

**MINUTES**  
**Council on Postsecondary Education**  
**November 3, 2003**

The Council on Postsecondary Education met November 3, 2003, at 9:30 a.m. on the downtown campus of the Jefferson Community and Technical Colleges in Louisville, Kentucky. Chair Barger presided.

- WELCOME** Tony Newberry, president of the Jefferson Community and Technical Colleges, welcomed the Council. He said that the Jefferson Community and Technical College District comprises five campuses, including three in Jefferson County plus campuses in Carrollton and Shelbyville, enrolling more than 13,000 students. There also are programs at five corrections facilities in the region, articulation agreements for offering dual credit to high school students, and training operations in businesses and industries in the community.
- ROLL CALL** The following members were present: Walter Baker, Steve Barger, Peggy Bertelsman, Bart Darrell, J. P. Davis, Richard Freed, Ronald Greenberg, Susan Guess, John Hall, Esther Jansing, Joan Taylor, Lois Combs Weinberg, and Charles Whitehead. Norma Adams, Charlie Owen, and Gene Wilhoit did not attend.
- APPROVAL OF MINUTES** The minutes of the September 22 meeting were approved as distributed.
- CAMPUS TOURS** Mr. Layzell said that earlier in the day the Council members participated in a tour of the Ahrens Adult Learning Center and the historic Seminary Building on the Jefferson Community College campus. He thanked the staffs at the two sites for arranging the tours and providing valuable information about both facilities.
- FOCUS ON REFORM: SEAMLESS TRANSITIONS** The meeting began with a focus on reform. Dr. Newberry, Julie Scoskie (director of Jefferson County Public Schools Adult Education), and David Howarth (University of Louisville associate provost) described the model programs developed to share resources and promote the successful transition of students from adult education programs to college and from lower- to upper-division college work. They discussed examples of partnerships and collaborations among the three entities aimed at raising the educational attainment levels of all people in the community and building a responsive workforce development system for the region.
- 2004-06 OPERATING & CAPITAL BUDGET** **RECOMMENDATION:** The staff recommends that the Council approve the 2004-06 operating and capital budget recommendation which totals \$1,094,154,419 for 2004-05 and \$1,207,267,421 for 2005-06 in recurring funding for the universities, the Kentucky

Community and Technical College System, Lexington Community College, the Strategic Investment and Incentive Trust Funds, and the Council on Postsecondary Education, including the KYVU and KYVL, adult education, and pass-through programs, and, in addition, \$61 million in non-recurring funding for the Endowment Match Program.

Sandy Woodley, the Council's vice president for finance, called attention to the booklet entitled "2004-06 Budget Recommendation." This was an update to the materials mailed prior to the meeting.

The recommendation reflects an operating and capital budget totaling \$2.3 billion that will help support postsecondary education reform. The budget provides funding increases to the public universities, the Kentucky Community and Technical College System, and Lexington Community College to help pay for the over 42,000 additional students enrolled. The funding request represents an increase of nearly \$65.8 million for 2004-05 and \$113 million for 2005-06. It also provides funding to expand Kentucky's adult education programs. The budget will keep higher education affordable for Kentucky families, strengthen Kentucky's workforce, provide adult basic education opportunities to one in four Kentuckians who lack a high school credential, and maintain momentum in the development of the state's knowledge economy.

The budget recommendation includes five priorities:

- 1) Continue to support the universities and the Kentucky Community and Technical College System through adjustments to benchmark funding.
- 2) Continue to support the trust funds, including adult education and literacy, technology initiatives, science and technology programs, enhancing programs of national prominence, regional stewardship initiatives, and support for enrollment growth and productivity.
- 3) Address the need to renovate existing space on campuses, provide new space for research, and accommodate the additional students in the system (including capital expenditures for a \$15 million pool for capital renewal, maintenance, and repairs; \$34.7 million in debt service for renovation, replacement, infrastructure, and new construction; and a special appropriation of \$569,100 to assist Kentucky State University to renovate Young Hall Dormitory).

- 4) Continue the endowment match program, commonly known as Bucks for Brains, including \$1 million for an endowment match program for the Kentucky Community and Technical College System that will concentrate on creating jobs for Kentuckians.
- 5) \$16.9 million in 2004-05 and \$18.3 million in 2005-06 to support the operations of the Council, the Kentucky Virtual University and the Kentucky Virtual Library, and pass-through programs.

The recommendation also includes strong support for Kentucky's need-based student financial aid programs – the College Access Program and the Kentucky Tuition Grant Program. The Council does not administer CAP and KTG, but these programs were identified as among its highest priorities.

The Council members asked the staff to revise the 2004-06 Regional Stewardship Program Guidelines to include the involvement of the P-16 councils and the independent institutions.

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

Mr. Greenberg raised a question about how the order of the funding priorities was determined. Mr. Layzell said that the staff worked with the institutions to develop the priorities.

Mr. Greenberg said that continuation of the endowment match program is essential to the future economic success of the state and felt that this should be a higher priority than institutional space needs.

President Lee Todd discussed the need for competitive research space.

