

**MINUTES**  
**Council on Postsecondary Education**  
**March 6, 2009**

The Council on Postsecondary Education met Friday, March 6, 2009, at 10 a.m. (ET) at the central offices of the Kentucky Community and Technical College System in Versailles, Kentucky. Chair Paul Patton presided.

ROLL CALL

The following members attended: Chris Crumrine, Dan Flanagan, Glenn Denton (by ITV from Paducah), Donna Moore, Lisa Osborne, Paul Patton, Jim Skaggs, John Turner, Mark Wattier, Joe Weis, and Elaine Farris. Peggy Bertelsman, John Hall, Phyllis Maclin, and Pam Miller did not attend.

WELCOME FROM  
KCTCS

KCTCS President Mike McCall welcomed the Council. President McCall and other KCTCS representatives hosted the Council members March 5 to share information and answer questions about the system.

APPROVAL OF  
MINUTES

The minutes of the January 16 and February 16 meetings were approved as distributed.

CPE PRESIDENT'S  
REPORT

CPE President Robert King reported on several activities underway:

- The CPE academic affairs unit has developed a semester-long internship program for interested academic affairs administrators, faculty, and professional staff at Kentucky's two- and four-year institutions. Six individuals were selected through a competitive process to comprise the inaugural class starting with the 2009 spring semester.
- President King has spent a good deal of time in the past several weeks visiting CPE members, members of the General Assembly, Governor Steve Beshear and his staff and members of the his Executive Cabinet, and key staff and members of the Kentucky Board of Education, Kentucky Higher Education Assistance Authority, Education Professional Standards Board, and Education and Workforce Development Cabinet.
- The Kentucky Virtual Campus reports that student enrollments continue to grow at a robust and accelerating rate with over 54,000 Kentuckians now enrolled in online courses (a 24 percent increase over fall 2007).
- The Kentucky Learning Depot, one of the projects that had been cut because of the budget situation, can continue with a \$136,000 grant received from AT&T. The Depot, a project of CPE and the Kentucky Department of Education, is a Google-like service where teachers and faculty can find rich digital learning content. By sharing and reusing expensive video and other content, the Depot can reduce the cost of course materials while improving the quality of the student experience.
- The Kentucky Virtual Library and its Kentuckiana Digital Library announced the William B. Keightley Project from the Louie B. Nunn Center for Oral History at UK. The project contains over 10 hours of

searchable audio interviews with Bill Keightley about his life and experiences as the equipment manager for the UK men's basketball team.

- Project Graduate, the statewide collaboration with the campuses to recruit former students with 90 or more credit hours, has graduated its 99<sup>th</sup> student. The program enrolled 434 students in the spring semester and at least 50 are expected to graduate in May. In addition, the college sports network is being used as another outreach to help recruit adults at all stages of their educational career to return to college to earn their degree. The initiative includes radio ads, signage, display advertising, and online advertising at five of Kentucky's campuses during the basketball season.
- The KnowHow2GoKy campaign has public service TV and radio ads running across the state through a partnership with the Kentucky Broadcasters Association. The ads encourage middle and high school students to take the tough classes they need to succeed in college.

#### COMMISSIONER OF EDUCATION REPORT

Elaine Farris, interim commissioner of education, presented information on activities underway at the Kentucky Department of Education. KDE, CPE, and EPSB have been working collaboratively on a grant to expand or create a statewide P-16 longitudinal data system and have been informed by email that Kentucky will receive funding through the grant. The department is monitoring House Bill 508 and Senate Bill 1 being considered by the 2009 legislative session which address the accountability and assessment systems and require collaboration with CPE on standards and assessment. The search for the next commissioner of education is well underway; the goal is to select a new commissioner no later than July.

#### 2009-10 TUITION AND MANDATORY FEES

**RECOMMENDATION:** The staff recommended that the Council approve 2009-10 resident undergraduate tuition and mandatory fee ceilings that equate to maximum base rate increases of 3 percent for KCTCS, 4 percent for the comprehensive universities, and 5 percent for the research institutions, rounded to the nearest dollar. The staff also recommends that the 2009-10 nonresident undergraduate tuition and mandatory fee rate shall be at least two times the resident undergraduate rate.

President King reported that the Council staff used a collaborative and interactive process to develop its 2009-10 tuition and mandatory fee ceiling recommendation, which included data sharing and numerous discussions between the Council and institutional staffs, and dialogue between the Council president, student groups, and executive and legislative leadership. Based on feedback received from multiple stakeholders and a balance of the fundamental objectives of the Council's tuition policy, there is a general sentiment that, during this extraordinarily difficult economic time, increases in resident undergraduate tuition rates should be moderated and significantly below their historical rates of increase over the past decade. For Kentucky students and families, particularly from low and moderate incomes, it is projected that significant increases in Pell grants and expanded postsecondary education tax credits from the recently enacted federal stimulus package will

offset a portion of these increases over the next year.

