

AGENDA

Council on Postsecondary Education

January 12, 1998

Upon adjournment of committee meetings, CPE Conference Room, Frankfort, KY

- A. Roll Call
- B. Approval of Minutes B-1
- C. Presentation: Strategic Agenda Development.....C-1
- D. Update: Commonwealth Virtual University D-1
- E. Presentation: Commonwealth Scholarship Program.....E-1
- F. Action: Regional Postsecondary Education Centers..... F-1
- G. Action: 1998/2000 KCTCS Capital Construction Plan G-1
- H. Update: KCTCS Transition..... H-1
- I. Update: 1997/98 Trust Funds Application Guidelines I-1
- J. Update: Strategic Committee on Postsecondary Education (SCOPE).....J-1
- K. Information: 1998 General Assembly..... K-1

- L. Trends and Operations Committee L-1
 - 1. Action: *CPE Policy Manual* Revisions L-7
 - 2. Action: Pass-Through Programs L-115
 - 3. Information: KY Plan for Equal Opportunities
1998 Degree Program Eligibility L-141
 - 4. Update: Transition Agenda L-145

- M. Quality and Effectiveness Committee.....M-1
 - 1. Information: Overview of New Program Proposals.....M-7
 - A. Action: Postponement of New Program Proposals.....M-9
 - B. Action: New Program Proposal: AAS in Occupational Therapy Assistant, Madisonville
Community CollegeM-15
 - C. Action: New Program Proposal: AAS in Physical Therapy Assistant, Hazard Community
College/Southeast Community CollegeM-19
 - 2. Action: The Status of Kentucky Postsecondary Education: The 1998 Report.....M-25
 - 3. Discussion: Workplan for Study of Academic Program PoliciesM-31
 - 4. Discussion: Workplan for Study on Minimum Admission Requirements.....M-35
 - 5. Action: Eisenhower Mathematics and Science Education FundsM-37
 - 6. Presentation: Remedial Education StudyM-49

- N. Investments and Incentives Committee N-1
 - 1. Discussion: Workplan for Tuition Policy Review N-13
 - 2. Update: Uniform Financial Reporting N-15
 - 3. Action: University of Kentucky South Campus Locker Facility N-17
 - 4. Action: University of Louisville Rauch Planetarium / Speed Museum
Parking Garage..... N-25

- O. Other Business
- P. Next Meeting – March 8-9, 1998
- Q. Adjournment

Agenda materials are available on the CPE web site at <http://www.cpe.state.ky.us>.

Sunday, January 11

5:00 p.m. ET) Trends & Operations Committee, Assembly 1 and 2, Holiday Inn Capital Plaza

6:00 p.m. (ET) Reception and Dinner for CPE members, Assembly 3, Holiday Inn Capital Plaza

Monday, January 12

8:00 a.m. (ET) Quality & Effectiveness Committee, CPE Conference Room
Investments & Incentives Committee, Local Government Conference Room

upon adjournment
of committee meetings CPE Meeting, CPE Conference Room



Quality and Effectiveness Committee

Peggy Bertelsman, Chair
Lee Todd, Vice Chair
Norma Adams
Steve Barger
Leonard Hardin
Marlene Helm
Wilmer Cody
Lois Weinberg

Investments and Incentives Committee

Ron Greenberg, Chair
Jim Miller, Vice Chair
Walter Baker
Renita Edwards
Merl Hackbart
Leonard Hardin
Shirley Menendez
Marcia Ridings
Charles Whitehead

Trends and Operations Committee

Leonard Hardin, Chair
Charles Whitehead, Vice Chair
Peggy Bertelsman
Ron Greenberg
Lee Todd
Jim Miller
Walter Baker
Lois Weinberg

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Presentation:

The Kentucky Postsecondary Education Improvement Act of 1997 calls for the development of a strategic agenda to serve as the public agenda for postsecondary education and for strategic implementation plans to achieve the strategic agenda. At the October 20 CPE meeting, Chair Hardin asked the work group appointed to deal with budgets and the incentive trust funds to start work on the strategic agenda. The work group commenced discussions on strategic agenda development at a meeting on December 18, 1997.

A presentation to "kick off" the strategic agenda development process will be made at the full CPE meeting.



Strategic Agenda Development for KY Postsecondary Education

***Presentation to the Council
on Postsecondary Education***

January 12, 1998



Strategic Agenda Development

Overview

- ❖ What is a strategic agenda?
- ❖ What is a strategic implementation plan?
- ❖ Why are they necessary?
- ❖ How do we develop them?
- ❖ Who should be involved?
- ❖ How long will it take?
- ❖ What do we do next?

Strategic Agenda

Purposes

- ❖ To sustain a long-term commitment for constant improvement
- ❖ To properly align system assets with needs
- ❖ To improve system productivity
- ❖ To serve as a guide for institutional missions and plans

Diagram





Strategic Agenda

A Vision of Kentucky's Future

- ... vibrant, nurturing communities*
- ... lifelong, quality educational opportunities*
- ... a sustainable, prosperous economy*
- ... a clean, beautiful environment*
- ... and honest, participatory government at all levels”*



Strategic Agenda

What the Assessment and House Bill 1 Suggests ...

1. Increased educational attainment and quality of life across the state, particularly in regions currently with the lowest levels



Strategic Agenda

What the Assessment and House Bill 1 Suggests ...

4. Student learning that occurs in an advanced technological environment



Strategic Agenda

What the Assessment and House Bill 1 Suggests ...

5. Contributions to the quality of elementary and secondary education



Strategic Implementation Plan

Definition

A blueprint for action that guides systemwide, and institutional policies, actions, and decisions toward the achievement of the Strategic Agenda



Strategic Implementation Plan

Components (as listed in NB1)

- ❖ Goals
- ❖ Principles
- ❖ Strategies/Objectives
- ❖ Performance indicators
- ❖ Benchmarks
- ❖ Incentives to achieve desired results

Strategic Implementation Plan

Policy Issues - Example of Related CPE Activity

- ❖ Student Access
 - ❖ Physical - Access plan called for in biennial budget
 - ❖ Electronic - Commonwealth Virtual University
 - ❖ Financial - Tuition and financial aid
- ❖ Academic Programs and Quality
 - ❖ Study of academic program policies
 - ❖ 1998 accountability report

Strategic Implementation Plan

Policy Issues - Example of Related CPE Activity

- ❖ Entry/Transferability/Learning Productivity
 - ❖ Report on remedial education
 - ❖ Policy study on minimum admissions requirements
- ❖ Resource Development
 - ❖ 1998/2000 biennial budget request

Development Process

Roles

- ❖ Beneficiaries/Constituents
 - ❖ Respond to discussion drafts
 - ❖ Communicate expectations
 - ❖ Provide feedback on implementation success
- ❖ Institutional Providers
 - ❖ Review and comment on process
 - ❖ Generate ideas
 - ❖ Respond to discussion drafts
 - ❖ Implement at institutional and regional levels

Development Process

Sequence



January ————— 1998 ————— December

Update:

Pursuant to HB 1, a Distance Learning Advisory Committee (DLAC) to advise CPE on matters related to the establishment of the Commonwealth Virtual University has been established. The first meeting of the committee was held on November 3, 1997, at which time Lee Todd was elected to chair the group. Membership of the DLAC is as follows:

Lee Todd – CPE Member

Jim Miller – CPE Member

Presidents of the Nine Postsecondary Education Institutions (includes KCTCS)

Virginia Fox – KET Executive Director

Gary Cox – President, Association of Independent Kentucky Colleges and Universities (AIKCU)

Viola Miller – Secretary of the Cabinet for Families and Children

Stephen Dooley – Commissioner, Department of Information Systems

Jim Nelson – Commissioner, Department for Libraries and Archives

Jim Ramsey – State Budget Director

Mr. Todd will provide a brief update on the status of planning for the establishment of the CVU and, in particular, will report on a recent fact-finding trip to Boulder and Denver, Colorado. A trip summary, including a listing of those participating in the trip, is attached.

In addition to the Colorado trip, and at the suggestion of the presidents, Norma Adams, CPE member; Jack Moreland, KCTCS; and Larry Fowler, CPE staff, attended the joint annual meeting of the National Association of State Universities and Land Grant Colleges and the Association of State Colleges and Universities in Washington, DC. Several sessions at this conference were related to the virtual university concept.

The next meeting of the DLAC is planned for late January.

**Kentucky Council on Postsecondary Education
Fact Finding Trip to Boulder/Denver, Colorado
Development of a Commonwealth Virtual University
November 17-18, 1997**

Trip Summary

DESIRED RESULTS

The following expected desired results were identified by the CPE staff and shared with all Kentucky and Colorado attendees prior to the trip:

- ◆ To gain an overall understanding of the various types of virtual university models and their distinguishing characteristics
- ◆ To learn about the Western Governors University, WICHE's Western Cooperative for Educational Telecommunications, and Colorado Electronic Community College models and development efforts
- ◆ To identify alternative virtual university models worthy of exploration
- ◆ To discuss the policy issues surrounding a statewide virtual university concept
 - Credit hour vs. competency-based credentialing
 - Clearinghouse vs. separate degree-granting institution
 - Quality assurance mechanisms
 - Unbundling of faculty roles
 - Targeted programs/courses
 - Electronic student services
 - Virtual library
 - Universal internet access
 - Tuition policy
 - Transferability of credits
 - Advising/mentoring
- ◆ To understand the advantages and disadvantages of the "home institution model" being proposed by Kentucky's regional universities
- ◆ To outline a conceptual framework for developing a CVU vision statement
- ◆ To outline a process and timeline for developing the CVU model

KENTUCKY ATTENDEES

CPE Member: Lee Todd, Chair of Distance Learning Advisory Committee and Vice Chair of the CPE Quality and Effectiveness Committee

CPE Staff: Ken Walker, Acting Chief Operating Officer and Deputy Executive Director for Finance, Facilities, and Data Management

Sue Hodges Moore, Deputy Executive Director for Academic Programs, Planning, and Accountability

Other: Jim Ramsey, State Budget Director, Special Assistant to the CPE Chair, and Chair of the Kentucky Community and Technical College System Transition Team

Barbara Burch, Vice President for Academic Affairs, Western Kentucky University

Ron Moore, Vice President for Information Technology, University of Louisville
(joined by President Shumaker from 12-3 p.m. on 11/17)

Don Olsen, Chief Information Officer, Murray State University

Ken Nelson, Director of Extended Programs, Eastern Kentucky University

COLORADO ATTENDEES

Dennis Jones, President, National Center for Higher Education Management Systems
Aims McGuinness, Senior Associate, National Center for Higher Education Management Systems
Peter Ewell, Senior Associate, National Center for Higher Education Management Systems
Charlie Lenth, Director of Policy Studies in Higher Education, Education Commission of the States
Kay McClenney, Vice President, Education Commission of the States
Jim Mingle, Executive Director, State Higher Education Executive Officers
Russ Poulin, Associate Director, Western Cooperative for Educational Telecommunications, Western Interstate Commission for Higher Education
Pat Shea, Project Director, Western Cooperative for Educational Telecommunications, Western Interstate Commission for Higher Education
Byron McClenney, President, Community College of Denver
Mary Beth Sussman, President, Colorado Electronic Community College
Bob Albrecht, Chief Academic Officer, Western Governors University

RELATED WEB SITES OF COLORADO ORGANIZATIONS REPRESENTED

NCHEMS – www.nchems.com
ECS – www.ecs.org
SHEEO – www.sheeo.org
WICHE/Western Cooperative for Educational Telecommunications – www.wiche.edu
Community College of Denver/Colorado Electronic Community College –
www.cccoes.edu/cccoes/statemap.htm
Western Governors University – www.westgov.org/smart/vu/vuvision.html

ADVANCE MATERIALS SHARED WITH ALL ATTENDEES

- ◆ Excerpt from the Kentucky Postsecondary Education Improvement Act of 1997 (HB1) mandating the development of a Commonwealth Virtual University.
- ◆ Summary of other HB1 directives most relevant to virtual university discussions.
- ◆ 1998/2000 biennial budget recommendation for the CVU.
- ◆ Slides presented by Lee Todd at October 20 CPE meeting re: CVU start-up discussions.

- ◆ Overview of Kentucky's current technology infrastructure and distance learning efforts.
- ◆ Membership list of the Distance Learning Advisory Committee (DLAC).

Meeting Notes

The following bullets are highlights of the comments made by Colorado attendees at the various meetings during the trip.

Mission, Goals, and Purposes

- ◆ The nature of a statewide virtual university should, first and foremost, be determined by the educational, economic, and other public needs of the state itself.
- ◆ Four common reasons for developing a virtual university are: 1) to leverage the ability to serve more students more cost effectively in response to projected growth in the demand for postsecondary education and a less than proportionate increase in funding available to support this growth; 2) to increase access to education in rural parts of a state; 3) to increase educational standards and quality outcomes (i.e., identify educational expectations, re: competencies) without a frontal assault on the institutions; and 4) to respond to employer needs.
- ◆ Market-driven vs. provider-driven vs. societal-driven models produce different results.

Technology

- ◆ The trend in technology being used in various models of virtual universities is a mixture of Web-based, video, face-to-face streaming video, satellite, ITV, and other modes, rather than reliance on one particular technology.

Support Services

- ◆ Student support services, electronic and otherwise, are fundamental to the success of virtual university efforts; local resource centers should be established; likewise, receiving sites should partner with offering institutions to offer these services.
- ◆ Libraries need to play a significant role in increasing information literacy necessary for asynchronous learning.
- ◆ A statewide library infrastructure will be necessary to meet the needs of students and faculty.
- ◆ Virtual university models which have student services components that merit closer examination by DLAC are:
 - University of Minnesota
 - University of British Columbia
 - WGU Smart Catalog
 - Colorado Electronic Community College

Impact on Traditional Institutions

- ◆ Virtual university initiatives can be used as leverage to bring about change within the traditional institutions.

- ◆ There is a movement toward degree completion programs in the private sector, which requires more flexibility in the acceptance of transfer credit.
- ◆ The motivation for cooperation among institutions increases when boundaries are removed. Out-of-state institutions can do anything they want in a given state re: distance learning; why not let the in-state institutions do likewise?
- ◆ Statewide degree programs are one method of eliminating duplication at existing campuses.
- ◆ A statewide virtual university can help move individual campuses toward a centralized electronic student services system.
- ◆ Those who view virtual universities as threatening often see a finite market for postsecondary education instead of understanding that the virtual university approach will more than likely serve new markets.

Quality Assurance

- ◆ States should conduct “best practice” reviews at the program level to see who does the best job of delivering particular programs through distance learning.
- ◆ Principles of good practice for electronically offered courses and programs should be adopted.
- ◆ Regional advisory groups in other states are most successful when they are involved in conversations about determining the competencies of graduates and how those competencies are judged, as well as in taking part in the actual assessment of student outcomes (e.g., reviewers of senior projects).

Financial Issues

- ◆ Tuition policy is a significant virtual university issue; many approaches are being taken and all should be considered. WGU contracts with each participating institution and allows each institution to determine its own tuition rates. The Colorado Electronic Community College charges a higher tuition rate than does the Colorado Community College campus. Neither WGU nor CECC charge “out-of-state” tuition rates.
- ◆ Financial aid issues currently are significant although the federal government will most likely develop new policies that address distance learning issues; WGU is being used as an experimental site by the USDOE for finding solutions.

Parting Words of Advice to Kentucky

- ◆ Start by identifying Kentucky particular needs and then look at the various models available that would help fulfill those needs; don’t lose sight of these statewide priorities throughout the development effort; to this end, design a set of principles before you go any further.
- ◆ In finding the Kentucky solution, don’t forget to look outside of Kentucky.
- ◆ The most successful providers search for corporate partners (i.e., infrastructure, project development, etc.).
- ◆ Don’t try to be everything to everybody.

- ◆ Be clear about your virtual university's mission.
- ◆ Don't build the network first. Decide on Kentucky's needs, the mission of the virtual university, the components needed, then build the network(s).
- ◆ Don't feel limited to using only one model; Kentucky's solution may be a multi-faced approach that takes the best from various existing approaches and combines them into a customized "Kentucky model."
- ◆ Kentucky needs to find its niche.

Virtual university models with attributes or components worth closer examination by DLAC

- ◆ Western Governors University
- ◆ British Columbia Open Learning Agency
- ◆ Educational Network of Maine
- ◆ Colorado Electronic Community College

What we learned about other models and state efforts

Western Governors University

NOTE: An excellent description of the basic WGU concept was distributed to CPE members at the October 20 meeting and to the DLAC at its meeting in November. The educational program of WGU consists of three basic functions or divisions. These are (1) a Clearinghouse division, (2) an "Open College" or brokering division, and (3) a competency-based degree or certificate division.

WGU does not offer its own courses. The Clearinghouse function is to simply provide, through the Smart Catalog (on-line), information about educational opportunities available in the states participating in the WGU. In the "Open College" division, the student actually enrolls *through the WGU* in a program of study formally approved by WGU (using Education Provider Review Councils). However, the degree or other credential is conferred by the institution the student is "attending."

