

## **MINUTES**

### **Council on Postsecondary Education**

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Type: Executive Committee Meeting  
Date: April 3, 2020  
Time: 9:00 a.m. ET  
Location: Virtual Meeting - Committee members by ZOOM, Public viewing hosted on CPE YouTube Page.

### **CALL TO ORDER**

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The Executive Committee met Friday, April 3, 2020, at 9:00 a.m., ET. Pursuant to Executive Order 2020-243 and a memorandum issued by the Finance and Administration Cabinet dated March 16, 2020, and in an effort to prevent the spread of Novel Coronavirus (COVID-19), the CPE Executive Committee met utilizing a video teleconference. Members of the public were invited to view the meeting virtually on the CPE YouTube page: [https://www.youtube.com/channel/UCK10p\\_HfwBdgRpVPjgz8i1A](https://www.youtube.com/channel/UCK10p_HfwBdgRpVPjgz8i1A). Chair Ben Brandstetter presided.

### **ATTENDENCE**

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Members in attendance: Ben Brandstetter, Ron Beal, Kim Halbauer, Kristi Nelson, Robert Staat and Sherrill Zimmerman. All attended by teleconference.

Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes.

### **APPROVAL OF THE MINUTES**

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The committee approved the minutes of the March 6, 2020 Executive Committee meeting.

### **COMMENTS FROM THE PRESIDENT AND LEGISLATIVE UPDATE**

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CPE President Aaron Thompson provided a review of the efforts undertaken by the campuses during the COVID-19 pandemic. This included measures to ensure student success despite the switch to the virtual learning environment and actions taken by the Council in altering policies to meet the required changes.

Bill Payne, CPE's Vice President of Finance and Administration, reviewed the one year 2020-21 budget approved by the House and Senate Free Conference Committee on April 1, 2020. He also discussed estimated funds distribution from the federal CARES Act (Higher Education Relief Fund).

## **2020 INCENTIVE PRIORITIES FOR PRESIDENT AARON THOMPSON**

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At its March 6, 2020 meeting, Committee members discussed the 2020 agency work plan and the potential 2020 incentive goals for President Thompson's contract. After the discussion, the Committee asked Chair Brandstetter and Vice Chair Halbauer to work on the language for the incentive goals and report back at the April 3, 2020 meeting.

The Committee members discussed the merits of an incentive-based compensation plan given the unknowns related to the coronavirus and how that might effect President Thompson's priorities. Committee members also shared concerns about the lack of quantitative measures on which to base their decisions about incentive compensation. Ms. Nelson stated she did was not in favor using a qualitative method for an incentive plan because the evaluation process was too subjective to come up with a specific award amount for each goal. This sentiment was echoed by several other members. At the request of the Chair, Ms. Nelson, Ms. Zimmerman and Dr. Staat agreed to review the contract and bring to the Committee a potential amendment adjusting President Thompson's base salary and removing the incentive pay provisions.

Chair Brandstetter instructed staff to consult dates for a potential special-called meeting of the Committee in order to finalize the matter prior to the April 24, 2020 Council meeting.

## **STRATEGIC INITIATIVES FUNDING**

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CPE's Vice President and Chief of Staff Lee Nimocks presented a staff proposal to redistribute FY 20 Strategic Initiative Funding to create a COVID-19 Emergency Response Fund. As part of the agency's FY 2020 budget approval last summer, the board budgeted Strategic Initiative monies to be used for: 1) grants to the campuses, including funds to support student success initiatives and Project Graduate in FY21; 2) expansion of the Quality Assurance Commons project; and 3) the annual Student Success Summit.

Given the current COVID-19 crisis, and the significant challenges facing campuses in a number of areas: addressing student needs; moving completely to an on-line learning environment; providing professional development and support to faculty and employees; and responding to community needs, CPE staff proposes that the Emergency Response Fund be created, and funding distributed to Kentucky's public campuses using the distribution methodology outlined below.