The staff provided an analysis of need and merit-based aid for full-time, in-state students for the 2007-08 academic year. The analysis showed that grants and scholarships covered the full cost of tuition, fees, and books for most full-time, in-state students in the lowest income categories. Even students in the highest income categories received significant support through KEES and institutional aid.

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

VOTE: The motion passed.

#### NKU 2009-10 TUITION AND FEES

RECOMMENDATION: The staff recommended that the Council approve Northern Kentucky University's full schedule of tuition and mandatory fees, including an exception to the nonresident undergraduate rate which was set at 1.9 times the resident rate, necessary to remain competitive with Ohio institutions.

The NKU recommendation complied with the recommended resident undergraduate rate ceiling for a comprehensive university, and the requested exceptions to the nonresident floor rate are in line with those approved by the Council last year.

MOTION: Mr. Weis moved that the full set of rates for NKU be approved. Mr. Crumrine seconded the motion.

VOTE: The motion passed.

The Council will take final action on the full schedule of tuition rates for all remaining public institutions, including graduate and first-professional rates, at its May 22 meeting.

#### BUDGET UPDATE

The Council staff provided an update on the CPE and the institutional fiscal year 2009 budget.

In early February 2009, the Kentucky General Assembly passed a revised budget bill for FY09 and a bill which provides additional General Fund revenue to help balance the FY09 budget, primarily in the form of a 30 cent increase in the cigarette tax and a new 6 percent retail sales tax on beverage alcohol. It is anticipated that the Governor will execute a budget reduction order to finalize the additional mid-year FY09 cuts in the near future. For postsecondary education, the Governor's plan includes an additional 2 percent budget cut for the public institutions of approximately \$20.5 million. With this third round of cuts, the net General Fund appropriation for Kentucky's public postsecondary education institutions will total \$1.006 billion, or approximately \$78 million (-7.2 percent) below its original FY08 base support of \$1.084 billion. In addition, as originally proposed, the Governor's mid-year FY09

budget reduction plan includes an additional 4 percent cut to the Council's General Fund supported programs. This will be CPE's fourth round of budget cuts in the last 18 months. An additional 4 percent cut to CPE operations in 2008-09 would total \$2.1 million and would place the Council's General Fund budget at \$50.5 million, or approximately 17 percent below its original budget of \$61.1 million in 2007-08. Approximately 16 percent of the Council's General Fund budget is spent on CPE operations and administration, whereas 84 percent is used to support statewide initiatives in instruction, educational and academic support, and research and economic development. Upon execution of the Governor's order, Council staff will initiate its planned reduction.

Looking ahead, the fiscal and budget environment for FY10 appears even worse than FY09 in terms of an additional massive projected budget shortfall combined with prolonged economic decline. The recently passed federal stimulus package should provide some one-time relief to a number of areas of state government, including \$533 million in education funds divided between K-12 and postsecondary education. However, it is initially anticipated that these funds will be used to maintain current operations in the face of future budget cuts in 2010 and possibly 2011 depending on the state of the economy.

#### FEDERAL ECONOMIC STIMULUS PACKAGE

It was reported that Kentucky's higher education and adult education system has the opportunity to benefit in a number of ways from the recent federal stimulus package. While Council staff is still reviewing details to determine the impact and awaiting additional information, funding levels for public colleges and universities could be restored to FY08 levels. Additionally, Kentucky will have the opportunity to compete for federal research grants from agencies such as the National Institute of Health and the National Science Foundation. Students in the lowest to moderate income levels will see increases in Pell grants and expanded higher education tax credits from the recently enacted stimulus package. The maximum Pell award for 2008-09 is \$4,731, and it will increase to \$5,350 in 2009 and \$5,550 in 2010. It was pointed out that the stimulus money is temporary, one-time funding.

#### LEGISLATIVE UPDATE

An updated chart listing bills passed by the 2009 General Assembly related to postsecondary education was distributed for information.

#### GEAR UP KENTUCKY REPORT

A progress report was provided on the federal GEAR UP Kentucky grant. Funded by the U.S. Department of Education, the program seeks to improve college readiness and enrollment through support services for middle and high schools that serve large populations of low-income students. Data provided demonstrated that test scores are improving among GEAR UP students. Information also was provided on the eMentor4APurpose program where trained college students at Eastern Kentucky University interact with middle school students online through a secure, web-based platform to establish a trusting, nurturing, positive relationship between the mentor and a young person.

SEAMLESS TRANSFER  
ARTICULATION  
AGREEMENT FOR  
ED.D. PROGRAMS

RECOMMENDATION: The staff recommended that the Council approve the seamless transfer articulation agreement among ECU, NKU, and WKU for the Ed.D. in educational leadership.