The competency-based degree or certificate is, in fact, conferred by WGU. WGU offers no courses of its own, but "employs" faculty at existing institutions in the development of WGU programs, to provide instruction, and to serve as mentors for students. The only degrees/certificates conferred by WGU are through the competency-based degree/certificate division. The following focuses primarily on the competency-based degree/certificate activity that was of particular interest to the attendees.

- ◆ WGU sets graduation requirements and awards degree or certificate.
- ◆ Education experience/skills can come from anywhere.
- ◆ Basic unit of analysis is the "performance description" or "statement of observable abilities."
- ◆ Development of performance descriptions involves business, industry, and academics.
 - Vocational
 - National Skills Standards Board
 - ACT National Job Analysis
 - Divide into meaningful groupings

- Academic
 - Started with statewide articulation agreements
 - Analysis of catalogs
- ◆ Program Councils – groups of faculty from institutions provide continuous review of competencies and assessments, serve as “curriculum” committees.
- ◆ Education providers map route to competencies through SmartCatalog/Advisor.
- ◆ The first competency-based programs to be offered are an Associate of Applied Science in Electronics Manufacturing and an Associate of Arts (general studies) degree.
- ◆ One observation made by one of the consultants was that the experience of some institutions with competency-based programs is that when the competency requirements are set high, student interest declines. The only way this will be reversed is if employers begin demanding competencies instead of degrees.

The following are more general observations about WGU.

- ◆ WGU is not yet accredited. SACS will make a decision early in 1998.
- ◆ WGU has formed a for-profit subsidiary, mainly for corporate training. This component is expected to grow very rapidly.

Oklahoma

The following notes relate to distance learning policies and approaches of the Oklahoma State Regents for Higher Education.

- ◆ Oklahoma has joined the Western Governors University.
- ◆ No review of courses prior to offering through distance education.
- ◆ No geographic service areas for electronically delivered courses and programs.
- ◆ Tough on qualitative review of programs.
- ◆ Motivation for cooperation increases when boundaries are removed.

Colorado Electronic Community College (CECC)

- ◆ The CECC is one of thirteen community colleges that constitute the Colorado Community College and Occupational Education System. It is dedicated to distance learning. It currently offers a complete Associate of Arts degree asynchronously, and uses multiple distance learning technologies.
- ◆ Uses faculty and courses of the “traditional” colleges in the system.
- ◆ Outsourced adaptation of courses for the Web to the firm “Real Education” - \$100,000 for 20 courses plus \$40.00 per person enrollment annually.

- ◆ Uses an external, private entity (Jones Educational Corporation / “College Connection”) to provide some administrative and student services as well as maintaining the E-mail, voice mail, and Internet connections (including help desk functions).
- ◆ AA in business recently announced.
- ◆ Fund competencies, not credit hours; equalize rate between in and out of state tuition for distance education.
- ◆ Electronic student services (ESS):
 - Economies of doing as system (data base merger, service specialty functions).
 - CVU can move campuses toward centralized ESS.
 - Single admissions form.
- ◆ Information Technology Literacy:
 - Major problem/education challenge.
 - Libraries need to take lead.
- ◆ Education providers/apply for affiliation.
- ◆ Local assessment sites – hands on, task-oriented scoring vehicles.
- ◆ Strong infrastructure for advising/mentoring.
- ◆ Has a state-of-the-art, multimillion-dollar digital video and multimedia production and training facility in Denver.

British Columbia Open Learning Agency

- ◆ The Open Learning Agency (OLA) specializes in the delivery of distance education and training through a variety of technologies. The “Open University” division focuses on the offering of degrees and courses for transfer to other institutions. The “Open College” focuses on courses leading to professional certificates and diplomas in a range of areas from language training to business and career-oriented programs. The OLA uses non-traditional mechanisms for awarding credit (portfolio assessment, etc.). It is a public entity.
- ◆ Eighty percent of students are within commuting distance of a physical campus.
- ◆ Focus is on workforce training/government employees.
- ◆ Simultaneous enrollment with traditional campus.
- ◆ Competency-based assessment – not a big piece unless employers demand.
- ◆ Few degrees.
- ◆ Experiential learning component.

Reactions to the "home institution"/Collaborative model

- ◆ The Commonwealth Virtual University needs to be broader than just the four-year institutions. KCTCS will have a major role, as will the doctoral institutions. Out-of-state institutions have the capability of serving Kentuckians (through the Southern Regional Electronic Campus, for example).
- ◆ Local community and regional needs should be considered, rather than strictly taking a provider-driven approach in terms of what programs are offered where and by which institution.
- ◆ Some potential problems with the "home institution"/collaborative model are:
 - They often cannot respond quickly to rapidly changing student and employer requirements due in large part to varied faculty governance requirements at each institution.
 - They often do not adequately consider national and international dimensions of the emerging distance marketplace.
- ◆ The collaborative model embedded in the proposal could be one component of a broader virtual university model for Kentucky.

IMMEDIATE NEXT STEPS

- ◆ Share results of Boulder trip with DLAC and CPE members.
- ◆ Continue to review various virtual university models to identify components that might best meet Kentucky's needs.
- ◆ Develop agenda for a late January meeting of the DLAC.
- ◆ Arrange for representatives of different virtual university models and/or subject area experts to meet with the DLAC in early 1998.
- ◆ Ask Presidents to designate institutional representatives to meet periodically with CPE staff and the CVU work group to provide input on model development process.
- ◆ Once developed, use draft strategic agenda (and other HBI requirements) as starting point for developing CVU vision statement (including purpose, philosophy, and goals).
- ◆ Develop a detailed work plan outlining the CVU development process.

Presentation:

Senator Tim Shaughnessy has pre-filed a bill to use lottery revenue to fund college scholarships. The Commonwealth Scholarship Program, based on the HOPE Scholarship Program operated by the state of Georgia, would provide awards to high school students with good grades. Simply stated, the better the grades, the greater the awards. Students attending both public and private institutions would be eligible.

There is a great deal of interest in this concept. Recent newspaper accounts (see attached) have indicated that the Governor is considering lending his support to the measure if the issue of financial need can be addressed. Senator Shaughnessy is planning to attend the CPE meeting to discuss his proposal.

Lottery may pay for scholarships

Patton reported leaning toward aid for college students

By TOM LOFTUS
The Courier-Journal

FRANKFORT, Ky. — Gov. Paul Patton is leaning toward endorsing an idea to use lottery revenue to pay for college scholarships for high school students with good high school grades, some key lawmakers said.

One version of the idea is a bill, drafted by Sen. Tim Shaughnessy, D-Louisville, that would offer the "Commonwealth Merit Scholarship" beginning in the fall of 2001. Students who entered high school this fall would be the first to qualify.

But the key question for Patton is a budgetary one: Can the state afford to take \$151 million from all other programs for a new scholarship program?

Since the Kentucky Lottery began in 1989, its profits have gone to the General Fund, which pays for state programs such as public schools, universities, state police, health and welfare programs. Last year the lottery generated \$151 million, or nearly 3 percent of the General Fund's total revenue.

Shaughnessy has made the proposal his top priority for the legislative session that begins next month. He met with Patton administration officials on the bill yesterday and said that in recent weeks, "We've been almost in daily contact on this."

"The governor has been excited about this concept from the begin-

ning, and I think that as we've continued a dialogue on it, his excitement has grown," Shaughnessy said.

Although Patton has made no commitment, Shaughnessy said, "I'm optimistic that we can arrive at a final product that the administration can support."

Patton is studying the proposal carefully, said Harry Moberly, chairman of the House budget committee. "I believe the governor will probably offer a counterproposal that will attempt to accomplish some of the same goals that the Shaughnessy proposal does," he said.

For now, Patton officially remains uncommitted. "Governor Patton is very interested in this. But he's not made a final decision on it or on other issues which have a major budgetary impact," his chief of staff, Skipper Martin, said yesterday.

Since Shaughnessy unveiled his proposal in August, the key question has been whether Patton would embrace it. Such major initiatives that would affect the budget generally require a governor's backing in order to clear the General Assembly, and they stand almost no chance if opposed by a governor.

"For this bill to pass, it's extremely important to get the governor's support," said Senate Majority Floor Leader David Karem, who is co-spon-

soring the bill.

"I feel positive. The governor is still considering it and he's suggesting some fine-tuning to it," said Karem, who was involved in discussions on the bill last week with Patton's staff.

Shaughnessy has modeled his proposal after Georgia's hugely popular HOPE scholarships, and he predicts they "would dramatically change the expectations of the next generations of Kentuckians in terms of their access to college."

Under the plan high school students would earn a scholarship covering an eighth of their four-year college tuition for each year in high school they have a B average (a 3.0 to 3.49 grade-point average).

They would earn a scholarship covering one-fourth of their four-year tuition for each year in high school they have an A average (3.5 GPA or higher). So students who earn an A average in each year of high school would get a full tuition scholarship.

Students at both public and private high schools would be eligible. And scholarships could be used at any university, college or vocational school in Kentucky. However, the scholarship amounts for students attending a private school would be capped at the tuition levels at the University of Kentucky and University of Louisville.

Georgia's scholarship program, which began in 1993, uses lottery revenue to provide scholarships to all students who earn a B average or better in the core high school curriculum.

The Shaughnessy bill would gradually wean Kentucky's General Fund from its lottery revenue. It proposes to take 10 percent of lottery profits for the scholarship program in 1998-99, and increase the percentage gradually to 100 by 2004-05.

Shaughnessy said analysis done by legislative staff members shows that this should produce more than enough to pay for the program, which he estimates will cost \$35 million in 2001-02 and rise to \$150 million in 2004-05, then level off.

Shaughnessy said that Patton and his staff have made many suggestions to make the bill more acceptable. Patton has said, for instance, that he would want two existing grant programs for needy students to be fully financed before offering merit scholarships, Shaughnessy said.

The governor also wants to see the bill adjusted to find some sort of incentive for C students to go on to

higher education, and he has suggested making scholarships available to college juniors and seniors who missed out when they entered college but have gotten high grades in their first two years, he said.

Moberly, a Richmond Democrat, remains wary about the idea. "I've said from the start that the scholarships are a good idea. But it's an expensive proposal that this has to be weighed against other important competing needs," he said.

Shaughnessy said he recognizes the budgetary question, but he said the scholarship program is worthy of being given a top priority.

"Let's not kid ourselves. We do not send enough of our young people on to college," he said. "Also, this would dedicate lottery money to education and keep what many people perceive was a promise to give all lottery revenue to education."

Invest in quality

THERE'S no denying the political appeal of Sen. Tim Shaughnessy's plan to start handing out another \$150 million in college scholarships each year to every Kentucky student who pulls down an A or B average in high school.

Every buzzword in today's political lexicon can be applied to it.

The scholarships would "reward merit," give students an "incentive to succeed," send a "clear message" about the state's "values," and help "the forgotten middle class."

Well, maybe. But what they would do most certainly is spend \$150 million a year that's urgently needed for something else — namely, to strengthen postsecondary education in ways that will pay sure social and economic returns.

We hope Gov. Paul Patton resists the scholarship siren song being sung by Sens. Shaughnessy and David Karem. The Governor courageously rallied the state around a new vision for postsecondary education last spring, emphasizing the absolute necessity of achieving higher quality and greater efficiency.

Every resource the state can muster should be devoted to that

vision. And none, at least not yet, should be diverted into creating a massive, permanent subsidy for the very high-achieving students already most likely to attend college and to find financial help if they need it.

Part of the rationale for the scholarship plan is to demonstrate that lottery proceeds are being spent on education, as the lottery's shills foolishly promised.

We oppose making any program, and especially schools, dependent on gambling's bounty.

But if the legislature must, then it should direct the money to

where it will make a difference: to the new funds for university excellence, to establishing endowed professorships and building first-rate research facilities, to creating customized programs of worker training to help businesses innovate and modernize — in short, to catching up in all the many ways Kentucky has fallen dangerously behind.

And then, if there are students — including late-blooming and hard-working C students — who can't afford to take advantage of it all, give more scholarships based on need.

That's the kind of smart spending that will produce real and lasting benefits.

The scholarships would divert "\$150 million a year that's urgently needed for" real improvements.

Herald - Leader
12-23-97
A-8

Student Club

Flawed scholarships

State can't afford to give free college to least needy

Say it isn't so, Gov. Paul Patton. Say you aren't seriously thinking of throwing your considerable support to a variation on that "get a B, go for free" college scholarship proposal floated by Bob Babbage when he ran against you in the 1995 Democratic gubernatorial primary.

Tell Kentuckians that state Sen. Tim Shaughnessy, who has picked up Babbage's fallen banner, was wrong last week when he said you were "excited about the concept."

Prove you're smart enough to spot the huge flaws in this plan to use all the state's lottery proceeds (about \$150 million a year) to subsidize college educations for students who, by and large, will come from families least in need of help.

That \$150 million amounts to about 3 percent of the state's General Fund revenue. Who's going to bite the fiscal bullet for its loss?

Poor kids in elementary and secondary schools who need extra help preparing for college? Communities that need assistance in developing vibrant economies? Downsized workers or welfare recipients who need more

training and education to qualify for jobs? Kentuckians who need better water and sewer systems? Kids who suffer abuse and neglect because the state doesn't have enough social workers — or pay those social workers well enough — to protect them?

Tell us, Gov. Patton, which of these, or other state needs, will be relegated to runt-of-the-litter status — pushed aside from the mother's milk of public revenue?

And for what? So children from middle- and upper-income families can have a free or semi-free ride through college? You must know youngsters from these backgrounds, where education and achievement are valued, are the ones who will benefit most from this program. They're the ones who wouldn't qualify for need-based scholarships available to smart kids from lower-income families.

Tell us, too, how schools and teachers are supposed to respond to the inevitable pressure from parents this program will inspire? You know it's going to come. You know Mom and Dad will put on golf spikes and jump all over any teacher who dares deny little Bubba and Bubbette the "A" average they need to get a full-tuition scholarship — or at least the "B" average they need to get half of a free ride. Have you ever heard of grade inflation, governor?

Speaking of inflation, ask yourself what this \$150 million windfall for the commonwealth's colleges and universities will do for the cost of higher education — not for the scholarship recipients, but for those who have to pay their own way.

The people who study this kind of thing will tell you that such subsidies — from the G.I. Bill forward — have a history of prompting inflation in academia. They compare it to health care. When the market is dominated by a third-party payer, the provider and the recipient quit worrying about price. Imagine how this state's public universities — with their history of wasteful duplication and expansionism — will react if they're freed from worrying about getting bang for their bucks.

Finally, Gov. Patton, tell us how you — or more likely, your successors — will respond when the lottery hits an off year. There was a reason lawmakers refused to earmark lottery money for any one program. That reason was the inherent volatility of the lottery as a revenue source. So, what will you or your successors say to students who have been promised scholarships when the money isn't there to fulfill that promise?

Say you won't shortchange Kentucky's real needs. Say you won't spend state money on what promises to be an elitist, inflationary scholarship program. Say you won't fall victim to the temptation of earmarking lottery revenue.

Say you won't support this clunker of an idea.

**REGIONAL POSTSECONDARY
EDUCATION CENTERS**

**ACTION ITEM
CPE (F)
January 12, 1998**

Recommendation:

- That CPE support the concept of Regional Postsecondary Education Centers -- jointly planned and designed facilities that represent collaborative efforts by institutions of postsecondary education in Kentucky -- to meet the postsecondary education needs of a community and its region.
- That CPE designate funding in partial support of Regional Postsecondary Education Centers in Elizabethtown (up to \$5.0 million), London/Corbin (up to \$5.0 million), Glasgow (up to \$3.5 million), Hopkinsville (up to \$5.0 million), and Prestonsburg (up to \$5.0 million) as recommended by the KCTCS Board of Regents. The source of funding will be bond proceeds supported by debt service appropriated to CPE in the Technology Incentive Trust Fund.
- That a committee composed of representatives of CPE, KCTCS, and each university be created to establish principles for the general design and planning for the use of these facilities and in anticipation of additional facilities in future biennia. Institutional representatives will be appointed by the Conference of Presidents.
- That the specific design and planning for the use of each 1998/2000 Regional Postsecondary Education Center be conducted by KCTCS and the appropriate regional university (Eastern Kentucky University in London/Corbin, Morehead State University in Prestonsburg, Murray State University in Hopkinsville, and Western Kentucky University in Elizabethtown and Glasgow) based on the principles established by the inter-institutional committee described above. These regional universities are the universities that will likely make most extensive use of the facilities in those communities.
- That CPE be designated in biennial budget language to resolve any disputes between or among institutions in the design, planning, or use of each 1998/2000 Regional Postsecondary Education Center.

Rationale:

- Development of Regional Postsecondary Education Centers addresses the issues of low educational attainment, cooperation among postsecondary education institutions, and efficient and effective use of state resources as identified in the report *Postsecondary Education in Kentucky: An Assessment, 1997* and the Kentucky Postsecondary Education Improvement Act of 1997.