President Gary Ransdell said that no capital projects were funded in the last legislative session and the institutions are dealing with tremendous deferred maintenance inventories and deteriorating campuses. He added that space is needed due to the significant enrollment growth over the past few years. He complimented the Council staff for putting forth a budget recommendation that is equitable, recognizes performance, and begins to address inequities in the system.

**AMENDMENT TO MOTION:** Mr. Greenberg amended the motion to reverse the order of priority 3 and priority 4. Mr. Freed seconded the motion.

Ms. Bertelsman asked if the institutions include in their own internal budgets funds for maintenance and renovation. She said

that there seems to always be a huge list of projects for maintenance and renovation and it is her feeling that the institutions should share in this responsibility.

Dr. Ransdell said that some funds are included in the institutional budgets but that the institutions' first priority is support of unfunded enrollment growth.

Mr. Greenberg said that the objective is not to change the funding. He said the public policy issue is whether the Council will take a position to attract greater intellectual capital.

VOTE ON AMENDMENT: The motion failed.

VOTE ON ORIGINAL MOTION: The motion passed with Mr. Greenberg voting no.

2004-06  
FUNDING  
DISTRIBUTION  
POLICY

RECOMMENDATION: The staff recommends that the Council approve the Funding Distribution Policy as a companion to the *Points of Consensus* for the 2004-06 biennium. These principles advise the legislature in establishing priorities for institutional base funding in cases where funding reductions are necessary or when increases are less than the Council's budget recommendation.

Mr. Layzell said that the Council staff will consult with the institutions to consider several options regarding possible principles that may be used to guide the Governor and legislature in the allocation of less than full funding of the total budget recommendation. The staff will bring this information to the November 17 Executive Committee meeting.

MOTION: Mr. Whitehead made a motion to approve the recommendation. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

KEY  
INDICATORS OF  
PROGRESS

RECOMMENDATION: The staff recommends that the Council approve 19 key indicators and goals for 14 of them. The staff also recommends that the Council direct the staff to continue its work with the institutions and other agencies to establish a 20<sup>th</sup> indicator and propose goals for all remaining indicators at the February 2004 Council meeting.

Council staff member Christina Whitfield said that over the past several months the staff has worked with the institutions and other reform partners to revise the 41 key indicators of progress established in March 2001. This review process was intended to see what was working and what was not, to reduce the number of indicators, to further align the indicators with national accountability initiatives, and to establish new goals based on

updated baseline measurements. Ms. Whitfield reviewed the revised indicators and goals.

**MOTION:** Ms. Guess moved that the recommendation be approved. Mr. Darrell seconded the motion.

**VOTE:** The motion passed.

**KSU MISSION  
STATEMENT**

**RECOMMENDATION:** The staff recommends that the Council approve the mission statement for Kentucky State University as a working draft to be finalized in early 2004.

Mr. Layzell said that since the KSU board of regents expects to select a president by the first of the year and since the mission statements of all postsecondary institutions, including KSU, will be reviewed as part of the Council's plan of work for 2003-04, this mission statement will be modified over the coming months.

**MOTION:** Ms. Weinberg moved that the recommendation be approved. Mr. Whitehead seconded the motion.

**VOTE:** The motion passed.

**ANNUAL  
ACCOUNT-  
ABILITY  
REPORT**

Mr. Layzell reported that the Council staff is working on the annual accountability report for 2002-03 that is due to the Governor, the Legislative Research Commission, the General Assembly, and the Strategic Committee on Postsecondary Education December 1. Significant format changes have been made to respond to concerns raised by the Program Review and Investigations Committee in its July report. Previous year reports focused on the statewide public agenda; this year's report will include additional information about institutional progress toward the six goals of House Bill 1.

**JOINT MEETING  
WITH  
PROVOSTS**

Information was included in the agenda book about the annual joint meeting of the provosts of the public and independent colleges. Among the topics discussed were new initiatives to offer more opportunities for public and independent institutions to work together and increase the effectiveness of their academic programs.

**KENTUCKY/  
WEST VIRGINIA  
RECIPROCITY  
AGREEMENT**

**RECOMMENDATION:** The staff recommends that the Council approve the technical changes to the reciprocity agreement between Kentucky and West Virginia.

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

**VOTE:** The motion passed.

## CEO REPORT

A report on the activities of the Committee on Equal Opportunities was included in the agenda book.

Mr. Whitehead said that recurring funding for EEO programs is included in the Council's budget recommendation. He said failure to support these current programs would result in the loss of funding for 12 new Governor's Minority Student College Preparation Programs and 11 Ph.D. students presently enrolled at UK and UofL in the SREB Compact for Faculty Diversity.

Mr. Whitehead said that the CEO has requested that the U.S. Office for Civil Rights staff be invited to attend a CEO meeting or a CPE meeting to discuss Kentucky's status regarding the partnership agreement. Sherron Jackson of the Council staff said that Kentucky ended its partnership agreement December 31, 2002. The OCR was to provide a response with regard to Kentucky's status by March 31, 2003, but no response has been received. The Council staff has received requests for additional information and an explanation from the OCR staff that technically Kentucky is the first state to qualify to be removed from under the partnership agreement. The OCR staff anticipates that Kentucky should receive official notification by the end of November.

