

**MINUTES**  
**Council on Postsecondary Education**  
**September 16, 2001**

The Council on Postsecondary Education met September 16, 2001, at 12 noon at the Marriott East in Louisville, Kentucky. Chair Whitehead presided.

Mr. Whitehead asked for a moment of silence in lieu of the events of September 11.

**OATH OF OFFICE**

Patricia Walker FitzGerald, Jefferson County Circuit Judge and Chief Judge of Jefferson County Family Courts, administered the oath of office to Richard Freed. Dr. Freed was appointed recently by Governor Patton as the council's faculty representative. He is a professor of English at Eastern Kentucky University.

**EKU PRESIDENT**

Mr. Whitehead introduced Joanne Glasser, president-elect of Eastern Kentucky University.

**ROLL CALL**

The following members were present: Norma Adams, Peggy Bertelsman, Richard Freed, John Hall, Hilda Legg, Shirley Menendez, Christopher Pace, Lois Weinberg, and Charles Whitehead. Walter Baker, Steve Barger, Ron Greenberg, Charlie Owen, Joan Taylor, and Gene Wilhoit did not attend.

**IMPLICATIONS OF A  
RIGOROUS HIGH  
SCHOOL CURRICULUM**

Jan Somerville with The Education Trust gave a presentation on the implications of a rigorous high school curriculum. Several members of the council's Committee on Equal Opportunities were present for the presentation: Beverly Watts, Wendell Thomas, Gippy Graham, Raoul Cunningham, Bill Wilson, and Marlene Helm.

**APPROVAL OF  
MINUTES**

The minutes of the July 30 council meeting and the August 27 executive committee meeting were approved as distributed.

**UofL PRESENTATION**

Dr. John Shumaker, president of the University of Louisville, discussed the efforts of his institution to achieve postsecondary education reform as presented in House Bill 1 in 1997.

Dr. Shumaker introduced several Bucks for Brains faculty in the audience. Van Clouse, Paul Epstein, Victoria Molfese, and Don Taylor discussed the programs they are involved in at the University of Louisville.

**2002-04 OPERATING  
BUDGET**

**RECOMMENDATION:** To set a goal slightly above the benchmark median for each Kentucky institution, the staff recommends that the council approve the average of the 50<sup>th</sup>, 55<sup>th</sup>, and 60<sup>th</sup> percentiles as the funding objective for the 2002-04 operating budget recommendation. Mr. Davies said that the lists of benchmark institutions were developed in 1999 and modified during this year, following the "points of consensus"

endorsed by the Strategic Committee on Postsecondary Education and the council. The staff is now dealing with how to establish the funding objective using each list, which is essential to measuring how Kentucky's institutional funding compares to that of institutions Kentucky's are like or want to be like. The staff has tested several techniques and is making the above recommendation. The staff feels that the method is mathematically valid, is fair, and can be explained in plain English to people who are not statisticians.

MOTION: Ms. Legg moved that the recommendation be approved. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

#### COUNCIL BYLAWS

RECOMMENDATION: The staff recommends that the council adopt the revised bylaws.

Mr. Davies said the council discussed proposed revisions to the bylaws briefly at the July meeting and suggested a few changes in dates.

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

Mr. Pace said that the Board of Student Body Presidents is concerned about the timeframe for selecting the council chair and vice chair.

VOTE: The motion passed with Mr. Pace voting no.

#### 2002 MEETING DATES

RECOMMENDATION: The staff recommends that the council approve the 2002 meeting dates.

MOTION: Ms. Bertelsman moved that the dates be approved. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

#### COMMITTEE APPOINTMENTS

Mr. Davies said that Mr. Whitehead has asked several council members to sit on various committees: SCOPE, John Hall; Distance Learning Advisory Committee, Joan Taylor and Charlie Owen; P-16 Council, Peggy Bertelsman.

#### COUNCIL STAFF

Mr. Davies introduced Dr. William H. Payne, who has joined the council staff as senior associate for finance.