- Increased physical, electronic, and financial access will be significant complementary policy issues to be addressed in strategic agenda and strategic implementation plan development. Regional Postsecondary Education Centers (additional physical access points into postsecondary education) will complement planned electronic (CVU) access and financial access (including financial aid) into the postsecondary education system.
- The 1998/2000 CPE biennial budget request includes a capital project, “CPE Capital Projects Pool,” which accommodates up to \$25 million for additional capital construction projects for access to the postsecondary education system.
- The 1998/2000 CPE biennial budget request includes debt service funds appropriated to CPE in the Technology Incentive Trust Fund to support a bond issue for these capital construction projects.
- It is reasonable for the Governor to expect that these projects be identified before the Executive Budget is submitted to the General Assembly.
- It is reasonable for the General Assembly to expect that these projects be identified before the 1998/2000 Appropriations Bill is enacted by the General Assembly.
- The KCTCS Board of Regents is expected to approve a recommendation from its Finance, Administration, and Technology Committee for construction of facilities in Elizabethtown, London/Corbin, and Glasgow and expansion of facilities in Hopkinsville and Prestonsburg, anticipating at least partial funding for each project from the CPE Capital Projects Pool funds.
- These facilities will enhance both physical and electronic access to postsecondary technical, community college, and university programs and services and will enhance efforts to provide services to support CVU activities throughout the Commonwealth.

Background:

CPE supports collaborative efforts by institutions of postsecondary education in Kentucky. Proposed Regional Postsecondary Education Centers will provide joint programming space for:

- Both branches of KCTCS (community colleges and postsecondary technical schools)
- Regional universities (upper level/graduate)
- Doctoral universities (graduate/professional)
- Commonwealth Virtual University (CVU) activities and services

A cornerstone of the Kentucky Postsecondary Education Improvement Act of 1997 (House Bill 1) is collaboration among institutions and the creation of a seamless system of postsecondary education in Kentucky. Facilities that are jointly planned and designed and which provide space for multiple users represent both collaboration and an important step toward the development of a seamless education system. Research indicates that a postsecondary education facility currently exists within a one-hour drive of every Kentuckian; however, many of these facilities address only limited education programming needs of our citizens. The creation of Regional Postsecondary Education Centers provides the opportunity for a more complete range of postsecondary education offerings to meet the needs of: 1) traditional students within a region; 2) nontraditional students within a region; and 3) the needs of the business community and workforce within a region. Jointly planned and designed space will achieve economies of scale in the construction and utilization of facilities and, therefore, enhance the efficient use of taxpayer dollars.

Regional Postsecondary Education Centers also will provide “hubs” for activities related to the CVU. While points of access to the CVU will exist electronically in all 120 counties, regional facilities can provide for a broader array of courses (e.g., those requiring “wet” labs) and necessary student service activities (including advising, testing, and assessment) for CVU students remote from university campuses.

CPE has recommended, as part of its biennial budget request to Governor Patton and LRC, a \$50 million capital projects pool for new construction for KCTCS. In addition, CPE has earmarked up to \$25 million in bond proceeds to be supported by a portion of the funding recommended for the Technology Incentive Trust Fund for capital projects to be determined by CPE. The Council supports the notion of local participation and funding in the Regional Postsecondary Education Centers. Through funding jointly provided by CPE, KCTCS, and local communities, the first phase of Regional Postsecondary Education Centers can be effected.

The KCTCS Board of Regents is proceeding with identifying capital projects to be funded from the \$50 million pool recommended by CPE. Included as Attachment A is a document approved by the Finance, Administration, and Technology Committee (FATC) of the KCTCS Board of Regents on December 23 which will be considered by the full KCTCS Board of Regents on January 7. This KCTCS action includes a recommendation to CPE for the use of up to \$23.5 million for partial funding of joint use facilities in Elizabethtown, London/Corbin, and Glasgow, as well as funding for a second phase of projects in Hopkinsville and Prestonsburg (phase one of each project was authorized by the 1996 General Assembly).

CPE supports the proposal with the stipulation that a CPE and inter-institutional committee be created to establish principles for the general design and planning for the use of these facilities and in anticipation of additional facilities in future biennia. Additionally, CPE expects that KCTCS will involve Western Kentucky University in the design and use planning for the facilities in Elizabethtown and Glasgow, Eastern Kentucky University in the design and use planning for the facility in London/Corbin, Murray State University in the design and use planning for the facility in Hopkinsville, and Morehead State University in the design and use planning for the facility in Prestonsburg. (These regional universities are the universities that will likely make most extensive use of the facilities in those communities.) CPE should be designated in biennial budget language to resolve any disputes between institutions in the design and planning for the use of each 1998/2000 Regional Postsecondary Education Center.

The effective planning, design, and use of these facilities will showcase the reformed cooperative postsecondary education system in Kentucky.

Principles of Capital Construction Allocation – KCTCS

The Finance, Administration, and Technology Committee (FATC) of the KCTCS Board of Regents views the two separate pools of funds available for maintenance and construction as one potential source of funding (the maintenance pool identified by the Council on Postsecondary Education of \$4.25 million for KCTCS to be matched by \$4.25 million of KCTCS funds and the \$50 million pool for new construction). The FATC recommends the following principles be adopted for the distribution of these total funds:

1. The highest priority should be given to those maintenance projects that failure to complete will result in significantly increased costs in future years.
2. Projects should exhibit strong local community support. It is recommended that one-third of the total project cost be funded by local and community sources.
3. Projects that represent collaborative efforts between Kentucky Tech and the University of Kentucky Community College System are encouraged; in addition, collaboration with other providers of postsecondary education are also recommended.
4. An effort should be made to provide initial start-up funding for as many projects as possible. Priority should be given to those projects which can be constructed and implemented in phases.

KCTCS CAPITAL CONSTRUCTION REQUESTS (Local Effort - All Projects)

1/7/98

PROJECT	TOTAL SCOPE	1998/2000 SCOPE	1998/2000 PROJECT FUNDING BREAKDOWN		
			KCTCS	LOCAL EFFORT	CPE ACCESS POOL
Hazard Community College Classroom Building - Phase II	6,500,000	6,500,000	4,355,000	2,145,000	0
Danville / Boyle County Regional Technical Training Center - Phase I	10,855,000	6,985,000	4,680,000	2,305,000	0
Central Regional Postsecondary Education Center - Phase I (Elizabethtown)	16,180,000	13,452,200	5,663,000	2,789,200	5,000,000
Madisonville Community College Science / Technical Classroom Bldg.	5,400,000	5,400,000	3,400,000	2,000,000	0
Shelby County Regional Technology Center / Jefferson Community College Extension - Phase I	16,521,000	10,757,300	7,207,400	3,549,900	0
Southeast Regional Postsecondary Education Center - Phase I (London/Corbin)	16,900,000	13,184,800	5,483,800	2,701,000	5,000,000
Somerset Comm. College / Regional Tech Center Academic Support / Tech Ed Complex - Phase I	15,542,000	10,257,700	6,872,700	3,385,000	0
Clinton County Technology Center	6,536,800	6,536,800	3,536,800	3,000,000	0
South Regional Postsecondary Education Center - Phase I (Glasgow) *	9,000,000	9,000,000	2,680,000	2,820,000	3,500,000
Kentucky Technical College of Arts & Crafts	4,100,300	4,100,300	2,747,200	1,353,100	0
Maysville Community College / Maysville Technical Training Center	2,500,000	2,500,000	1,675,000	825,000	0
West Regional Postsecondary Education Center (Hopkinsville)	6,650,000	6,650,000	0	1,650,000	5,000,000
Northeast Regional Postsecondary Education Center (Prestonsburg)	6,650,000	6,650,000	0	1,650,000	5,000,000
TOTALS	123,335,100	101,974,100	48,300,900	30,173,200	23,500,000

* Local effort includes \$1.5 million commitment from WKU, likely debt service supported bonds.

**KENTUCKY COMMUNITY AND TECHNICAL
COLLEGE SYSTEM (KCTCS)
1998/2000 CAPITAL CONSTRUCTION PLAN**

**ACTION ITEM
CPE (G)
January 12, 1998**

Recommendation:

- That CPE approve the Kentucky Community and Technical College System (KCTCS) Capital Construction Plan which identifies capital projects to be completed from the capital projects pools recommended by CPE at the November 3, 1997 meeting.
- That the KCTCS Capital Construction Plan be forwarded to both the Executive and Legislative Branches for inclusion in the 1998-2000 biennial budget.

Rationale:

- The Finance Committee of the KCTCS Board of Regents approved this plan on December 23, 1997, and recommended that the full KCTCS Board of Regents approve the plan at its scheduled January 7, 1998 meeting. (Information from the January 7 meeting, including specific action taken by the KCTCS Board of Regents, will be made available at the CPE meeting.)
- The plan addresses objectives in the Kentucky Postsecondary Education Improvement Act of 1997 (HB 1).
- The plan addresses critical maintenance projects within KCTCS.
- The plan acknowledges transition issues related to KCTCS by allocating the pools of funds recommended by CPE at the November 3, 1997 meeting. The allocation is based on a more thorough review by KCTCS of the capital needs of the community colleges and the Kentucky Tech institutions.

Background:

On November 3, 1997, CPE approved the 1998-2000 capital projects recommendation for postsecondary education. The recommendation approved by CPE did not include specific capital projects for KCTCS because of the need for additional time for the members of that board to review and set priorities for capital construction. Instead, CPE recommended an amount of funds for KCTCS capital construction projects to be identified by the KCTCS Board of Regents. The KCTCS Board of Regents was asked to review the capital needs of the community colleges and postsecondary technical schools and to subsequently identify the specific projects to be funded. The attached capital projects are the result of the review by the KCTCS Board of Regents. The projects represent the highest priorities as identified by the board.

The Finance Committee of the KCTCS Board of Regents met December 23 and reviewed and recommended the attached list of high priority capital projects to the full board for review and action at its meeting on January 7, 1998. The list of high priority capital projects was developed using the "Principles of Capital Construction Allocation" as adopted by the Finance Committee of KCTCS, the David Banks' report (October 1997), and an additional special report by David Banks on critical KCTCS maintenance projects (December 9, 1997). All of these documents are attached. The priorities address the most pressing needs of KCTCS for deferred maintenance projects, life safety projects, and construction of new facilities. The priorities also recognize the need to provide for jointly used space where possible and the provision of local support.

The full KCTCS Board of Regents will act on the recommendation of its Finance Committee on January 7, 1998. Anticipating that the full KCTCS Board of Regents will approve (or amend and approve) the recommendation of its Finance Committee, this information is included in this agenda book to support adoption of the allocation of funds for completion of the identified capital projects. Updated information (if necessary) will be distributed at the January 12 CPE meeting. Martha Johnson, Chair of the KCTCS Board of Regents, will attend the January 12 CPE meeting to present the action of the Board and to discuss this action with CPE.

Principles of Capital Construction Allocation – KCTCS

The Finance, Administration, and Technology Committee (FATC) of the KCTCS Board of Regents views the two separate pools of funds available for maintenance and construction as one potential source of funding (the maintenance pool identified by the Council on Postsecondary Education of \$4.25 million for KCTCS to be matched by \$4.25 million of KCTCS funds and the \$50 million pool for new construction). The FATC recommends the following principles be adopted for the distribution of these total funds:

1. The highest priority should be given to those maintenance projects that failure to complete will result in significantly increased costs in future years.
2. Projects should exhibit strong local community support. It is recommended that one-third of the total project cost be funded by local and community sources.
3. Projects that represent collaborative efforts between Kentucky Tech and the University of Kentucky Community College System are encouraged; in addition, collaboration with other providers of postsecondary education are also recommended.
4. An effort should be made to provide initial start-up funding for as many projects as possible. Priority should be given to those projects which can be constructed and implemented in phases.

DAVID C. BANKS, Architects and Associates, P.S.C.

Nine
December, 1997

Dr. James Ramsey
Committee Chairperson
Transition Committee for KCTCS
Commonwealth of Kentucky
Room 109
Capitol Building
Frankfort, Kentucky 40601

RE: Capitol Requests for Life Safety and Maintenance Project Pools
1998-2000 Biennium
Commonwealth of Kentucky Biennial Budget

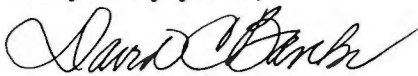
Dear Dr. Ramsey,

Attached are the proposed ranking and comments for the Kentucky Tech. System and Community College System with respect to projects falling into the categories of Life Safety/Environmental Health and Miscellaneous Maintenance Pool. It is expected that the 1998 legislative session will provide funding pools corresponding to both of these categories. From our meeting of December 4, 1997 I have been asked to consider the KCTCS Principles of Capital Construction Allocation and their applicability to the list of requests under these two categories. My ranking and explanations should help you determine the approximate amount of state funding required for these projects and the balance available for new construction and major renovation projects for the KCTCS. I have ranked projects in the first two or three priorities to include those I believe comply with Principle #1 which are projects that might experience additional expense if not addressed in the 1998-2000 biennium. Outside of typical roof replacement projects, few of the requested projects will result in significantly increased cost if delayed to a future biennium.

You will note however, I have listed a few projects that I think should be addressed as preventive maintenance projects rather than replacements or repairs so that complete replacement can be delayed until a later biennium. Also, please note that I have given the Kentucky Tech System Asbestos Reinspection project a high ranking because this system offers courses to secondary level students and therefore is required under the Federal AHERA law to survey facilities for asbestos containing materials and conduct reinspections of these areas every three years followed by an update of the Management Plans. Since this law carries heavy penalties for failure to comply, it certainly must be addressed if those reinspections are due during the 1998-2000 biennium.

I hope this information will be useful to your committee as you study the recommendations to be made to LRC and the 1998 Legislature. If you have any questions about the rankings I have proposed or any other postsecondary education related facilities problems, please let me know through Mr. Sherron Jackson. We will be glad to assist in any way possible. Good luck to your committee and the KCTCS board as you present your first budget request to the State Legislature.

Very truly yours,



David C. Banks, AIA
President
Consultant to the
Council on Postsecondary Education

DCB/lm

Attachment

cc: Sherron Jackson/Attachment

G-5

Miscellaneous Maintenance Pool Recommended Projects

Ky. Tech.

School	Description	Amount
Hazard Campus	Auto Mechanics Renovation	75,000
Harlan Campus	Paint Booth Replacement	107,000
Mayo Campus	Reroof Building B	60,000
Northern Ky. Campus	Reroof Building B	240,000
Owensboro Campus	Roof Replacement	390,000
Central Campus	Reroof South Wing Upper	95,000
Daviess Co. Campus	Roof Replacement	222,000
Bowling Green Campus	Chiller Interconnection	75,000
Jefferson Campus	Roof Replacement, Bldg. A	268,000
Madisonville Campus	Boiler & Piping Replacement	331,000
Somerset Campus	Roof Replacement, Diesel	75,000
E-town Campus	Roof Replacement, '84 Bldg.	200,000
Ashland Campus	Roof Repairs, Bldgs. 2 & 3	250,000
	Subtotal	2,388,000

Community College

School	Description	Amount
Paducah Campus	Roof Repairs, Rosenthal Bldg.	70,000
Hopkinsville Campus	Roof Replacement, LRC Bldg.	395,000
Somerset Campus	Roof Replacement, Stoner	320,000
Hazard Campus	Roof Replacement, Phase I	75,000
Paducah Campus	Chiller Replacement, Student Center	250,000
Southeast Campus	Roof Replacement, Chrisman	220,000
Jefferson Campus	Concourse Replacement, Hartford Bldg	225,000
Southeast Campus	Elect. Renov., Falkenstine Bldg.	60,000
E-town Campus	HVAC & Lighting Renov. Sci. Bldg.	395,000
Southeast Campus	HVAC & Lighting Renov. Newman Bldg	395,000
Somerset Campus	HVAC & Lighting Renov., Stoner Bldg.	395,000
E-town Campus	HVAC & Lighting Renov., Student Ctr.	395,000
Paducah Campus	HVAC & Lighting Renov., LRC Bldg.	395,000
E-town Campus	Exterior Renov., Admin. Bldg.	175,000
Maysville Campus	HVAC & Lighting Renov., Phase I	395,000
Southeast Campus	HVAC & Lighting Renov, Falkenstine	395,000
Prestonsburg Campus	HVAC & Lighting Renov., Johnson Bldg	395,000
Hopkinsville Campus	HVAC & Lighting Renov., Academic	345,000
Somerset Campus	Roof Replacement, Strunk Bldg.	75,000
	Subtotal	5,370,000

KCTCS Misc. Maint. Pool Total**7,758,000**

Life Safety Pool Recommended Projects

Ky. Tech.