## DLAC UPDATE

A report on the activities of the Distance Learning Advisory Committee was included in the agenda book. Mr. Layzell noted that the committee is considering expanding its role to focus on all forms of distance education provided by Kentucky's postsecondary institutions and agencies. DLAC created a strategic planning team to draft an eLearning Strategic Plan for Kentucky for presentation to DLAC in spring 2004.

## CAPITAL PROJECTS

**RECOMMENDATION:** The staff recommends that the Council approve the request of the University of Kentucky to complete the design of a basketball practice facility to be located on the main campus with \$2,500,000 of private funds.

Mr. Jackson said that the money would pay for the completion of the design of the practice facility. The project itself, which is estimated to cost \$25-\$28 million, will be placed in the request for authorization by the General Assembly in the 2004 legislative session. The facility will be connected to Memorial Coliseum.

Mr. Baker expressed concern about the need for and the cost of the facility. President Todd said that the project also will include renovation of existing office space and will provide improved facilities for sports such as volleyball and gymnastics. The project will alleviate scheduling problems at Memorial Coliseum and will provide amenities similar to other NCAA basketball facilities around the country.

**MOTION:** Mr. Whitehead moved that the recommendation be approved. Ms. Weinberg seconded the motion.

**VOTE:** The motion passed with Mr. Baker voting no.

**RECOMMENDATION:** The staff recommends that the Council approve the request of the University of Kentucky to construct a multi-purpose facility with \$4,000,000 of private funds. The facility will be an addition to the Nutter Field House and will support the university's athletic program.

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

**VOTE:** The motion passed.

**RECOMMENDATION:** The staff recommends that the Council approve the request of the University of Louisville to renovate Threlkeld Hall on the main campus with \$500,000 of private (\$300,000) and agency (\$200,000) funds.

This project involves the renovation of 3,500 square feet of Threlkeld Hall to house a university honors program. The project will create a need for \$13,000 in operations and maintenance costs from the state General Fund. The institution may request funds for operations and maintenance in the future.

**MOTION:** Mr. Greenberg moved that the recommendation be approved. Mr. Whitehead seconded the motion.

**VOTE:** The motion passed.

**NEW  
PROGRAMS**

**RECOMMENDATION:** The staff recommends that the Council approve the associate of applied science in hotel/motel and restaurant management (CIP 52.0902) proposed by Western Kentucky University.

**MOTION:** Mr. Baker moved that the recommendation be approved. Mr. Darrell seconded the motion.

**VOTE:** The motion passed.

**KNOWLEDGE  
ECONOMY  
ANNUAL  
REPORT**

The Council is required by statute to submit a knowledge economy annual report to the Kentucky Innovation Commission, the Governor, and the General Assembly. An executive summary of the report was included in the agenda book. The full report is available on the Council's web site.

**COUNCIL STAFF**

Mr. Layzell announced that Jennifer Marsh is leaving the Council staff at the end of December to join the staff of the Brown Cancer Center at the University of Louisville.

**TEACHER QUALITY SUMMIT** Information was included in the agenda book about the Teacher Quality Summit held in October at ECU. The conference focused on improving coordination between postsecondary programs and the professional development needs of local school districts.

**GAMING TECHNOLOGY** Also in October, Kentucky representatives participated in a games design and simulation conference held at Shawnee State University with representatives from Kentucky, Ohio, and West Virginia. The purpose of the conference was to gather key learners to lay the foundation for a shared vision among business, academia, and government regarding the development of an industry cluster in the tri-state area and the development of cooperative academic programs to support this industry. The discussion included what needs to be done to foster interstate cooperation, interinstitutional cooperation, and what sources of funding might be available to support the development of a regional economic cluster. The group plans to hold another conference in April 2004 with an even larger attendance by interested parties from the three states.

**RECOGNITION OF WALTER BAKER** Mr. Barger congratulated Mr. Baker on being the recipient of the 2003 Vic Hellard Jr. Award. The award, presented annually by the Kentucky Long-Term Policy Research Center board of directors, recognizes an individual for his or her contributions to the future well-being of the Commonwealth. Mr. Baker will receive the award at the center's 10th annual conference in Louisville November 18.

**COUNCIL STAFF** Resolutions were offered for two long-time employees leaving the Council – Barbara Cook and Linda Jacobs.

**MOTION:** Mr. Darrell moved that the resolutions be accepted. Mr. Freed seconded the motion.

**VOTE:** The motion passed.

**NEXT MEETING** The next meeting is February 11. In addition to the Council meeting, a joint meeting will be held with the Kentucky Board of Education.

Mr. Barger thanked Jefferson Community College and Ahrens Adult Learning Center for hosting the Council.

**ADJOURNMENT** The meeting adjourned at 11:55 a.m.

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Thomas D. Layzell  
President

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Phyllis L. Bailey  
Associate, Executive Relations