#### P-16 COUNCIL MEMBERSHIP

RECOMMENDATION: The staff recommends that the council extend the membership of the P-16 Council to include Kim Townley, executive director of the Governor's Office of Early Childhood Development, and

Allen Rose, secretary of the Cabinet for Workforce Development.

MOTION: Ms. Menendez moved that the recommendation be approved. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

2002-04 TUITION  
RATES AND REVENUE

The council approved tuition-setting guidelines for the 2002-04 biennium in May 2001. The guidelines continue to delegate tuition-setting responsibility to the institutions. The institutions were to report planned tuition rates and projected tuition and fees revenue for each year of the biennium and this information was included in the agenda book.

KEY INDICATORS  
GOALS

RECOMMENDATION: The staff recommends that the council approve the 2002-06 public institution goals for enrollment, transfers, retention, and graduation.

At the July meeting, the council asked the institutions to reconsider their enrollment, retention, and graduation rate projections through 2006. The projections have been revised and are on target to meet long-range systemwide goals. Based on the first enrollment reports from the institutions, the system is up 11,000 students this fall. This growth in the public and private institutions puts Kentucky higher education for the first time over 200,000 students. The council set a goal of 80,000 more undergraduates by 2020. The staff is projecting that by 2015 the institutions will enroll 77,000 of those students. Based on this growth, Mr. Davies said that the council might want to revise its long-range enrollment growth schedule.

MOTION: Ms. Weinberg moved that the recommendation be approved. Ms. Legg seconded the motion.

Ms. Weinberg asked if the 11,000 students included the KYVU enrollments.

Angie Martin, the council's vice president for finance, replied that most of the KYVU students are taking courses at Kentucky institutions and are, therefore, included in the enrollment figures. But students in KYVU courses offered by out-of-state institutions are not included in the enrollments (that is, they are excluded from the 200,000 figure).

VOTE: The motion passed.

MOSU WAIVER

RECOMMENDATION: The staff recommends that the council accept the Committee on Equal Opportunities recommendation to grant Morehead State University a waiver of the requirements of KRS 164.020(18). At the May meeting, based upon a recommendation from the CEO, the council denied a request from Morehead State University for a waiver based on the institution not meeting its equal educational opportunity goals. Morehead has been hard at work since then and appeared before the

CEO August 20 to ask for reconsideration. Granting this waiver will enable Morehead to approve or ask the council to approve new academic programs during calendar year 2001.

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

VOTE: The motion passed.

#### KYVU/KYVL

Mr. Davies said that the Kentucky Virtual University is off to a strong start this fall, with unduplicated headcount of 4,807 and total class enrollments of 6,387. The KYVU now offers a total of 545 courses. The monthly number of library transactions through the Kentucky Virtual Library remains steady at about 600,000 per month (that averages 20,000 per day and more than 800 per hour).

Mr. Freed asked for a breakdown on the usage of the virtual library. The staff will provide that information to the council members.

#### KENTUCKY INNOVATION ACT

Mr. Davies said that the Kentucky Science and Technology Corporation issued the request for proposals September 4 for three of the four Kentucky Innovation Act programs for which the council has policy responsibility: the Research and Development Fund, the Commercialization Fund, and the Rural Innovation Fund. The KSTC expects to make awards to successful applicants by the end of December. The RFP for the fourth program, the Regional Technology Corporations, will be issued this fall and will come to the council in November. The council staff is reviewing the draft of the entrepreneurial audit conducted by the KSTC as part of the Kentucky Innovation Act, with the final audit report scheduled for release October 15.

#### ENGINEERING

Memoranda of understanding have been signed to provide for joint engineering programs under the statewide engineering strategy. The agreements are between MuSU, WKU, UofL, UK, and the council. The joint programs are mechanical engineering by WKU and UK, civil engineering by WKU and UK, electrical engineering by WKU and UofL, and electrical and telecommunications engineering by MuSU and UofL. The programs are offered so that students do not have to leave Bowling Green or Murray to earn a bachelor's degree in engineering.