School	Description	Amount
Ashland Campus	Visual Alarm System	50,000
Mayo Campus	Restroom Renov.	100,000
Laurel Campus	Visual Alarm System	25,000
Laurel Campus	Restroom Renov.	50,000
Harlan Campus	Bldg. 3 Restroom Renov.	40,000
Harlan Campus	Bldg. 2. Visual Alarm System	50,000
Harlan Campus	Bldg. 2, Restroom Renov.	100,000
Jefferson Campus	Visual Alarm System	75,000
Somerset Campus	Visual Alarm System	80,000
Statewide	Asbestos Re-Inspections	43,000
	Subtotal	613,000

Community College

School	Description	Amount
Jefferson Campus	Hartford Bldg. Elevator Renov.	370,000
Paducah Campus	Rosenthal Bldg. Elevator Renov.	250,000
Southeast Campus	Newman Bldg. Elevator Replacement	250,000
Maysville Campus	Elevator Replacement	250,000
	Subtotal	1,120,000

KCTCS Life Safety Total	1,733,000
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KCTCS GRAND TOTAL OF BOTH POOLS	9,491,000
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KCTCS CAPITAL CONSTRUCTION REQUESTS (Local Effort - All Projects)

1/7/98

PROJECT	TOTAL SCOPE	1998/2000 SCOPE	1998/2000 PROJECT FUNDING BREAKDOWN		
			KCTCS	LOCAL EFFORT	CPE ACCESS POOL
Hazard Community College Classroom Building - Phase II	6,500,000	6,500,000	4,355,000	2,145,000	0
Danville / Boyle County Regional Technical Training Center - Phase I	10,855,000	6,985,000	4,680,000	2,305,000	0
Central Regional Postsecondary Education Center - Phase I (Elizabethtown)	16,180,000	13,452,200	5,663,000	2,789,200	5,000,000
Madisonville Community College Science / Technical Classroom Bldg.	5,400,000	5,400,000	3,400,000	2,000,000	0
Shelby County Regional Technology Center / Jefferson Community College Extension - Phase I	16,521,000	10,757,300	7,207,400	3,549,900	0
Southeast Regional Postsecondary Education Center - Phase I (London/Corbin)	16,900,000	13,184,800	5,483,800	2,701,000	5,000,000
Somerset Comm. College / Regional Tech Center Academic Support / Tech Ed Complex - Phase I	15,542,000	10,257,700	6,872,700	3,385,000	0
Clinton County Technology Center	6,536,800	6,536,800	3,536,800	3,000,000	0
South Regional Postsecondary Education Center - Phase I (Glasgow) *	9,000,000	9,000,000	2,680,000	2,820,000	3,500,000
Kentucky Technical College of Arts & Crafts	4,100,300	4,100,300	2,747,200	1,353,100	0
Maysville Community College / Maysville Technical Training Center	2,500,000	2,500,000	1,675,000	825,000	0
West Regional Postsecondary Education Center (Hopkinsville)	6,650,000	6,650,000	0	1,650,000	5,000,000
Northeast Regional Postsecondary Education Center (Prestonsburg)	6,650,000	6,650,000	0	1,650,000	5,000,000
TOTALS	123,335,100	101,974,100	48,300,900	30,173,200	23,500,000

* Local effort includes \$1.5 million commitment from WKU, likely debt service supported bonds.



Kentucky Community and Technical College System

KCTCS Capital Projects

***Presentation to the KY Council
on Postsecondary Education***

January 12, 1998

KCTCS Capital Projects

Goal

Provide funding for capital construction consistent with the goals of House Bill 1 for:

- maintenance of existing facilities
- technology and information systems
- new construction that increases access and promotes collaboration

KCTCS Capital Project Issues

Chronology

August

KCTCS Board of Regents “rubber stamps” Workforce Development Cabinet/UK capital construction priorities

September

CPE asks institutions to “revisit” capital construction priorities pursuant to HB1

KCTCS Capital Project Issues

Chronology (continued)

October

KCTCS requests CPE to allocate pool to KCTCS with projects to be identified by KCTCS

November

CPE Recommends \$50 million new construction for projects to be identified by the KCTCS Board of Regents

KCTCS Capital Project Issues

Chronology (continued)

November (continued)

CPE recommends \$4.4 million maintenance funds for KCTCS to be matched by 4.4 million of KCTCS funds (total maintenance \$8.8 mil.)

CPE recommends \$25 million new construction for access facilities to be identified by CPE as part of "access plan"

KCTCS Capital Project Issues

Chronology (continued)

November (continued)

Access Plan (as part of CPE Strategic Agenda)

- Technology-Based Access
- Physical Access - "Regional Postsecondary Education Centers"
- Financial Access

December

Finance Committee meets to establish "principles"

KCTCS Capital Project Issues

Chronology (continued)

December (continued)

KCTCS Finance Committee meeting with Governor/CPE leadership

Finance Committee approves recommendation to KCTCS Board

January 7

KCTCS Board approves finance committee recommendations

Principles of Capital Construction Allocation

Principles of Allocation

- Preventive Maintenance
- Community Support
- Collaborative Efforts
- Phased Funding

KCTCS Capital Project Requests

Maintenance Pool Projects

Miscellaneous Maintenance

Kentucky Tech \$2,388,000

Community College \$5,370,000

Subtotal \$7,758,000

Life Safety

Kentucky Tech \$613,000

Community College \$1,120,000

Subtotal \$1,733,000

Grand Total \$9,491,000

KCTCS Capital Project Requests

KCTCS Administrative Systems Projects

- Infrastructure/Hardware
- Software, e.g.,
 - Student Information System
 - Financial Management System
 - Human Resource System
- Funding over 5-years from operating/capital budgets of KCTCS

KCTCS Capital Project Requests

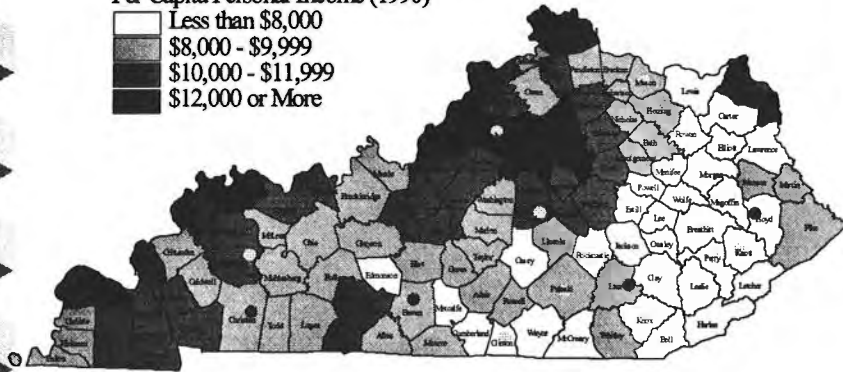
13 Projects Statewide

Funding Breakdown (1998/2000)

KCTCS	\$48,300,900
Local Effort	\$30,173,200
CPE Access Pool	\$23,500,000
1998/2000 Scope	\$101,974,100

Locations of KCTCS Capital Project Requests (by Per Capita Personal Income - 1990)

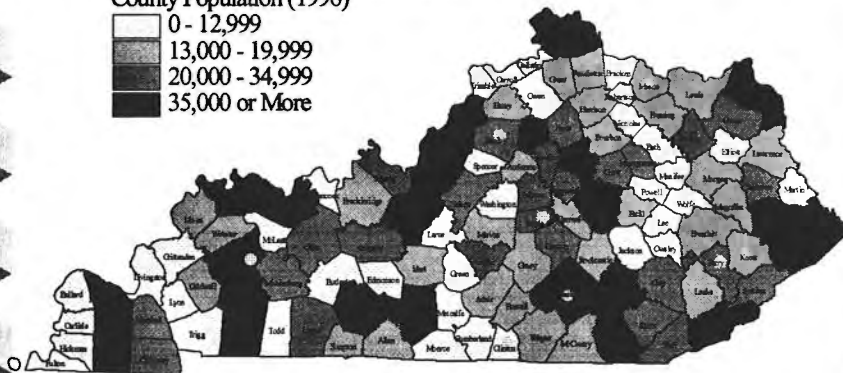
- Regional Postsecondary Education Centers
 - ⊛ KCTCS Capital Project Requests
- Per Capita Personal Income (1990)
- Less than \$8,000
 - \$8,000 - \$9,999
 - \$10,000 - \$11,999
 - \$12,000 or More



Source: US Census Bureau

Locations of KCTCS Capital Project Requests (by County Population in 1996)

- Regional Postsecondary Education Centers
 - ⊛ KCTCS Capital Project Requests
- County Population (1996)
- 0 - 12,999
 - 13,000 - 19,999
 - 20,000 - 34,999
 - 35,000 or More



Source: US Census Bureau

Update:

The progress of the Kentucky Community and Technical College System (KCTCS) is an important priority of the Council on Postsecondary Education. Noteworthy events and activities will be reported by Dr. James Ramsey, Chair of the KCTCS Transition Team. Of special interest will be the action of the Southern Association of Colleges and Schools (SACS) at their annual conference in December. In addition, Dr. Ramsey will discuss the action of the University of Kentucky Board of Trustees as related to the delegation of management responsibility for the University of Kentucky Community College System as well as progress toward arrangements for continued administrative support by UK.

Approval by SACS

SACS accepted the "prospectus" and approved the change in governance structure for the University of Kentucky Community College System (UKCCS) at the annual meeting of SACS in New Orleans during early December. (An approval letter is expected after January 8, 1998.) Another SACS accreditation team will visit Kentucky in fall 1998 to evaluate the progress of the institutions and the responses of KCTCS to SACS recommendations. SACS approval paves the way for the formal transfer of the community colleges to take place.

Action by the UK Board of Trustees

During the December meeting of the University of Kentucky Board of Trustees, action was taken to delegate the management responsibilities of the UKCCS, except for Lexington Community College, to KCTCS. This fulfills Section 19 of HB1 (KRS 164.5807). Board approval allows the orderly transfer of control of the system.

Agreement for Administrative Services

A memorandum of agreement also has been developed between the University of Kentucky and KCTCS. When completed, this agreement will allow UK to continue to provide specific services to KCTCS for up to eighteen months while the new system develops the administrative capacity to operate the system of community colleges. KCTCS also will be responsible for the management of the postsecondary technical institutions which will transfer from the Workforce Development Cabinet on July 1, 1998. This action removes several obstacles for administrative transfer of the UKCCS institutions from UK to KCTCS.

Update:

At its November 3 meeting, CPE revised and approved criteria to be used in allocating 1997/98 incentive trust fund monies in the Research Challenge Trust Fund, the Regional University Excellence Trust Fund, and the Workforce Development Trust Fund. CPE also directed its work group to develop specific application guidelines to be used by each institution in preparing its application for the 1997/98 trust funds. The CPE work group met December 18 and completed draft application guidelines for each funded incentive trust fund. A complete set of Incentive Trust Fund Criteria and Application Guidelines is attached.

On December 22, the draft guidelines as well as the list of potential consultants were sent to the presidents for their review and comments. The next steps are as follows:

- Selection of a consultant to be available to the institutions as they develop proposals and to work with CPE as it reviews proposals submitted for funding.
- Schedule a pre-proposal conference with the presidents, the board chairs, the CPE work group and other institutional staff as necessary.

The outcome of these steps will set the stage for the submission of institutional incentive trust fund proposals for funding. Each institution is encouraged to proceed at a pace that is best for that institutional situation in developing funding proposals.

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Fiscal Year 1998

INCENTIVE TRUST FUND CRITERIA AND APPLICATION GUIDELINES

Research Challenge Trust Fund

Reference: KRS 164.7917

**Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601**



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FISCAL YEAR 1998

**INCENTIVE TRUST FUND CRITERIA AND
APPLICATION GUIDELINES**

Research Challenge Trust Fund

Reference: KRS 164.7917

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December 22, 1997

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RESEARCH CHALLENGE TRUST FUND

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RESEARCH CHALLENGE TRUST FUND

I. Introduction

The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) gives the Council on Postsecondary Education (CPE) the responsibility to develop the criteria and process by which institutions may apply for funds appropriated to individual Strategic Incentive and Investment Trust Funds. CPE recognizes that any criteria and processes it develops must be designed to implement the goals of HB 1, (i.e., to achieve (1) a major comprehensive research institution ranked nationally in the top 20 public universities at the University of Kentucky and (2) a premier, nationally-recognized metropolitan research university at the University of Louisville) and eventually the strategic agenda. CPE believes that one intended outcome of the Research Challenge Trust Fund is to result in research institutions recognized nationally as leaders in specific programs or a core of interrelated disciplines of distinction and which encourage economic development.

CPE believes that the development of these proposals (i.e., the selection process) must include a campus-based process involving its board of trustees, faculty, and other university constituents, as appropriate. Such a broad-based effort is particularly important given the expectation that recurring funds will be reallocated from other areas of the university to the programs included in the proposal. As a means of supporting both this on-campus process as well as facilitating this initiative at the systemwide level, CPE will select one consultant to advise CPE on the selection process used by each university and to advise CPE on the proposals resulting from that selection process.

CPE will accept one institutional "overview" or conceptual proposal and a series of specific "program" level proposals from each research university. In the overview proposal, the university should describe (1) its broad strategy of achieving HB 1 goals including focusing on specific programs, building research infrastructure, enhancing research productivity of faculty, reallocation of resources, etc.; (2) its approach to selecting programs for enhancement; and (3) the categories of resource needs (faculty positions, research assistant funding, research equipment funding, general enhancement, etc.) and trust fund support which will enhance its ability to meet HB 1 goals, such as economic development.

The specific program proposals should include a discussion of the longer-term outlook (five-year enhancement plan) including the resources that may be required to achieve national status as well as how the program will use technology including the anticipated Commonwealth Virtual University. Such a long-term budget outlook should specify the types of resources which may be required to achieve national recognition. This information will help CPE develop its budget requests in the future as it will ensure a more effective match of basic research enhancement, physical facilities, technology and other items which may be needed by the various programs to achieve national status.

II. Criteria

A. Program Criteria

1. To be eligible for funds from the Research Challenge Trust Fund, the proposed program:
 - Must include a conceptual proposal that designates either a single disciplinary or interdisciplinary academic degree program or research area, or a series of academic degree programs.
 - Must be consistent with HB 1 and eventually the strategic agenda, the institutional mission, and the institutional strategic plan, all of which should be directed to address the needs of the Commonwealth.
 - Must show evidence of, where programmatically feasible and practicable, efforts to collaborate with and complement research programs at the other research university in addressing the needs of the Commonwealth.
 - Must have potential capacity for national prominence.

2. Proposed research programs:
 - Should lead to the advancement of knowledge while enhancing economic development, quality of life, or workforce development.
 - Should have a positive impact on the institution as a whole, including direct benefit to undergraduate students, on the postsecondary education system, and on the Commonwealth and nation.
 - Should include the doctoral degree (or appropriate terminal professional degree) if consistent with the overall research agenda.
 - Should, where appropriate, include strategy approved by the board of trustees to promote technology transfer (including intellectual property rights) and economic development in the Commonwealth.

B. Funding Criteria

To be eligible for funds from the Research Challenge Trust Fund, the institution:

- Must provide a 1:1 match from either internal reallocation or external funds.
- Must match recurring funds to receive recurring funds and, likewise, match nonrecurring funds to receive nonrecurring funds.
- Must have matching funds available prior to the allotment of trust funds.
- Must establish an identifiable budget and expenditure unit for each program.
- Must supplement, rather than supplant, current program funds.

C. Assessment Criteria

The research proposal submitted by the university:

- Must include outcomes-based performance indicators, benchmarks, and evaluation criteria. The program proposal must indicate the ultimate outcome to be achieved as well as periodic (e.g., annual or biennial) intermediate outcomes.

III. Trust Fund Award Process

CPE views the award of strategic incentive and investment trust funds as one of its most significant responsibilities. It also recognizes the responsibility of each institutional governing board in proposing the program of distinction that best fits with its university's mission and strategic plan. To help assure that each party fulfills its respective role and that the objectives of both the system and the individual institution are met, CPE advocates a selection process that involves a partnership between CPE and the governing board. This process will involve the following steps:

A. Selection Process:

1. CPE will select one consultant to review and advise CPE on the selection process used by each university as well as on the potential for the resulting array of proposals to significantly affect the advancement of knowledge and the national ranking as research universities.
2. The proposal must have support from the institution as evidenced by approval of the board of trustees and a description of the selection process which provides for involvement of university faculty.
3. CPE will determine if the proposal from each university is complete and ready to advance to the proposal review process.

B. Proposal Review:

1. Upon receipt of institutional proposals, CPE and its consultant may select one or more program area specialists, including nationally-recognized experts in the area of the proposed program of distinction, to serve as an external review panel to review proposals. That review panel will report on the reasonableness of the planned expenditures, the appropriateness of the proposed benchmarks, and the potential for achieving national prominence.
2. CPE will have final approval on the selection and funding of programs of distinction.

C. Post-Award Review:

CPE will conduct a periodic (annual or biennial) assessment of each funded program. If approved intermediate outcomes have not been substantially achieved, trust funds may not be provided in subsequent years.