At its February 2008 meeting, the Council approved the establishment of Ed.D. programs in educational leadership at these institutions. The Council's approval included four criteria, including the submission of a report outlining the details of the seamless transfer articulation agreements among the universities. The agenda materials included detailed information with regard to coursework for the three programs and how that coursework will transfer among institutions, as well as a detailed outline of the collaborative nature of these programs which demonstrates the universities' commitment to working together to meet the Commonwealth's needs in the area of educational leadership.

MOTION: Ms. Osborne moved that the recommendation be approved. Mr. Weis seconded the motion.

VOTE: The motion passed.

KENTUCKY ADULT  
LEARNER INITIATIVE

With a \$500,000 grant from the Lumina Foundation for Education, the Council has worked with postsecondary institutions and other partners to create a policy framework that addresses both state- and institution-level policies to support adult learners. In order to attract, retain, and graduate more adult learners, three policy groups were formed to address issues important to adult students: flexible academic programming, credit for prior learning, and financial aid. The recommendations from each of the groups were incorporated into a document entitled *Helping Adults Succeed in Postsecondary Education: A Policy Framework* and address three major barriers for adult learners: access, affordability, and aspiration. The Council will be asked to accept the report and recommendations at its May meeting.

GED TOP SCORE  
AWARDS

The Council recognized two GED graduates who tied with the highest GED test score in Kentucky. Sarah Myers of California in northern Kentucky and Heather Thieneman of Taylorsville both earned a total score of 3890 out of a possible 4000. Kentucky's GED test centers administered tests to nearly 13,000 examinees in 2008 and more than 10,000 had passing scores.

CEO REPORT

Phyllis Maclin, chair of the Committee on Equal Opportunities, appointed two workgroups to implement the diversity planning process. The first workgroup will be chaired by Council member Lisa Osborne, and it will ensure that the plan framework is within legal parameters. CEO member Charles Whitehead will chair the second workgroup which will deal with policy issues.

CPE 2010-16 CAPITAL  
IMPROVEMENTS PLAN

The Council is required by statute to submit a capital improvements plan to the Capital Planning Advisory Board by April 15, 2009. The plan is a snapshot of the agency's vision of its capital needs over the six-year period 2010-16. The Council staff has begun development of the plan and will keep the Council informed.

CPE COMMITTEE  
ASSIGNMENTS

Chair Patton announced the following committee appointments:

- Executive Committee—Governor Patton and Dan Flanagan will serve as chair and vice chair joined by members Glenn Denton, Lisa Osborne, and Jim Skaggs.
- President Evaluation Committee—Donna Moore, John Turner, and Joe Weis.
- Budget Development Work Group—Dan Flanagan as chair with members Chris Crumrine, Glenn Denton, and Pam Miller.
- Distance Learning Advisory Committee—Donna Moore.
- Kentucky Agricultural Council—Dan Flanagan has been appointed to the Committee on Rural Communities: Quality of Life, Conservation, and Community Leadership Development.

REPORTS FROM  
INSTITUTIONS

Chair Patton called attention to the reports from the institutions which were included in the agenda materials.

CPE MEMBER WEB SITE

President King announced that the Council staff is developing a mechanism to communicate electronically with the Council members.

NEXT MEETING

The next Council meeting is May 21 and 22 at Murray State University. The Council will meet in retreat at Barren River Lake State Resort Park May 4 and 5.

ADJOURNMENT

The meeting adjourned at 12:40 p.m.

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MARCH 6 CPE  
MEMBER WORK  
SESSION

The Council met March 6, 2009, at 8:30 a.m. for a work session prior to the regular meeting. These topics were discussed:

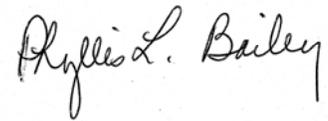
- Tenure – Mr. Wattier said that the traditional argument for tenure is the protection of academic freedom. The KRS statutes state that employment practices and policies, tenure, and promotion are the responsibility of the boards of regents of the various universities. He said that the Council might be connected to tenure through its authority to approve and eliminate programs. Dr. McCall commented that tenure is a very complicated process and is declining to be offered around the country. He said that KCTCS has been using continuing contracts at KCTCS since 2004, which give the faculty the same opportunities through different lengths of service through a contract.
- Council committee structure – The Council members expressed a desire to refocus their work around the fundamental elements of House Bill 1. They will discuss their committee structure further at their May retreat.
- Transfer – President McCall discussed issues surrounding transfer from a

KCTCS institution to a four-year institution. Council members said that there should be a seamless process to transfer to a four-year institution. They requested more information on the block transfer agreements for KCTCS students and the cost to the student and the institution if courses need to be repeated. President King said that the staff will bring information at an upcoming meeting. This information could serve as a foundation for a possible workgroup to be established to bring solutions to transfer issues.



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Robert L. King  
CPE President



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Phyllis L. Bailey  
Senior Associate, Executive Relations