- Kentucky's public universities (UK, UofL, KSU, ECU, WKU, NKU, MoSU, MuSU) would receive \$40,000 each (\$320,000 in total). KCTCS would receive \$120,000 due to their size, the number of institutions within their system, and their high percentage of Pell Grant students.
- Institutions will submit a proposal outlining the proposed use of funding.
- Institutions will have until December 31, 2020 to expense all funds, and must provide a July 15, 2020 mid-term report and a final report on January 15, 2021 that provides a detailed accounting of how the funds were used to respond to the crisis and support students' success during this time.

MOTION: Dr. Staat moved that funds originally budgeted for strategic initiatives be used to create a COVID-19 Emergency Response Fund and distributed as presented. Ms. Nelson seconded the motion. *Approval of this item does not require approval by the full Council.*

VOTE: The motion passed.

### **AMENDMENT TO 13 KAR 1:050 – LICENSED OUT-OF-STATE COLLEGE'S ELIGIBILITY FOR KENTUCKY TUITION GRANT AMENDMENT**

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CPE's Vice President and General Counsel Travis Powell presented a proposed amendment to KRS 164.780. The regulation creates the Kentucky Tuition Grant (KTG) program to provide need-based aid up to \$3,000 per semester to qualified Kentucky residents attending eligible private colleges located in Kentucky. In order to be eligible to accept KTG awards on behalf of a student, private institutions must be licensed by the Council and accredited by the Southern Association of Colleges and Schools, Commission on Colleges (SACSCOC). If SACSCOC accreditation is not available to a licensed out-of-state institution due to its main campus being located outside SACSCOC's geographic region, an institution may petition the Council for approval per 13 KAR 1:050 as required by KRS 164.785(7)(c). KRS 164.785(7)(c) requires that the Council's process for approval mirror SACSCOC accreditation criteria.

The proposed language set forth in the regulation aligned the standards for KTG participation with the SACSCOC Principles of Accreditation that went into effect on January 1, 2018 and makes other changes. Proposed amendments included the following:

- Reordering and removal of redundancies contained in the previous SACSCOC Principles.
- Focus on SACSCOC Core Requirements and elimination of requirements duplicative with those in the Council's standards for licensure, 13 KAR 1:020.
- Require that the college's board conduct regular self-evaluation.
- Require that the college provide information and guidance to help student borrowers understand how to manage their debt and repay their loans.
- Increase fee to \$10,000 for initial application and add renewal requirement every 10 years to align with SACSCOC accreditation cycle.
- Allow for site visits as an option at any time as issues arise, but generally provide that reviews be conducted by staff at no additional cost to the college.

The process of revising an administrative regulation, established by the Legislative Research Commission, will be initiated with Council approval of this revised regulation. Upon approval, the proposed revised administrative regulation will go through a public hearing and review by the Administrative Regulation Review Subcommittee and the Interim Joint Committee on Education.

MOTION: Ms. Halbauer moved the Committee accept the proposed amendment to 13 KAR 1:050 and recommend approval by the full council at its April 24, 2020 meeting. This motion would authorize staff to file the proposed administrative regulation, and authorize Vice President and General Counsel, pursuant to KRS 13A.290(4) and KRS 13A.320(1)(b), to make such changes on behalf of the Council as necessary to comply with KRS Chapter 13A and obtain adoption by the Administrative Regulation Review Subcommittee and the Interim Joint Committee on Education. Dr. Staat seconded the motion.

VOTE: The motion passed.

## **AGENDA FOR APRIL 2020 COUNCIL MEETING**

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Staff presented the draft agenda for the April 24, 2020 meeting. Due to the COVID-19 pandemic, the meeting would occur by teleconference only for the Council members and public viewing would be made available on the CPE YouTube page.

## **PLANNING TIMELINE FOR NEXT STATEWIDE STRATEGIC AGENDA**

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As requested at the last Committee meeting, staff presented a draft timeline for the next Statewide Strategic Agenda's planning process. It was stated that if COVID-19 pandemic progresses beyond current projections, this timeline may need to be adjusted and/or steps in the process altered.

## **ADJOURNMENT**

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The Executive Committee adjourned at 10:42 a.m., ET.

***MINUTES REVIEWED AND APPROVED BY THE COMMITTEE: April 16, 2020***