IV. Application Format

Each university applying for its share of the Research Challenge Trust Fund shall submit an application which includes sufficient information to allow a review by CPE and an external review panel of nationally-recognized experts. Since research universities will not be competing for funds with other institutions, the application should cover the factors that assure the institution will be meeting the purposes for which the trust fund was established. The criteria must be addressed in as much detail as needed to demonstrate that the program(s) proposed clearly meet the criteria.

In order to permit the research universities an amount of flexibility to promote creativity, this document suggests “format” rather than “forms.” In addition to the overview or conceptual proposal, a cover page and five major sections comprise the format to present each specific program level application. Specific and measurable statements and objectives are advised for completion of the application.

A. Overview or Conceptual Proposal

1. Cover Page

The cover page should include:

- Name of the Institution.
- Signature of the Board Chair.
- Signature of the University President.
- Date.

2. Overview or Conceptual Proposal Format

- a) Describe the university’s broad strategy for achieving HB 1 goals to include:
 - focusing on specific programs,
 - building research infrastructure,
 - enhancing research productivity of faculty,
 - reallocation of resources, and
 - other.
- b) Describe the university’s approach to selecting programs for enhancement.
- c) Describe the categories of resource needs:
 - faculty positions,
 - research assistant funding,
 - research equipment funding,
 - general enhancement, and
 - other.
- d) As applicable, describe the trust fund support which will enhance the university’s ability to meet HB 1 goals, such as economic development efforts to improve the economic status of Kentucky and commercial transferability of research.

- e) Include an implementation plan identifying the phases or steps to be taken to achieve national prominence and the appropriate measures or benchmarks to assess progress.

B. Specific Program Level Proposal

The university must submit an application for each specific program identified for funding by the Research Challenge Trust Fund. The specific program applications should include:

1. Cover Page

The cover page should include:

- Name of the Institution.
- Title of the Application.
- Signature of the Board Chair.
- Signature of the University President.
- Date.

2. Program Description

Describe the program(s) included in this application in sufficient detail to clearly distinguish the program(s) to receive funding. The description is to include:

- Name of the program(s) or research initiative(s).
- Organizational location.
- Level of degree(s) to be awarded in associated instructional programs.
- Current status of the program accreditation, current enrollment, etc.

3. Rationale for Program(s) Selected

Describe the rationale for selecting the proposed program. Specific rationale should include the ways the program will:

- Build on existing strengths of the university.
- Have a national context while meeting strong state needs.
- Have an element of uniqueness for the state.
- Have a high demand for graduates in associated instructional programs.

4. Program Selection Process

These application guidelines stress the importance of program selection using a campus-based process. In this section describe the selection process used including:

- Description of the involvement of board of regents, faculty, and other university constituents.
- Identification of sources of reallocated funds and/or external funds.

5. *Responses to Criteria*

a) Responses to Program Criteria

- Describe how the proposed program meets each of the program criteria listed on page 2 of this document.

b) Responses to Funding Criteria

- Describe how the proposed program meets each of the funding criteria listed on page 3 of this document. (NOTE: The allocation of new state general funds or new tuition revenue does not qualify as matching funds for the trust fund.)
- Include a Financial Plan (see Attachment 1)

c) Responses to Assessment Criteria

- Describe how the proposed program meets each of the assessment criteria listed on page 3 of this document.
- Include an implementation plan identifying the phases or steps to be taken to achieve national prominence and the appropriate measures or benchmarks to assess progress.

6. *Long Term Outlook (Five Year Enhancement Plan)*

The application must address a long term plan (at least five years) including:

- Student enrollment and recruitment.
- Amounts and types of resources required to achieve national status.
- Use of technology in the program.
- Connection with the anticipated Commonwealth Virtual University.
- Five Year Financial Plan (see Attachment 2) and detailed narrative to describe the uses of the funds, such as the numbers and types of endowed chairs or professorships, other full-time employees, part-time employees, research or graduate assistants, etc.

**1997/98 INCENTIVE TRUST FUND
PROPOSED RESEARCH PROGRAM
FINANCIAL PLAN**

SOURCE OF MATCH (Check appropriate box(es) and provide requested information)

EXTERNAL FUNDS – Identify source and amount, including any timing constraints, if applicable.

INTERNAL REALLOCATION (Complete Table 1 and narrative for each program or unit from which funds will be reallocated.)

TABLE 1

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College _____ Department _____ Program/Unit _____	Original 1997/98 Budget	Revised 1997/98 Budget	Amount Reallocated
Personnel			
Operating			
Capital			
Total			

NARRATIVE: Explain the impact or effect of reallocation on activities of source department, program or unit. Be as detailed as possible including whether reallocated amounts are recurring, nonrecurring or a combination of both.

**1997/98 INCENTIVE TRUST FUND
PROPOSED RESEARCH PROGRAM
FINANCIAL PLAN**

Complete a separate financial plan for each proposed research program.

PROPOSED RESEARCH PROGRAM (Title): _____

REVENUES

TABLE 2A

Proposed Research Program (1)	1997/98 Base Budget Amount	External Funds Match Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
1.					
2.					
3.					
4.					

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EXPENDITURES (2)

TABLE 2B

College _____ Department _____ Program/Unit _____	1997/98 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
Personnel			
Operating			
Capital			
Total			

- (1) The additional lines should be used for proposed research programs with multiple budgetary components.
 (2) Complete Table 2B for each component of the proposed research program.

**INCENTIVE TRUST FUND PROPOSED RESEARCH PROGRAM
FIVE YEAR FINANCIAL PLAN**

PROPOSED RESEARCH PROGRAM (Title): _____

REVENUES

TABLE 3A

1997/98	College Department Program/Unit	1997/98 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

1998/99	College Department Program/Unit	1998/99 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

1999/00	College Department Program/Unit	1999/00 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

2000/01	College Department Program/Unit	2000/01 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

2001/02	College Department Program/Unit	2001/02 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

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**INCENTIVE TRUST FUND PROPOSED RESEARCH PROGRAM
FIVE YEAR FINANCIAL PLAN**

PROPOSED RESEARCH PROGRAM (Title): _____

EXPENDITURES

TABLE 3B

1997/98	College Department Program/Unit	1997/98 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

1998/99	College Department Program/Unit	1998/99 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

1999/00	College Department Program/Unit	1999/00 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

2000/01	College Department Program/Unit	2000/01 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

2001/02	College Department Program/Unit	2001/02 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

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Fiscal Year 1998

INCENTIVE TRUST FUND CRITERIA AND APPLICATION GUIDELINES

Regional University Excellence Trust Fund

Reference: KRS 164.7919

**Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601**



FISCAL YEAR 1998

**INCENTIVE TRUST FUND CRITERIA AND
APPLICATION GUIDELINES**

Regional University Excellence Trust Fund

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REGIONAL UNIVERSITY EXCELLENCE TRUST FUND

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REGIONAL UNIVERSITY EXCELLENCE TRUST FUND

I. Introduction

The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) gives the Council on Postsecondary Education (CPE) the responsibility to develop the criteria and process by which institutions may apply for funds appropriated to the *Regional University Excellence Trust Fund of the Strategic Incentive and Investment Funding Program* (KRS 164.7919). CPE recognizes that any criteria and processes it develops must be designed to implement the spirit and intent of HB 1 and eventually the strategic agenda called for in HB 1.

The purpose of the *Regional University Excellence Trust Fund* is to ". . . provide financial assistance to encourage regional universities to develop at least one nationally-recognized program of distinction or at least one nationally-recognized applied research program" CPE believes that one intended outcome of the *Regional University Excellence Trust Fund* is to result in a complementary array of instructional and applied research programs of distinction across the state to meet identified needs of the Commonwealth and to support economic development in the Commonwealth. The expectation of CPE is that graduates of each program of distinction will have achieved a mastery in a particular field of study that builds on the core liberal arts programs; will be in high demand nationally by employers and graduate programs; will have cutting edge knowledge and demonstrated competencies in their field; and will be ultimately prepared to enter the workplace or advanced graduate study. While CPE prefers one program of distinction initially for each university, an institution may wish to demonstrate its ability to support additional programs.

CPE believes that the selection of an institution's program of distinction must include a campus-based process involving its board of regents, faculty, and other university constituents, as appropriate. Such a broad-based effort is particularly important given the expectation that recurring funds will be reallocated from other areas of the university to the selected program or programs of distinction. As a means of supporting both this on-campus process as well as facilitating this initiative at the systemwide level, CPE will select one consultant to advise CPE on the selection process used by each university and to advise CPE on the proposed programs resulting from the selection process.

The specific program proposals should include a discussion of the longer-term outlook (five-year enhancement plan) including the resources that may be required to achieve national status as well as how the program will use technology including the anticipated Commonwealth Virtual University. Such a long-term budget outlook should specify the types of resources which may be required to achieve national recognition. This information will help CPE develop its budget requests in the future as it will ensure a more effective match of program enhancement, physical facilities, technology and other items which may be needed by the various programs to achieve national status.

II. Criteria

A. Program Criteria

1. To be eligible for funds from the Regional University Excellence Trust Fund, the proposed program must:
 - Be a single disciplinary or interdisciplinary instructional or applied research program, or a limited number of such programs in a related field of study. (Additional unrelated programs must be addressed in separate proposals.)
 - Be consistent with HB 1 and eventually the strategic agenda, the institutional mission, and the institutional strategic plan, all of which should be directed to address the needs of the Commonwealth; and must improve the quality of education and the educational experience at the university.
 - Complement programs of distinction at the other regional universities in addressing the educational needs of the Commonwealth.
 - Have potential capacity for national prominence.
 - Reflect cooperation and collaboration with other sectors in the postsecondary education system.
2. Proposed programs of distinction should:
 - Embody the competitive strengths likely to be required by universities of the 21st Century. These strengths may include: innovative and integrated curriculum, innovative delivery, active learning, and lifelong learning.
 - Enhance economic development, quality of life, workforce development, or lifelong learning.
 - Have a positive impact on the institution as a whole, on the entire postsecondary education system, and on the Commonwealth.
 - Include a master's degree program as a component of the overall initiative to establish the program of distinction.

B. Funding Criteria

To be eligible for funds from the Regional University Excellence Trust Fund, the institution must:

- Provide a 1:1 match from either internal reallocation or external funds.
- Match recurring funds to receive recurring funds and, likewise, match nonrecurring funds to receive nonrecurring funds.
- Have matching funds available prior to the allotment of trust funds.
- Establish an identifiable budget and expenditure unit for each program.
- Supplement, rather than supplant, current program funds.

C. Assessment Criteria

The program proposal submitted by the university must:

- Include outcomes-based performance indicators, benchmarks, and evaluation criteria, specifically including student outcomes.
- Indicate the ultimate outcome to be achieved as well as periodic (e.g., annual or biennial) intermediate outcomes.

III. Trust Fund Award Process

CPE views the award of strategic incentive and investment trust funds as one of its most significant responsibilities. It also recognizes the responsibility of each institutional governing board in proposing the program of distinction that best fits with its university's mission and strategic plan. To help assure that each party fulfills its respective role and that the objectives of both the system and the individual institution are met, CPE advocates a selection process that involves a partnership between CPE and the governing board. This process will involve the following steps:

A. Selection Process:

1. CPE will select one consultant to review and advise CPE on the selection process used by each university as well as on the potential for the resulting array of proposed regional university programs to significantly improve the quality of postsecondary education in Kentucky.
2. The proposal must have support from the institution as evidenced by approval of the board of regents and a description of the selection process which provides for involvement of university faculty.
3. CPE will determine if the proposal from each university is complete and ready to advance to the proposal review process.

B. Proposal Review:

1. Upon receipt of institutional proposals, CPE and its consultant may select one or more program area specialists, including nationally-recognized experts in the area of the proposed program of distinction, to serve as an external review panel to review proposals. That review panel will report on the reasonableness of the planned expenditures, the appropriateness of the proposed benchmarks, and the potential for achieving national prominence.
2. CPE will have final approval on the selection and funding of programs of distinction.

C. Post-Award Review:

CPE will conduct a periodic (annual or biennial) assessment of each funded program. If approved intermediate outcomes have not been substantially achieved, trust funds may not be provided in subsequent years.

IV. Application Format

Each university applying for its share of the Regional University Excellence Trust Fund shall submit an application which includes sufficient information to allow a review by CPE and an external review panel of nationally-recognized experts. Since regional universities will not be competing for funds with other institutions, the application should cover the factors that assure the institution will be meeting the purposes for which the trust fund was established. The criteria must be addressed in as much detail as needed to demonstrate that the program(s) proposed clearly meet the criteria.

In order to permit the regional universities an amount of flexibility to promote creativity, this document suggests “format” rather than “forms.” A cover page and five major sections comprise the format to present an application. Specific and measurable statements and objectives are advised for completion of the application.

A. Cover Page

The cover page should include:

- Name of the Institution.
- Title of the Application.
- Signature of the Board Chair.
- Signature of the University President.
- Date.

B. Program Description

Describe the program(s) included in this application in sufficient detail to clearly distinguish the program(s) to receive funding. The description is to include:

- Name of the program(s), including CIP code(s).
- Organizational location.
- Level of degree(s) to be awarded.
- Current status of the program, i.e., accreditation, current enrollment, etc.

C. Rationale for Program(s) Selected

Describe the rationale for selecting the proposed program(s). Specific rationale should include the ways the program will:

- Have a high demand for graduates.
- Build on existing strengths of the university.
- Have a national context while meeting strong local and regional needs.
- Have an element of uniqueness for the state and region.

D. Program Selection Process

These application guidelines stress the importance of program selection using a campus-based process. In this section, the selection process used should include:

- Description of the involvement of board of regents, faculty, and other university constituents.
- Identification of sources of reallocated funds and/or external funds.

E. Responses to Criteria

1. Responses to Program Criteria

- Describe how the proposed program meets each of the program criteria listed on page 2 of this document.

2. Responses to Funding Criteria

- Describe how the proposed program meets each of the funding criteria listed on page 3 of this document. (NOTE: The allocation of new state general funds or new tuition revenue does not qualify as matching funds for the trust fund.)
- Include a Financial Plan (see Attachment 1).

3. Responses to Assessment Criteria

- Describe how the proposed program meets each of the assessment criteria listed on page 3 of this document.
- Include an Implementation Plan identifying the phases or steps to be taken to achieve national prominence and the appropriate measures or benchmarks to assess progress.

F. Long Term Outlook (Five Year Enhancement Plan)

The application must address a long term plan (at least five years) including:

- Student enrollment and recruitment plans.
- Amounts and types of resources required to achieve national status.
- Use of technology in the program.
- Connection with the anticipated Commonwealth Virtual University.
- Five Year Financial Plan (see Attachment 2) and detailed narrative to describe the uses of the funds, such as the numbers and types of endowed chairs or professorships, other full-time employees, part-time employees, research or graduate assistants, scholarships, etc.

**1997/98 INCENTIVE TRUST FUND
PROPOSED PROGRAM OF DISTINCTION
FINANCIAL PLAN**

SOURCE OF MATCH (Check appropriate box(es) and provide requested information)

EXTERNAL FUNDS – Identify source and amount, including any timing constraints, if applicable.

INTERNAL REALLOCATION (Complete Table 1 and narrative for each program or unit from which funds will be reallocated.)

TABLE 1

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College _____ Department _____ Program/Unit _____	Original 1997/98 Budget	Revised 1997/98 Budget	Amount Reallocated
Personnel			
Operating			
Capital			
Total			

NARRATIVE: Explain the impact or effect of reallocation on activities of source department, program or unit. Be as detailed as possible including whether reallocated amounts are recurring, nonrecurring or a combination of both.

**1997/98 INCENTIVE TRUST FUND
PROPOSED PROGRAM OF DISTINCTION
FINANCIAL PLAN**

Complete a separate financial plan for each proposed research program.

PROPOSED PROGRAM OF DISTINCTION (Title): _____

REVENUES

TABLE 2A

Proposed Program of Distinction (1)	1997/98 Base Budget Amount	External Funds Match Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
1.					
2.					
3.					
4.					

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EXPENDITURES (2)

TABLE 2B

College _____ Department _____ Program/Unit _____	1997/98 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
Personnel			
Operating			
Capital			
Total			

- (1) The additional lines should be used for proposed programs of distinction with multiple budgetary components.
- (2) Complete Table 2B for each component of the proposed program of distinction.

**INCENTIVE TRUST FUND PROPOSED PROGRAM OF DISTINCTION
FIVE YEAR FINANCIAL PLAN**

PROPOSED PROGRAM OF DISTINCTION (Title): _____

REVENUES

TABLE 3A

1997/98	College Department Program/Unit	1997/98 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

1998/99	College Department Program/Unit	1998/99 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

1999/00	College Department Program/Unit	1999/00 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

2000/01	College Department Program/Unit	2000/01 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

2001/02	College Department Program/Unit	2001/02 Base Budget Amount	External Funds Amount	Internal Reallocation Amount	Incentive Trust Fund Amount	Total Available Amount
	1.					
	2.					
	3.					