Mr. Davies said that the commissioner of the new economy has said to the presidents and to others that the state lacks strength in the information technology area. Mr. Davies said that the council staff may bring a

recommendation to request funding for engineering but also expand the recommendation for engineering and information technology as part of the science and technology trust fund.

#### ENDOWMENT

The subcommittee to review endowment match guidelines has met twice to

MATCH GUIDELINES  
SUBCOMMITTEE

review current program guidelines and reporting procedures. The subcommittee discussed several issues, including donor anonymity, council oversight, the purpose of endowments, and pledge payment schedules. The group plans to meet again in October.

QUALITY  
SUBCOMMITTEE

Chairman Whitehead has appointed a council subcommittee of John Hall, Ron Greenberg, Joan Taylor, and Richard Freed to consider what quality means in postsecondary education and how it should be measured. The group will meet September 17 and will be joined by Dr. Margaret Miller, professor at the University of Virginia and president emerita of the American Association of Higher Education.

WKU  
DIDDLE ARENA

At the July meeting, the council heard about a proposal to transfer ownership of Diddle Arena from Western Kentucky University to the city of Bowling Green. Chairman Whitehead asked Charlie Owen, Walter Baker, and Steve Barger to review this proposal in greater detail. Since then, the project changed so that WKU will retain ownership of Diddle Arena, the City of Bowling Green will issue bond anticipation notes for its renovation, and WKU will retire the debt with an \$80 per semester special student fee. At the direction of the council committee, Mr. Davies supported the project at the August 21 Capital Projects and Bond Oversight Committee meeting and suggested that the council work with the Finance and Administration Cabinet, the Office of the Attorney General, the Governor's Office for Policy and Management, and the State Auditor to develop a procedure for handling unusual capital outlay financing proposals involving public colleges and universities. Since the August 21 meeting, the scope of the project changed to place turf on the football field and construct a pedestrian walkway; to obligate the university to use other athletic program funds for debt service if the student fee should provide insufficient funds; and to give the city the right to seek judicial confirmation that the deal is legal. On the basis of these changes, the Secretary of Finance stated that the Finance and Administration Cabinet will withhold approval of the deal at this time.

Mr. Davies said that he recently met with the Mississippi Board of Trustees of the State Institutions of Higher Learning to discuss "mission creep" among its institutions. Mississippi has 3 million people, eight public universities, and four of them are designated as research universities. The board knows it cannot afford the infrastructure required by four research institutions. Mr. Davies said this highlights the importance of this council and this system focusing on the responsibilities assigned to individual universities and to the KCTCS, doing them well, and then doing them better, but not trying to become more and more like one another.

Mr. Pace said the Board of Student Body Presidents passed a resolution asking the institutions of postsecondary education to observe a moment of silence September 18 from 8:45 to 8:50 a.m. to recognize the victims and families of the September 11 terrorist attacks. Mr. Pace asked the administrators of the institutions to help make this possible.

NEXT MEETINGS

Mr. Davies said that the council will meet with the presidents of the independent colleges and universities October 9 at Midway College. October 10 the council will meet at 8:30 a.m. at the council offices in Frankfort to discuss budget issues. At 1 p.m. that afternoon, institutions will be invited to make presentations to council members on special funding requests and capital project priorities. The council will meet in Frankfort November 5 to take action on the 2002-04 budget recommendations.

TRUSTEESHIP  
CONFERENCE

The Annual Governor's Conference on Postsecondary Education Trusteeship will begin after this meeting. Sir Brian Follett, vice chancellor emeritus, University of Warwick, United Kingdom, will deliver the keynote address on "The Entrepreneurial University in a System." Monday the presidents of the universities and KCTCS will participate on a panel to discuss the considerable progress of the last four years and the continued efforts of postsecondary education reform. Mr. Davies encouraged everyone to visit displays throughout the hotel highlighting the programs of distinction and the Research Challenge Trust Fund programs.

ADJOURNMENT

The meeting adjourned at 2:45 p.m.

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Gordon K. Davies  
President

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Phyllis L. Bailey  
Secretary