommends that the council accept the December 15, 2000, updates from the universities’ academic program reviews and commends the universities for evaluating low-productivity programs that could be improved or closed.
- The staff recommends that the council reaffirm its strong encouragement to faculty and staff from all academic disciplines to explore ways to share programs through statewide collaboratives (emphasizing the Kentucky Virtual University whenever possible), partnerships within clusters of institutions, or the development of complementary specializations, and commend faculty and staff for their efforts to develop these arrangements.

MOTION: Ms. Adams moved approval of the recommendations. Mr. Greenberg seconded the motion.

Mr. Davies commended the universities on their work. He said that the time taken to review academic programs is an indication of the care that the institutions have devoted to this process. The staff is now working with the KCTCS institutions to review their programs.

VOTE: The motion passed.

MS IN PHYSICIAN

RECOMMENDATION: The staff recommends that the council approve the master of science in physician assistant studies proposed by the

ASSISTANT STUDIES,
UK

University of Kentucky. The program would be registered in CIP 51.0807 (physician assistant).

MOTION: Mr. Greenberg moved approval of the recommendation. Mr. Barger seconded the motion.

VOTE: The motion passed.

Mr. Baker presented the report of the Finance Committee.

RECOMMENDATIONS:

2002-04 FUNDING
METHODOLOGY
POINTS OF CONSENSUS

- The staff recommends that the council endorse the “Points of Consensus Among University Presidents, KCTCS President, and the Council President Concerning the 2002-04 Funding Methodology” as the basis of the council’s operating and capital guidelines for the 2002-04 budget recommendations.
- The staff further recommends that the council direct the staff to propose more specific details to guide the development of the council’s 2002-04 operating and capital budget recommendations.

Mr. Baker noted a change to the points of consensus document. In point IV. Endowment Match Program, the first sentence reads: “The Endowment Match Program should be retained.” The remainder of the sentence has been deleted.

MOTION: Mr. Baker moved approval of the recommendations. Mr. Barger seconded the motion.

VOTE: The motion passed.

GUIDELINES:
2001-02 ENROLLMENT
GROWTH AND
RETENTION PROGRAM

RECOMMENDATION: The staff recommends that the council approve the 2001-02 Enrollment Growth and Retention Program Guidelines.

MOTION: Mr. Baker moved approval of the recommendation. Mr. Hackbart seconded the motion.

Ms. Bertelsman said further discussion is needed on how to distribute trust funds for the next biennium.

Mr. Davies said that the council members would decide how to distribute the money during the budget preparation process. The points of consensus document states that the guidelines for the distribution of the trust fund money will be developed at the beginning of the process.

Ms. Adams said that she would like to discuss rewarding the system as a whole rather than individual institutions.

VOTE: The motion passed.

POSTSECONDARY ED
TRUST FUND
INVESTMENT INCOME
& TECHNOLOGY
INITIATIVE TRUST
FUND

The Finance Committee deferred action on Agenda Items G-3 and G-4 – postsecondary education trust funds investment income and technology initiative trust fund. These items will be considered in March.

RECOMMENDATION: The staff recommends that the council approve the KCTCS request to spend \$240,000 annually in private funds to lease classroom and office space for an industrial-maintenance program.

HENDERSON CC LEASE
OF CLASSROOM SPACE

MOTION: Mr. Baker moved approval of the recommendation. Mr. Greenberg seconded the motion.

VOTE: The motion passed.

ASHLAND TECHNICAL
COLLEGE RENOVATION

RECOMMENDATION: The staff recommends that the council approve the KCTCS request to consolidate two projects and construct an Ashland Technical College and East Park Training Center in the Northeast Kentucky Regional Industrial Park in Boyd County. A project was authorized by the 2000 General Assembly to renovate the original Ashland Technical College campus.

MOTION: Mr. Baker moved approval of the recommendation. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve the KCTCS Ashland Technical College request to increase the project amount from \$6.9 million to \$10.4 million. Federal funds and economic development bonds will be used to pay for the increase in the scope of the project.

MOTION: Mr. Baker moved approval of the recommendation. Mr. Greenberg seconded the motion.

VOTE: The motion passed.

An information item was provided on the University of Kentucky and the University of Louisville 1998-2000 research equipment pool funds.

1998-2000 RESEARCH
EQUIPMENT POOL
FUNDS, UK & UofL

RECOMMENDATION: The Finance Committee recommends that the council establish a long-term planning and policy committee to consider educational, financial, economic, and demographic trends and issues that may affect the attainment of the council's postsecondary education goals and to recommend such policy and related changes to the full council that may be appropriate.

LONG-TERM PLANNING
& POLICY COMMITTEE

MOTION: Mr. Baker moved adoption of the recommendation. Mr. Barger seconded the motion.

Ms. Bertelsman asked that the committee membership consist of both Academic Affairs and Finance Committee members.

Mr. Owen said that the staff would provide information on issues that the council should consider that will affect Kentucky and the nation.

Ms. Bertelsman asked that this information be sent to the council members every two months before regular meetings so that council members can request topics to be discussed at Sunday afternoon work sessions.

Mr. Hackbart suggested that the staff prepare for the March meeting a draft of the operational activities of the committee. Committee members could be appointed after the next meeting.

Ms. Weinberg said that this committee will help the council members fulfill their responsibility to help interpret and to implement House Bill 1, which rethinks postsecondary education in Kentucky and how it relates to the economic prosperity of the state. In addition to the council's monitoring responsibilities, the council members need to focus on long-term issues such as graduate medical education.

Mr. Davies recommended against the committee. He said that the full council, not a committee, should deal with the strategic agenda. A variety of issues, such as graduate medical education, cuts across the two standing committees and is a reason why the staff has suggested that academic affairs and finance might not be the best way to organize the council's committee structure. He said that the council should review its existing committee structure before establishing this new committee.

VOTE: The motion passed with Ms. Menendez voting no.

RECOMMENDATION: The Finance Committee recommends that the council staff provide council members for approval a proposed operating budget by June 1 of each year for the next fiscal year.

MOTION: Mr. Baker moved adoption of the recommendation. Mr. Barger seconded the motion.

VOTE: The motion passed.

RECOMMENDATION: The Finance Committee recommends that the council staff be directed to provide council members quarterly budget reports including expenditures to date and deviations from its approved biennial budget for the fiscal year.

MOTION: Mr. Baker moved adoption of the recommendation. Mr. Barger seconded the motion.

VOTE: The motion passed.

RECOMMENDATION: The Finance Committee recommends an annual

COUNCIL
OPERATING BUDGET

QUARTERLY
BUDGET REPORTS

COUNCIL AUDIT

audit and an audit committee to develop a request for proposal for hiring an auditor.

MOTION: Mr. Baker moved adoption of the recommendation. Mr. Barger seconded the motion.

At 1 p.m. the council convened in executive session to discuss a personnel matter.

EXECUTIVE
SESSION

At 1:40 p.m. the council reconvened in general session. Mr. Whitehead reported that no action was taken during the executive session.

TODD RESOLUTION

MOTION: Mr. Hackbart moved that the council draft and pass along a resolution to Lee Todd congratulating him on his appointment as the new president of the University of Kentucky. Mr. Barger seconded the motion.

VOTE: The motion passed.

The meeting adjourned at 1:45 p.m.

ADJOURNMENT

Gordon K. Davies
President

Phyllis L. Bailey
Secretary