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**INCENTIVE TRUST FUND PROPOSED PROGRAM OF DISTINCTION
FIVE YEAR FINANCIAL PLAN**

PROPOSED PROGRAM OF DISTINCTION (Title): _____

EXPENDITURES

TABLE 3B

1997/98	College Department Program/Unit	1997/98 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

1998/99	College Department Program/Unit	1998/99 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

1999/00	College Department Program/Unit	1999/00 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

2000/01	College Department Program/Unit	2000/01 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

2001/02	College Department Program/Unit	2001/02 Base Budget Amount	Total Matching and Incentive Trust Fund Amount	Total Available Amount
	Personnel			
	Operating			
	Capital			
	Total			

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Fiscal Year 1998

INCENTIVE TRUST FUND CRITERIA AND APPLICATION GUIDELINES

Postsecondary Workforce Development Trust Fund

Reference: KRS 164.7925

**Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601**



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FISCAL YEAR 1998

**INCENTIVE TRUST FUND CRITERIA AND
APPLICATION GUIDELINES**

**Postsecondary Workforce Development
Trust Fund**

Reference: KRS 164.7925

PUBLISHED BY

**Kentucky Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
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December 22, 1997

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POSTSECONDARY WORKFORCE DEVELOPMENT TRUST FUND

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POSTSECONDARY WORKFORCE DEVELOPMENT TRUST FUND

I. Introduction

The Kentucky Postsecondary Education Improvement Act of 1997 (HB 1) created the Postsecondary Workforce Development Trust Fund to provide financial assistance to further cooperative efforts among the community colleges and technical institutions and for the acquisition of equipment and technology necessary to provide quality educational programs. House Bill 1 further states that CPE shall develop the criteria and process for submission of an application for funding under the provisions of HB1. The Kentucky Community and Technical College System (KCTCS) may apply to CPE for financial assistance from this fund. HB 1 further states that financial assistance shall be awarded for instructional programs ensuring that the community colleges and technical schools are able to continually acquire state of the art equipment and technology needed to accomplish their missions.

House Bill 4 (HB4) appropriates \$3 million to the Postsecondary Workforce Development Trust Fund for 1997/98. In testimony and discussions regarding HB 4 during the May 1997 Special Session of the General Assembly, it was indicated that the intent of this appropriation for 1997/98 was to assist the Kentucky Tech Branch of KCTCS in the acquisition of equipment and technology in order to enhance the delivery of instruction to students. The presentations and discussions on this trust fund for 1997/98 indicated that since an equity adjustment funding appropriation was being made to the University of Kentucky Community College System in the current year of the biennium, the \$3 million in the Trust Fund would be used exclusively to provide for instructional equipment and technology in the Kentucky Tech system.

II. CRITERIA

To be eligible for funds from the Postsecondary Workforce Development Trust Fund, the KCTCS must present to CPE a proposal. The proposal must:

1. Provide a program plan detailing how these proposed expenditures will enhance the delivery of instructional activities in the Kentucky Tech Branch.
2. Provide a funding plan detailing how the \$3 million appropriation for 1997/98 is proposed to be spent on equipment and technology which will enhance the delivery of instruction in the Kentucky Tech Branch.
3. Provide to CPE its statement of methodology detailing how KCTCS established the priority order of expending funds from the Trust Fund in 1997/98.
4. Develop as a part of the proposal, an assessment plan detailing the actual expenditure of funds from the Trust Fund in 1997/98; the number of students who are benefiting from the expenditure of these funds; and quantitative measures of the enhanced instructional delivery provided by the use of these funds.

III. Trust Fund Award Process

CPE views the award of strategic incentive and investment trust funds as one of its most significant responsibilities. It also recognizes the responsibility of KCTCS in proposing the use of funds that best fits with its mission and strategic plan. To help assure that each party fulfills its respective role and that the objectives of both the system and the individual institution are met, CPE advocates a selection process that involves a partnership between CPE and the governing board. This process will involve the following steps:

A. Selection and Review Process:

1. Upon receipt of this proposal from KCTCS, CPE will perform an analysis of the information provided.
2. CPE reserves the right to have the proposal reviewed by an external review panel selected by CPE where such review panel will be advisory to CPE.
3. Final funding decisions will be made by CPE.

B. Post-Award Review:

CPE will conduct a periodic (annual or biennial) assessment of all Trust Fund awards.

IV. Application Format

KCTCS, when planning for the use of the Postsecondary Workforce Development Trust Fund for 1997/98, shall submit an application which includes sufficient information to allow a review by CPE and, if necessary, by an external review panel of nationally-recognized experts. Since KCTCS will not be competing for funds with other boards of regents and trustees, the application should cover the factors that assure that KCTCS will be meeting the purposes for which the trust fund was established. The criteria must be addressed in as much detail as needed to convince reviewers that the expenditures proposed clearly meet the criteria.

In order to permit KCTCS flexibility to promote creativity, this document suggests "format" rather than "forms." A cover page and three major sections comprise the format to present an application. Specific and measurable statements and objectives are advised for completion of the application.

A. Cover Page

The cover page should include:

- Name of the Institution. (KCTCS)
- Title of the Application.
- Signature of the KCTCS Board Chair.
- Signature of the KCTCS President.
- Date.

B. Program Selection Process

These application guidelines stress the importance of program selection using a KCTCS-based process. In this section describe the selection process in at least the following:

- Involvement of board of regents and faculty.
- Other KY Tech constituents and their involvement.
- Determination of any resources to be reallocated.

C. Responses to Criteria

1. Responses to Program Criteria

- Provide a program plan detailing how these proposed expenditures will enhance the delivery of instructional activities in the Kentucky Tech Branch, specifically addressing how these proposed expenditures will help meet workforce development needs of the community and region.

2. *Responses to Funding Criteria*

- Provide a funding plan detailing how the \$3 million appropriation for 1997/98 is proposed to be spent on equipment and technology which will enhance the delivery of instruction in the Kentucky Tech Branch.
- Provide to CPE a statement of methodology detailing how KCTCS established the priority order for expending funds from the Trust Fund in 1997/98.

3. *Responses to Assessment Criteria*

- Develop as part of the proposal, an assessment plan detailing the actual expenditure of funds from the Trust Fund in 1997/98; the number of students who are benefiting from the expenditure of these funds (specifically including placement into positions for which they have been trained); and quantitative measures of the enhanced instructional delivery provided by the use of these funds.

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Update:

At its October 29 meeting, SCOPE selected Korn/Ferry International to assist in the search for CPE President. Also at that time, it was decided to appoint a smaller Task Force to work directly with the search firm. The following SCOPE members have been named to that group:

Charles Whitehead, Chair
Walter Baker
Crit Luallen
Viola Miller
Jody Richards
Larry Saunders (Alternate: David Karem)
Stan Cave (Alternate: Jeffrey Hoover)
Robert Stivers (Alternate: Richard Roeding)

Also at the October 29 meeting, Chair Hardin made a brief presentation on CPE activities to date.

The Task Force met with the consultants from Korn/Ferry, John Kuhnle and Monisha Kaplan, on Monday, December 9. The purpose of that meeting was to discuss and identify qualities and characteristics desirable in the new CPE President. The next step will be the development and publication of an advertisement as well as the drafting of a document about CPE and the position itself that can be used in recruiting. CPE members and others around the state have been encouraged to make nominations to the consultants for consideration.

Tentative future meeting dates have been proposed for February 10, March 3, and April 16-17, with the April dates set aside for interviews. SCOPE is ultimately required to submit three candidates to CPE for its consideration.

Information:

The 1998 General Assembly will convene on January 6 and is scheduled to adjourn sine die on April 15, 1998. Throughout that period, CPE staff is heavily involved in keeping up with issues of interest to postsecondary education. Meetings of the Education Committees, as well as the Appropriations and Revenue Committees, are especially important and staff monitors those closely. The pace of the deliberations inevitably quickens as the end of March approaches and the budget bill is finalized, but in fact, it is a very busy time, almost from the first week of January.

Every Friday, staff will provide CPE members with a weekly summary of activity and will issue additional updates as necessary. Staff holds weekly meetings with institutional representatives during this time to assist in monitoring developments and to stay informed as to the institutions' positions on issues. These meetings have tentatively been set for Wednesday afternoons.

The Kentucky Postsecondary Education Improvement Act of 1997 requires that both chambers of the General Assembly confirm all gubernatorial appointments to CPE, except the student and faculty representatives. CPE members will be required to attend committee hearings for this purpose. Confirmations are actual bills and are treated like other legislation in that they must move through the committee process in each chamber before being advanced to the floor of the House or Senate. This means that CPE members will need to make at least two trips to Frankfort to attend these hearings.

In addition, Chair Hardin may be invited to present the postsecondary budget recommendation to the Appropriations and Revenue Committees in both the House and Senate. It may be appropriate for other CPE members to attend as well. Staff will keep members informed.

The budget is always the big issue for postsecondary education and this session should be no different in this respect. In addition, Senators Tim Shaughnessy and David Karem have pre-filed a bill to use lottery proceeds to create a new scholarship program (see CPE Item E). There also is legislation pre-filed to place the secondary area vocational education centers and the secondary technology centers under the Kentucky Community and Technical College System, an issue that was raised during this year's special session. Finally, there is a pre-filed bill that would mandate post-tenure review at all postsecondary institutions. (Pre-filed bills are automatically filed on the first day of the regular legislative session.)

AGENDA

Trends and Operations Committee

January 11, 1998

5 p.m. (ET), Assembly 1 and 2, Holiday Inn Capital Plaza, Frankfort, KY

- A. Roll Call
- B. Approval of MinutesL-3
- C. Action: *CPE Policy Manual Revisions*L-7
- D. Action: Pass-Through ProgramsL-115
- E. Information: KY Plan for Equal Opportunities
1998 Degree Program EligibilityL-141
- F. Update: Transition Agenda.....L-145
- G. Other Business
- H. Next Meeting
- J. Adjournment

Agenda materials are available on the CPE web site at <http://www.cpe.state.ky.us>.

MINUTES¹
Trends and Operations Committee
January 11, 1998

The Trends and Operations Committee met at 5 p.m. (ET) at the Holiday Inn Capital Plaza. Chair Hardin presided.

ROLL CALL

The following members were present: Mr. Baker, Ms. Bertelsman, Mr. Greenberg, Mr. Hardin, Mr. Todd, Ms. Weinberg, and Mr. Whitehead. Other CPE members present: Ms. Adams, Mr. Barger, Ms. Edwards, Mr. Hackbart, Ms. Helm, Mr. Huddleston and Ms. Menendez.

CPE POLICY MANUAL
REVISIONS

Mr. Taulbee presented the item. CPE has begun the process of developing a strategic agenda and accompanying strategic implementation plan for the system of postsecondary education. While the development of the strategic agenda and the strategic implementation plan will precede the actual development of most CPE policies, this is a first step by eliminating several unnecessary and outdated policies and by updating and reformatting several existing policies.

The Policy Manual is the official document where all policies of the old Council on Higher Education were compiled and then communicated to the public institutions. CPE policy directives take two forms, administrative regulations and general policy statements. Administrative regulations are used when the statute requires them. Mr. Taulbee recommended: 1) that the Policy Manual be brought up-to-date; 2) the deletion of several outdated policies; 3) the revision of policies that don't require significant policy discussion; 4) a schedule for review and committees that policies should be assigned and 5) a new format and structure for the Policy Manual.

¹ All attachments are kept with the original minutes in CPE offices. A verbatim transcript of the meeting also is available.

It was noted that in Section 7 -- A.7 should read as follows: 'the president shall be compensated on a basis in excess.. .' This language was changed to conform to the statute which states how the president will be compensated.

Mr. Greenberg moved that the recommendation be approved. Mr. Todd Seconded the motion. The motion passed.

Ms. Bertelsman made a motion that the committee names be changed from Trends and Operations Committee to the Executive Committee; Investments & Incentives Committee to the Finance Committee; and Quality & Effectiveness to the Academic Affairs Committee. Mr. Greenberg seconded the motion. The motion passed.

PASS-THROUGH PROGRAMS

Mr. Taulbee presented the item. CPE staff initially asked that responsibility for selected pass-through programs be assigned to the institutions. Action on that request was postponed until CPE could review each pass-through program individually. CPE has ten pass-through programs for which CPE serves primarily as the custodian and agent for funds ultimately intended for postsecondary institutions, other state agencies, and other public entities. As custodian and agent for the appropriated funds, CPE has a responsibility to ensure that the funds are properly used and that programs and activities accomplish the purposes for which the funds were appropriated. A summary listing the pass-through programs and staff's recommended actions is attached to these minutes. Mr. Greenberg made a motion to adopt the recommendations. Ms. Weinberg seconded. The motion passed.

KY PLAN FOR EQUAL OPPORTUNITIES 1998 DEGREE PROGRAM ELIGIBILITY

Mr. Jackson presented the item. Pursuant to KRS 164.020(18) CPE staff certifies that CPE can receive academic program proposals during calendar year 1998 from 20 of 22 postsecondary education institutions – either through automatic eligibility or the waiver process as provided in 13 KAR 2:060. In accordance with administrative regulations promulgated by CPE, those institutions not meeting the goals shall be able to obtain a one-year waiver, if the institution has made substantial

progress toward meeting its equal educational opportunity goals and did not receive a waiver the previous calendar year. An institution must make continuous progress on six of the eight goals and objectives among the eight universities except for Kentucky State University (KSU) which does not have sufficient graduate programs to participate in one of those goals and objectives. KSU must make progress in five of seven goals and objectives. For the community colleges, there are only four goals and objectives. To be automatically eligible a community college must make progress in three of the four goals. A quantitative waiver for universities would be five of eight goals. For KSU, it would be four of the seven and for community colleges two of the four.

The definition of continuous progress is that an institution must at least advance by one student, faculty person, one more student retained, etc., than the previous year.

To activate a quantitative waiver, an institution needs a resolution from its Board of Trustees/Regents indicating that it intends to submit new programs under the provision of the quantitative waiver and must submit that resolution to CPE, at which time it is attached to the academic program request. This action puts the waiver on record.

To activate a qualitative waiver, an institution must submit a board resolution and other information in support of activities related to the qualitative waiver. That information is submitted to the Committee on Equal Opportunities (CEO) which must make a recommendation to CPE to either grant or deny a qualitative waiver.

KY Tech institutions are not impacted by the *Kentucky Plan* because they are not yet a part of the postsecondary education yet. CEO has yet to evaluate and investigate how or if the KY Plan for Equal Opportunities should apply to the KY Tech system.

TRANSITION AGENDA

Mr. Walker presented the item. At its October 20, 1997, meeting, CPE received a summary of the priorities

established by CPE during the October 7 discussion facilitated by Aims McGuinness. At that time, it was indicated that CPE members would receive a report of progress on efforts related to addressing those priorities at each CPE meeting, beginning in January 1998.

Those priorities were grouped in three categories: immediate priorities to be completed by November 3, 1997 (all items were completed or significantly addressed within the timeframe; short-term priorities to be completed by March 1998 (these items are either completed, in the March agenda book or are being worked on); and ongoing priorities, to be completed after March 1998.

OTHER BUSINESS

Mr. Hardin announced that Ms. Adams had been reappointed to CPE and Mr. Huddleston would be sworn in the following morning.

ADJOURNMENT

There being no other business, the meeting adjourned at 6 p.m.

J. Kenneth Walker
Acting Chief Operating Officer

Carrie Lee Dean
Executive Secretary

CPE POLICY MANUAL REVISIONS

Recommendation:

- That CPE repeal and eliminate the following existing policies:
 1. Recruitment/Advertising by Public Institutions
 2. A System of Higher Education
 3. Principles of a System
 4. Task Group on Guidance, Admissions, Preparation and Performance
 5. Schedule of Tuition Rates
 6. Policy on Tuition Waivers
 7. Appropriation Recommendation Formula
 8. Formula Use Policy
 9. Excellence in Education
 10. Operating Understandings: FAC/CHE/KHEAA
 11. Private Gifts
 12. Strategic Principles for Computing and Information Systems in Kentucky Higher Education
 13. Statutory History of the Kentucky Council on Higher Education
 14. Revised Statutes Relating to CPE

- That CPE adopt the following revised policies and include them in a new revised CPE Policy Manual:
 - 1.02 CPE Bylaws (Minor adjustment to bylaws and additions to Appendix A)
 - 3.03 Determination of Residency Status for Admission and Tuition Assessment Purposes (New cover page) *
 - 5.12 Memorandum of Agreement (FAC/GOPM/CPE) [Agreement not approved by CPE]
 - 7.01 Open Records Policy (Minor adjustments)
 - 7.04 Data Policy (Minor adjustments)

*Denotes administrative regulation

Rationale:

- CPE has begun the process of developing a strategic agenda and accompanying strategic implementation plans for the system of postsecondary education. While the development of the strategic agenda and the strategic implementation plans will precede the actual development of most CPE policies, this action item takes a first step by eliminating several unnecessary and outdated policies and by updating and reformatting several existing policies.
- Policies in the *CPE Policy Manual* have not been systematically updated since 1995.
- The new duties, roles, and responsibilities of CPE require significant changes in policies. Attachment A lists all policies and displays a proposed schedule for revision of key policies.

