

MINUTES  
Executive Committee  
Council on Postsecondary Education  
July 1, 2004

The Executive Committee of the Council on Postsecondary Education met July 1, 2004, at 9:30 a.m. (ET) at the Council on Postsecondary Education in Frankfort, Kentucky. Chair Barger presided.

The following members were present: Steve Barger, Peggy Bertelsman, Richard Freed, Ron Greenberg, and Joan Taylor.

The minutes of the November 17, 2003, meeting were approved as distributed.

Mr. Layzell discussed the 2004 strategic planning process and distributed a handout showing the opportunities for Council members to attend the regional and campus forums.

The Council members made a number of suggestions for the staff to consider. They include:

- *Extending the timeline further into 2005 to allow more time for constituent discussion.* The original timeline was designed such that the key elements of the public agenda and statewide action agendas were outlined in time for the 2005 legislative session. It also proposed scheduling campus forums in conjunction with regional forums this fall. The Council members suggested that more time be provided for plan development, and made the specific suggestion to move the campus forums to later in the process so that the results of the regional forums could be shared with the campus communities as they developed their plans and reviewed their mission statements.
- *Engaging statewide, regional, and local groups in the creation of the invitation list for the regional forums.* A number of suggestions were made about the invitees to the regional forums, including the involvement of the AFL/CIO, Kentucky League of Cities, and the Association of Counties in the development of the invitation list.
- *Other Comments.* A number of other comments were made by the members, including:
  - Emphasis on regionalization in data presentation and goal-setting
  - Identification of changes in legislation desired in 2005 versus 2006
  - Alignment of the planning process with the funding model review and budget recommendation for the next biennium
  - Support for a very brief document outlining the broad public agenda
  - Recognition of the role that for-profit providers play in the system

The Council staff will make suggested changes to the planning timeline and will provide an update at the July Council meeting.

Sandy Woodley, Council Vice President for Finance, gave an update on the comprehensive funding model review. Activities and progress are as follows:

- The staff completed campus visits with each institution and met with the staffs of the Office of the State Budget Director and the Legislative Research Commission to discuss funding policies and issues relevant to the review.
- The staff conducted a two-day Chief Budget Officers retreat June 10-11 to discuss in detail all of the issues and to prepare for the remaining activities related to the review.
- The staff presented and discussed a status report regarding the work of the Chief Budget Officers during the retreat as well as a discussion of specific issues related to the review during the June presidents meeting.

Information was presented on proposed changes to the 2002-04 Endowment Match Program Guidelines:

1. Add a "Research Scholars" category, allowing funding for up to three non-tenured medical faculty for a maximum of four years each.
2. Clarify the definition of applied research programs for the comprehensive universities.
3. Add diversity language in accordance with HB 269.

A recommendation will be presented to the Council for action at the July 19 meeting.

A draft agenda for the 2004 Governor's Conference on Postsecondary Education was presented for discussion. The staff will update the Council members as plans progress.

The staff presented for discussion a proposal that a non-profit corporation be created to receive private and corporate gifts in support of postsecondary education. Recently the Council staff has been talking with the Louisville *Courier-Journal* and other individuals and corporations about sponsoring a number of postsecondary education initiatives. In order for such contributions to be tax exempt, the receiving organization must be recognized by the federal government as a charitable corporation under section 501(c)(3) of the Internal Revenue Code. The staff will continue discussions with the Education Cabinet and the Fletcher administration to ascertain whether enabling legislation is required and will keep the Council members informed of progress in this area.

Information about the 2004-05 agency operating budget was included in the agenda book. Since the 2004 General Assembly adjourned without approving a 2004-06 biennial budget, the Governor signed an executive order presenting a Public Services Continuation Plan for the first quarter of fiscal year 2004-05. Franklin County Circuit Judge Roger Crittenden ruled on Wednesday, June 30, that the continuation plan could proceed, but with limits. The Governor's office does not know at this point how the order may affect the continuation plan. The information presented in this agenda item is based on the continuation plan as it is, but the plan may be revised based on court action. The Council will take action on the agency budget at the July 19 meeting. Information about the continuation plan was distributed.

The meeting adjourned at 11 a.m.