Background:

CPE policy directives take two forms, administrative regulations and general policy statements. Administrative regulations are used where a statute directs the development of administrative regulations or where the parties to whom the policy applies are non-state agencies. For example, the statutes direct that CPE develop administrative regulations for equal opportunity, the state autism training center, and licensing of private institutions. CPE also implemented administrative regulations for minimum admission standards, residency determinations, and tuition rate setting since those "policies" apply directly to students as well as to state-supported colleges and universities.

Academic program policies and finance policies generally apply only to the state-supported institutions, and CPE has chosen to exercise its authority through policy directives rather than through promulgation of administrative regulations. The administrative regulation process is complex and cumbersome and policy directives present a simpler approach.

The current *CPE Policy Manual* was developed in the 1970s and has served the Council well as a complete source of policy directives. However, over the years the *CPE Policy Manual* has grown in size and includes a number of non-policy narratives as well as policies that are no longer needed. Further, the *CPE Policy Manual* lacks a consistent structure and format.

CPE is charged with the development of both a strategic agenda and strategic implementation plans. These documents, in turn, will shape the development of specific policies. In anticipation of the strategic agenda and strategic implementation plan development process, staff has prepared a comprehensive index of existing policies and administrative regulations. These are presented in Attachment A. Included in that list are a number of policies that are no longer used.

The material before CPE today is, first and foremost, an attempt to familiarize CPE with the *CPE Policy Manual*. Next, it is a first, tentative step at identifying a schedule for review of individual policies that are part of the *CPE Policy Manual*. Attachment A also presents a timetable and proposed CPE committee assignments for the review of the most significant policies.

The first action requested of CPE is the repeal of outdated policies included in the current *CPE Policy Manual*. These policies are shown in summary form on Attachment B and are fully presented in Attachment C.

The second and final recommended action is to adopt revised policies that are complete and to incorporate those policies into a new *CPE Policy Manual*. Again, these policies are summarized in Attachment B with the full policies presented in Attachment D.

The new *CPE Policy Manual* also will follow our new practice of “distribute and print” (as opposed to “print and distribute”), meaning that the *CPE Policy Manual* will be available in an electronic format on the web. We will not publish a printed version of the *CPE Policy Manual* until all policies have been revised and the manual is complete. Then, a limited number of manuals will be published in printed form.

Summary of Attachments

Attachment A - Depicts all policies contained in the current *CPE Policy Manual* and presents a preliminary schedule for review and revision of key policies.

Attachment B - Contains a summary listing of those policies where action is recommended at this meeting to either eliminate or revise an existing policy.

Attachment C - Contains the policies where action is recommended to eliminate the existing policy.

Attachment D - Contains reformatted policies where action is recommended to adopt the revised policy.

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**CPE Policy Manual
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Schedule for Revision of Policies**

<i>Current Section</i>	<i>Title of Policy or Regulation *Denotes administrative regulation</i>	<i>Section Number</i>	<i>Type: Policy or Regulation</i>	<i>Last Date Revised</i>	<i>Committee Assignment</i>	<i>Current Status and Future Action</i>
SECTION 1.	GENERAL					
	CPE Bylaws	1:02	Policy	August 27, 1997	TOC	Revised, January 12, 1998
	Recruitment/Advertising by Public Universities		Policy	April 11, 1979	N/A	Eliminated, January 12, 1998
	Criteria for Establishment of Two-Year Institutions	III-D1	Policy	January 12, 1968	TOC	CPE has statutory role
	A System of Higher Education		Narrative	January 19, 1977	N/A	Eliminated, January 12, 1998
	Principles of a System		Policy	January 19, 1977	N/A	Eliminated, January 12, 1998
SECTION 2.	ACADEMIC PROGRAMS AND RECORDS					
	<u>Subsection 2.01--2.09 Degree Program Registration and Approval</u>					
	Definition of a Degree Program	IV-D1	Policy	May 7, 1987	QEC	To be reviewed in 1998
	Criteria for Master's Degree Programs	IV-E1	Policy	April 20, 1992	QEC	To be reviewed in 1998
	Official Registry of Degree Programs	IV-F1	Policy	May 7, 1987	QEC	To be reviewed in 1998
	Registration of Degree Programs	IV-G1	Policy	July 8, 1982	QEC	To be reviewed in 1998
	Degree Program Registration Categories	IV-H1	Policy	April 9, 1981	QEC	To be reviewed in 1998
	Procedures and Format Covering the Submission and Review of Program Proposals	IV-I1	Policy	May 7, 1987	QEC	To be reviewed in 1998
	Degree Program Approval; Equal Opportunity Goals*	2.05	Regulation	1996	TOC	Review underway
	<u>Subsection 2.10--2.19 Program Review</u>					
	Procedures for Review of Existing Programs	IV-J1	Policy	November 5, 1990	QEC	To be reviewed in 1998
	Definition of Occupational Education and Programs to be Reviewed by State Board of Education	IV-K1	Policy	January 11, 1978	QEC	To be reviewed in 1998

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	Procedures for Review of Occupational Programs	IV-L1	Policy	April 11, 1979	QEC	To be reviewed in 1998
	<u>Subsection 2.20--2.29 Commonwealth Virtual University and Coordination of Extended Campus Offerings</u>					
	Guidelines for the Development and Coordination of Extended-Campus Offerings	IV-M1	Policy	1989 (amended 1996)	QEC	Part of CVU development
	<u>Subsection 2.30--2.39 Allied Health and Health Related Programs</u>					
	Kentucky Area Health Education System	IV-N1	Policy	November 12, 1981	QEC	Review to be scheduled
	Governance of KY's Health Sciences Centers	IV-O1	Policy	July 8, 1982	QEC	Review to be scheduled
	Policy on Joint Dental/Medical Schools	IV-P1	Policy	February 2, 1984	QEC	Review to be scheduled
	<u>Subsection 2.40--2.49 Academic Discipline Specific Policies</u>					
	Guidelines for the Development of Professional Engineering Education in Ky.	IV-Q1	Policy	November 6, 1986	QEC	Review to be scheduled
	<u>Subsection 2.50--2.59 Faculty and Staff Development</u>					
	Faculty and Staff Tuition Waiver Policy	2.51	Policy	November 3, 1997	TOC	CPE Approval, November 3, 1997
SECTION 3.	STUDENT RECORDS					
	<u>Subsection 3.01--3.09 Admissions, Residency and Dual Credit</u>					
	Guidelines for Undergraduate Admission to the State-supported Inst.*	IV-A1	Regulation	August 1, 1992	QEC	Review underway
	Guidelines for Dual Credit	IV-B1	Policy	January 22, 1990	QEC	To be reviewed in 1998
	Task Group on Guidance, Admissions, Preparation and Performance		Policy	June 16, 1986	N/A	Eliminated, January 12, 1998
	Determination of Residency Status for Admission and Tuition Assessment Purposes*	3.03	Regulation	January 27, 1997	IIC	Review underway
	<u>Subsection 3.10--3.19 Tuition and Fees</u>					
	Tuition Policy*	3.11	Regulation	1995	IIC	Review underway

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Schedule for Revision of Policies

<i>Current Section</i>	<i>Title of Policy or Regulation</i> <i>*Denotes administrative regulation</i>	<i>Section Number</i>	<i>Type: Policy or Regulation</i>	<i>Last Date Revised</i>	<i>Committee Assignment</i>	<i>Current Status and Future Action</i>
	Schedule of Tuition Rates		Policy	November 7, 1994		Eliminated, January 12, 1998
	Policy on Tuition Waivers		Policy	May 7, 1987		Eliminated, January 12, 1998
	Policy on Tuition Reciprocity	3.13	Policy	N/A	IIC	To be reviewed in 1998
	Graduate Tuition Reciprocity Agreement: University of Cincinnati and NKU		Policy	1996		Moved to Appendix
	Undergraduate Tuition Reciprocity Agreement: Cincinnati Tech. College, NKU and UC		Policy	1996		Moved to Appendix
	Tuition Reciprocity Agreement: Ashland Community College and West Virginia Community College		Policy	1989		Moved to Appendix
	Tuition Reciprocity Agreement Between Kentucky and Tennessee		Policy	1997		Moved to Appendix
	Memorandum of Understanding: Kentucky and Indiana Regarding Tuition Reciprocity		Policy	1997		Moved to Appendix
	Tuition Reciprocity for International Exchange Programs	V-Q1	Policy	1991	IIC	Review to be scheduled
	Tuition Reciprocity for Participation in the National Student Exchange: A Consortium of U.S. Colleges and Universities	V-V1	Policy	May 16, 1994	IIC	Review to be scheduled
	Tuition Reciprocity Agreement Between Paducah Community College and Shawnee Community College (Illinois)		Policy	1995		Moved to Appendix
SECTION 4.	STRATEGIC AGENDA AND STRATEGIC IMPLEMENTATION PLAN					
	University Mission Determination	III-A13	Policy	January 19, 1977	TOC	Review to be scheduled
	University Role and Mission	III-A18	Policy	January 13, 1983	TOC	Review to be scheduled
	Strategic Plan for Higher Education	III-B1	Policy	1995	TOC	To be replaced by Strategic Agenda and Strategic Implementation Plans

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<i>Current Section</i>	<i>Title of Policy or Regulation *Denotes administrative regulation</i>	<i>Section Number</i>	<i>Type: Policy or Regulation</i>	<i>Last Date Revised</i>	<i>Committee Assignment</i>	<i>Current Status and Future Action</i>	
SECTION 5.	FINANCE						
	<u>Subsection 5.01--5.09 Institutional Operating Budgets</u>						
		Appropriation Recommendation Formula		Policy	April 14, 1983		Eliminated, January 12, 1998
		Formula Use Policy		Policy	November 6, 1989		Eliminated, January 12, 1998
		Excellence in Education		Policy	February 8, 1993		Eliminated, January 12, 1998
		Operating Understandings: FAC/CPE/KHEAA		Policy	May 20, 1991		Eliminated, January 12, 1998
	<u>Subsection 5.10--5.19 Facilities and Real Property</u>						
		Capital Construction Procedures	V-G1	Policy	1994	IIC	To be reviewed in 1998
		Memorandum of Agreement: FAC/GOPM/CPE	V-H1	Policy	1995	IIC	CPE Approval, January 12, 1998
		Resolution on Sale or Lease of University Property	V-T1	Policy	November 5, 1987	IIC	To be reviewed in 1998
	<u>Subsection 5.20--5.29 Private Gifts, Affiliated Corporations</u>						
		Replacement of Lost External Support From Governmental Grants and Contracts	V-S1	Policy	May 7, 1987	IIC	Review to be scheduled
	Policy Statement on Private Gifts		Policy	1985		Eliminated, January 12, 1998	
SECTION 6.	ACCOUNTABILITY AND PERFORMANCE STANDARDS						
		Benchmark Policy	V-K1	Policy	October 11, 1978	IIC	To be reviewed in 1998
		Benchmark Institutions	V-L1	Policy	July 18, 1979	IIC	To be reviewed in 1998
SECTION 7.	INFORMATION AND DATA MANAGEMENT						
		Open Records Policy	7.01	Policy	May 1, 1995	TOC	Revised, January 12, 1998

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**CPE Policy Manual
Table of Contents
Schedule for Revision of Policies**

<i>Current Section</i>	<i>Title of Policy or Regulation *Denotes administrative regulation</i>	<i>Section Number</i>	<i>Type: Policy or Regulation</i>	<i>Last Date Revised</i>	<i>Committee Assignment</i>	<i>Current Status and Future Action</i>
	Strategic Principles for Computing and Information Systems		Policy	March 5, 1987		Eliminated, January 12, 1998
	Data Policy	7.04	Policy	1995	IIC	Revised, January 12, 1998
SECTION 8.	LICENSING OF PRIVATE, DEGREE-GRANTING INSTITUTIONS					
	Licensing of Private Colleges*	8.01	Regulation	May 3, 1991	QEC	Review to be scheduled
SECTION 9.	MISCELLANEOUS					
	Index of Policies	9.01				
	Statutory History of the Kentucky Council on Higher Education		General Narrative	Date not known		Eliminated, January 12, 1998
	Revised Statutes Relating to CPE		Not included	Date not known		Eliminated, January 12, 1998
	Policy Manual Revisions	9.02				

**CPE Policy Manual
Summary Of Policies To Be Deleted And Revised**

Policies to be Deleted

Reason

Recruitment/Advertising by Public Institutions	Policy no longer needed
A System of Higher Education	Not a policy document
Principles of a System	Not a policy document
Task Group on Guidance, Admissions, Preparation and Performance	Policy no longer needed
Schedule of Tuition Rates	Not a policy document
Policy on Tuition Waivers	In the Comprehensive Data Base
Appropriation Recommendation Formula	Policy no longer needed
Formula Use Policy	Policy no longer needed
Excellence in Education	Policy no longer needed
Operating Understandings: FAC/CHE/KHEAA	Policy no longer needed
Private Gifts	Policy no longer needed
Strategic Principles for Computing and Information Systems in Kentucky Higher Education	Superseded by KIRM Process
Statutory History of the Kentucky Council on Higher Education	Not a policy document
Revised Statutes Relating to CPE	Statutes available elsewhere

Revised Policies

- 1.02 CPE Bylaws (Minor adjustment)
- 3.03 Determination of Residency Status for Admission and Tuition Assessment Purposes (New cover page)*
- 5.12 Memorandum of Agreement (FAC/GOPM/CPE) [Agreement not approved by CPE]
- 7.01 Open Records Policy (Minor adjustments)
- 7.04 Data Policy (Minor adjustments)

****Denotes administrative regulation***

ATTACHMENT C
POLICIES TO BE DELETED

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STATUTORY HISTORY OF
THE KENTUCKY COUNCIL ON HIGHER EDUCATION

1932: General Assembly creates the Kentucky Educational Commission to study public education in Kentucky. Commission recommends the coordination of higher education through a Kentucky Council on Public Higher Education.

1934: General Assembly creates the Kentucky Council on Public Higher Education. Membership includes: president or CEO of University of Kentucky, Eastern Kentucky State Teachers' College, Western Kentucky State Teachers' College, Morehead Kentucky State Teachers' College, Murray Kentucky State Teachers' College; one member from each board of regents of teachers' colleges and three members from the UK Board of Regents (other than Superintendent of Public Instruction); dean of the UK College of Education; Superintendent of Public Instruction (ex-officio chairman of Council).

Powers and Responsibilities: 1) coordinate work of the institutions and determine curricular offerings; 2) determine fees and admissions requirements; 3) require reports from the institutions' executive officers; 4) publish biennial reports of the institutions' educational and financial affairs.

1948: Teachers' colleges become state colleges, and are given authority to award degrees other than degrees in education.

1952: President and a regent from Kentucky State College are added to the Council.

Changes in Powers and Responsibilities: the determining of curricular offerings becomes the responsibility of the institutions.

1956: Council authorized to establish central facilities. Staff increased. General Assembly repeals statute requiring institutions to pay expenses of Council, and appropriates funds directly to the Council.

1962: University of Kentucky Community College System established.

Membership expanded from 18 to 21, with addition of three voting lay members.

1966: Regional colleges given university status.

Change in Membership: nine members not connected with the institutions and appointed by the Governor; Superintendent of Public Instruction, ex-officio, voting; presidents of the public institutions, ex-officio, nonvoting.

Changes in Powers and Responsibilities:

- engage in analysis and research to determine overall needs for higher education;

- develop comprehensive plans for public higher education;
- determine amount of registration fees;
- approve admissions standards of the institutions;
- review institutions' biennial budget requests and make recommendations to the Governor;
- require reports from the institutions;
- publish an annual report of the institutions' academic and financial affairs;
- approve professional schools and recommend when community colleges or four-year colleges are needed;
- approve the teacher education curriculum;
- be the representative in Kentucky for all higher education matters of a statewide nature; and
- elect a chairman, and appoint an executive director and staff.

1968: Northern Kentucky State College established by General Assembly.

General Assembly authorized University of Louisville to become a part of the state system on July 1, 1970.

1970: Changes in Powers and Responsibilities: Council authorized to prescribe teacher education curricula.

1972: Kentucky State College is given university status.

General Assembly directs Council to adopt standards and procedures for licensure of colleges.

Change in Membership: lay voting membership increased from nine to ten, with Superintendent of Public Instruction retained as voting member.

Changes in Powers and Responsibilities:

- be considered the single state agency for all purposes of legislation relating to planning;
- approve all capital construction requests of the institutions in excess of \$100,000 and make recommendations to the executive branch;
- approve all graduate degree programs and professional school programs requested by the institutions, recommend to the Governor the establishment of new state-supported or four-year

institutions, with the provision the Council not be given the authority to eliminate the merged law school (Chase).

- prescribe the manner in which the budget requests of the institutions are to be prepared; and
- fix staff compensation.

1974: Council begins administering the Area Health Education System.

Council begins development of statewide Kentucky Educational Computing Network.

1976: Northern Kentucky State College is given university status.

1977: Statewide administrative functions for Title I, Higher Education Act of 1965 were transferred from the University of Kentucky and established at the Council (Executive Order);

Center for Education Statistics was established by the Council (Executive Order).

Change in Name: . to Kentucky Council on Higher Education.

Change in Powers and Responsibilities:

- designation as the "single state agency" of Commission on Higher Education was waived and transferred to Council.

- Council is given authority to define and approval all higher education associate, baccalaureate, graduate and professional degree or certificate programs in state-supported institutions; and

- the Council is authorized to establish advisory groups to meet any federal legislative and regulatory guidelines.

Change in Membership: One member from State Board for Elementary and Secondary Education is added to the Council, nonvoting, and one member from the State Board for Occupation Education, nonvoting.

1978: Council and State Board are required to cooperate in development of teacher education curricula.

Majority of voting members required to constitute a quorum.

Per diem compensation for Council members is established at \$65.

Change in Power and Responsibilities: to approve teacher education in public institutions and not prescribe the curricula.

1980: Professional Education Preparation Programs created by Legislature in office of the Council.

Council's Area Health Education System recognized by the Legislature.

Change in Term: to six-year terms.

Council is directed by Legislature to designate a receiver to maintain student records of colleges, universities and proprietary schools which close.

Changes in Membership: (Executive Order)

- membership expanded from 10 to 15 members, with seven representing each Congressional district and eight representing the state-at-large;
- presidents removed from Council, and placed on an advisory committee to the Council; and
- Superintendent of Public Instruction retained as ex-officio member, non-voting.

Changes in Powers and Duties:

- Council reviews the Kentucky Higher Education Assistance Authority's biennial budget request;
- Council reviews the loan and grant policies of the KHEAA; and

- Council may establish advisory groups necessary to satisfy any federal legislative or regulatory guidelines to carry out these functions or any others mandated to the Council.

1982: Changes in Membership and Terms: to 17 lay, voting members, including as members a holder of an undergraduate degree from every public university and a resident of every Congressional district; and the Superintendent of Public Instruction to remain as an ex-officio nonvoting member; and a student member. Terms are for four years, except for the student member, whose term is one year.

Changes in Power and Authorities:

- the Council, in cooperation with the university presidents, is directed to devise, establish and periodically review and revise formulas for use in making recommendations to provide to the Governor and the Legislature for use in making appropriations to the institutions.
- the Council is authorized to review and approve all capital construction projects that exceed \$200,000, prior to their submission to the executive branch.
- the legislation authorizing the Office of Geriatrics and Gerontology and the Center for Education Statistics repealed.

- the Council is to meet annually with the Conference of Presidents.
- the Council is to establish minimum admissions standards for the public institutions of higher education.

1986: Owensboro Community College is approved by the General Assembly.

1990: Terms for Council members and members of university governing boards are changed to six years.

Selection process for the student member of the Council is changed. The eight student body presidents of the public universities as a group select three nominees for consideration by the Governor.

Penalty is established for noncompliance with licensure requirements of Council.

Council, in conjunction with institutional presidents, is directed to develop a plan of action for higher education's involvement in the reform and improvement of the public schools.

Kentucky Higher Education Assistance Authority (KHEAA) is attached to the Council in the manner of the state colleges and universities.

Adopted April 11, 1979

RECRUITMENT/ADVERTISING BY PUBLIC UNIVERSITIES

1. All recruitment activities by Kentucky's public universities are not to be designed to aggressively recruit students for the primary purpose of enlarging enrollments to gain appropriations increases. The Council on Higher Education will review, on a recurring basis, the recruitment procedures of each of the public universities to insure that the procedures followed are in compliance with the intent of this policy.

2. To insure that advertising by Kentucky's public universities meets the intent of these policies, such advertising is to be developed within the following guidelines:
 - a. Advertising, whether general or specific, should be designed to inform the public about an institution, not to attract students.

 - b. Advertising which is image-oriented and which generally informs the public about an institution's activities, services, and programs and which helps the public better understand the institutions it helps support is acceptable.

 - c. Advertising of new programs, curricula, or services is acceptable if clearly presented within the context of informing the public.

- d. Advertising of public events on campuses is acceptable and necessary; however, advertising to encourage the public to visit a campus for nonspecific purposes, although acceptable, should clearly meet all other guidelines.
- e. Information-sharing as a part of a radio or television broadcast or a published article is acceptable and is encouraged, but all other guidelines set forth here must be observed because of the promotional value of such participation.
- f. Extensive, concentrated advertising campaigns, whether paid or on a public-service time or space basis, should be avoided. These efforts may appear to the public as "head-hunting" activities and as an unnecessary use of institutional funds.
- g. Advertising should contain no encouragement, either direct or indirect, for persons to enroll at an institution. Advertising may invite persons to investigate an institution or college attendance or to request additional information.
- h. Advertising may point out the accepted values of a college education, but it should not include promises of monetary gain as a result of obtaining a college degree or completing a course of study. Advertising should not suggest that readying a person for a career is the only or even chief value of college attendance.

1. Advertising should contain no claims that an institution or its programs or services are superior to any other institution of higher education or the programs or services of other institutions. Quality, however, may be pointed out and even emphasized.

3. Institutions are not required to submit to the Council for review plans for advertising or other recruitment activities. However, if an institution is unsure about whether or not its advertising or recruitment plans meet these policies or adhere to the guidelines set forth, it may request Council staff review. Such review would take place without delay to insure that deadlines are met.

4. Any institution not in compliance with these policies, whether determined through review of recruitment procedures or through the attention of the Council being called to violations of advertising guidelines, will not be recommended for participation in the next funding cycle of the enrollment growth pool or any other enrollment-based program or pool administered by the Council.

Adopted January 19, 1977

A SYSTEM OF HIGHER EDUCATION IN KENTUCKY

The Current Task for Higher Education

Higher education in the United States has undergone a significant change in size, scope, and mission in just a few decades and today represents a major political, economic, and emotional investment. Colleges and universities have taken on leadership roles in society which differ fundamentally from their traditional roles. However, these changes have caused confusion over what the nature of higher education should be. Despite the power and prestige of higher education, universities often face conflicting demands and values from critical audiences. The current controversy over unemployed college graduates and "over-education" points out that for some the success of higher education is measured by the jobs graduates can get. Students have a variety of goals and ambitions for their higher education, and the institutions should recognize the validity of these goals. Colleges and universities can assist students in preparing for the job market; however, the availability of jobs is determined by conditions which are not controlled by the institutions.

The continuing task for higher education is to seek the optimum balance - a balance between needs for centers of humanism and enlightenment and needs for job training, a task that is complicated by shifting enrollments and decreasing revenues. In response to growing

demands, a major emphasis in higher education will be the expansion of vocationally oriented programs. Many job areas that are predicted to have good potential in the near future are standard features of the curricula of many universities. Students will doubtless continue to enroll in these programs in increasing numbers as they search for training to insure employment. The manpower figures upon which much vocational education planning is based can be misleading; however, given the rapidity of change and the potential problem of obsolescent specialization, current job market conditions are of limited usefulness in job planning for a college freshman whose working life will extend long into the twenty-first century. To offset potential problems for students faced with shifting job conditions, the institutions should expand their roles in the vocational counseling of students and in the continuing education of graduates and other adults.

Ironically, the best education for the future may be the traditional liberal arts curriculum. Today's students can maximize their opportunities through a general grounding in qualitative concepts and quantitative skills. Higher education, too, must maximize its chances by remaining flexible. The general liberal education program should not be subordinated to vocational education; however, vocational education should be recognized as an integral part of higher education.

Higher Education in Kentucky

Up to the present, the public and independent colleges and universities of Kentucky have been able to respond to the demands for

educational programs and services in the Commonwealth. Indeed, the people of Kentucky should be proud of their accomplishments in providing higher education. The needs and goals of higher education in Kentucky could be met in various ways, and the institutions of higher education in the United States exhibit a variety of systems and organizations. At one extreme there is the single statewide institution, with multiple campuses. At the other extreme there are a number of autonomous institutions, each with a geographic service area and each with the full range of programs at all levels. The current organization of higher education in Kentucky can be located between these two extremes, though it is closer to the latter. This configuration of autonomous institutions may not be adequate to meet the future needs for higher education in the Commonwealth.

Within the general guidelines of the Kentucky Revised Statutes, the institutions of higher education have developed similar missions and courses of study. The institutional plans for the universities project further growth along similar lines for the period 1975-1980, both in proposed new programs and in the projected enrollment trends for specific programs. This high degree of congruence among institutions detracts from the unique capabilities of Kentucky's universities and limits their potential for responding to the broad educational needs of the Commonwealth.

What is needed in Kentucky is a system of higher education designed to fill the needs of the Commonwealth as a whole, rather than relatively autonomous institutions pursuing their own best interests. The term

"system" has a number of meanings. The most general, however, is: A system is a set of units with relationships between them. The units have common properties and a common purpose. The state of each unit is constrained by, conditioned by, and dependent on the state of the other units. Based on these conditions, the total system can be more effective and efficient than its components.

A system of higher education in Kentucky must promote quality education and research, efficient use of resources, effective communications, and smooth movements of students between institutions. The system must encourage diverse programs to fulfill the wide-ranging needs of the state, but not at the cost of undesirable duplication. Therefore, each component institution should have a specific mission, in accordance with its unique capabilities and possibilities for service. The interaction of these institutions within a coherent framework could provide for the best education for all citizens. A well-differentiated, smoothly interrelating system for higher education in Kentucky could then be much more than the mere sum of its individual institutional parts.

A system of higher education must strive to adhere to the principles previously articulated. Of fundamental importance is the provision that any qualified citizen be provided an undergraduate education. The Commonwealth, its universities and colleges, and its governing agencies must take an active role in promoting educational opportunities. Kentucky is not fully realizing its educational potential. Since the current college-going rate is below the national average, Kentucky should encourage greater participation of its residents in higher education

through increased student financial assistance, improved academic preparation, and expanded pre-college counseling. Kentucky also ranks high nationally in the number of adults who have not completed high school. Therefore, the institutions of higher education should cooperate with secondary schools in providing continuing education opportunities for these adults. Through these efforts the colleges and universities can insure Kentucky the benefits of an educated citizenry.

Kentucky's resources, though extensive, are not limitless. Its colleges and universities, though entitled to sufficient support to meet educational needs, cannot presume an inexhaustible supply of money, students, and new programs. As higher education enters a period of intensive development, emphasis must be placed upon interinstitutional cooperation; the development of specific educational missions; the elimination of undesirable or unproductive program duplications, if any; the judicious allocation of resources to high-cost programs; and, the elimination of serious imbalances between manpower needs and the numbers of graduates. Only through the effective and efficient utilization of resources can the other goals of higher education be realized.

A "System of Higher Education"

To meet these goals, Kentucky should develop a system of higher education designed to meet the educational needs of the Commonwealth as a whole. The potential benefits of a system cannot be realized with the institutions' attempting to meet those needs independently. The Council on Higher Education was reconstituted by the Kentucky Legislature primarily

as a coordinating board, with selected governing authority, for the specific purpose of establishing a "system of higher education" for the Commonwealth. Through cooperation between the Council and the institutions, the benefits of a system can be realized.

Because of Kentucky's geography, population distribution, historical development, and differing needs of its several regions, eight public universities and fourteen community colleges have developed. A "system of higher education" must recognize that the development and strengths of these institutions is an integral part of any plan for the development of higher education. (Likewise, the system must encourage diverse programs to fulfill wide-ranging needs in Kentucky, yet not at the cost of undesirable duplication.) Each institution should contribute to a "system of higher education" in accordance with a specific mission and through selected and unique capabilities. This should not be construed as modifying or affecting the autonomy, authority, or independence of the Boards in their operation of the individual institutions.

The eight public universities and fourteen community colleges form the nucleus of a system of higher education. Through their cooperation with an extensive independent higher education system in the state, the educational needs of the Commonwealth can be adequately met. There is no need for additional public universities and colleges. The Commonwealth has a major task in adequately financing its present institutions; new institutions are not needed.

The Commonwealth cannot afford to have every university be all

things to all people. A broad range of educational offerings, especially at the associate and baccalaureate degree levels, is encouraged. However, Kentucky recognizes that at the master's, doctorate, and professional degree levels, and in selected high-cost and/or low-enrollment programs at the undergraduate level, decisions must be made to insure program quality, the effective and efficient utilization of public resources, and the avoidance of undesirable duplication. There are, therefore, two basic issues involved in developing a system of higher education in Kentucky: determination of the optimum mission of each component institution and determination of the most efficient and effective distribution of programs.

Turning first to the question of missions, what is needed is a system which would permit differentiation of function in the various institutions so that the institutions could collectively meet the needs for higher education. Such a system made up of institution components, each with distinct missions, would offer a significant contribution toward quality education.

The need for an efficient and rational system of higher education in Kentucky is not at question; the type of system is. Such a system must offer the advantages of insuring undergraduate, graduate, professional, technical, and research opportunities, while reducing to a minimum unnecessary overlap and competition for resources. Additionally, it would encourage further development of the unique characters of individual institutions, thereby resisting any homogenization in educational

offerings. Most importantly, it would promote a cooperative effort among the institutions to provide the best possible education.

Determination of distinct missions for the institutions of higher education leads to the second major issue in developing a new system for higher education - the distribution of programs. These two issues are clearly interrelated; the distribution of programs among the universities and community colleges should be in accordance with the missions and scope of the institutions. The best possible assessment of educational needs, student demand, and current and future manpower requirements in the Commonwealth is crucial in program planning. Several areas which require further specific attention are:

- Agriculture
- Allied Health Programs
- Architecture
- Biological and Physical Sciences
- Doctoral Degree Programs
- Engineering
- Engineering Technology
- Fine Arts
- Law
- Master's Level Programs
- Medical Centers
- Nursing
- Other Undergraduate Programs
- Social Work
- Teacher Education

Financial Support for the System

In considering this alternative method of delivering educational programs and services, changes in financial organization must be considered. The key issue in the financial planning of higher education is working within the limited resources available. Beyond this overriding concern, the goals and needs of higher education in Kentucky could be accommodated by establishing differential costs for the levels of education (such as lower-division, upper-division, graduate, and professional), and by adopting a statewide policy which would subsidize different proportions of the cost of education.

The financing of higher education should not be based solely on the number or level of students; rather, the financing should stimulate innovation, quality, and creativity in program development. In developing the procedures for providing state support for higher education, qualitative factors should be incorporated which will recognize and support excellence and innovation in the development of programs and services by the institutions.

Adopted January 19, 1977

PRINCIPLES OF A SYSTEM OF HIGHER EDUCATION

To undergird a discussion of a system of higher education for Kentucky, basic principles must first be considered. Following are the most fundamental principles which a system for higher education should address:

1. To ensure that any prospective student in Kentucky who is qualified or who can become qualified be provided an undergraduate educational opportunity regardless of the person's social, ethnic, or economic circumstances.
2. To protect basic freedoms for inquiry, discussion, and learning within the institutions.
3. To offer opportunities for preparation in the professions, technologies, and advanced technical fields, as well as general education in the humanities, arts, and sciences.
4. To ensure the most effective and efficient use of available funds and other resources in higher education, giving the public the greatest return on its investment.

5. To maintain and strengthen quality standards which will assure students and the public of a sound education, and to fulfill the basic requirements for institutional accreditation and, where appropriate, professional accreditation.
6. To bring the resources of higher education to bear directly upon the solution, reduction, or elimination of some of Kentucky's, and the nation's, problems and needs, by encouragement and support of pure and applied research by faculty and students and through expansion of public service programs.
7. To develop a wide range of educational programs, recognizing that not all programs will be found in a single institution, and that some programs may be available through contracts and consortia in other states.
8. To preserve and to cooperate with a viable independent higher education system by assigning responsibilities and extending privileges to the independent institutions.
9. To expand opportunities for continuing and adult education.
10. To establish a policy of low-tuition education and a program of student financial assistance to ensure access to higher education for all qualified students.

11. To encourage diversity and promote institutional autonomy through distinct missions and programs.
12. To determine appropriate admissions and tuition policies, and to establish enrollment levels, where appropriate.
13. To establish a consistent resident policy, and to preserve preferential admissions for all qualified Kentucky residents.
14. To promote and encourage higher education and the benefits it can provide for the quality of life in Kentucky.

Adopted June 16, 1986

TASK GROUP ON GUIDANCE, ADMISSIONS, PREPARATION
AND PERFORMANCE (GAPP)

A task group was formed to advise the Executive Director of the Kentucky Council on Higher Education about issues relating to student guidance programs, undergraduate admission requirements, and assessment of student preparation and performance.

The Council's Strategic Plan for Higher Education focuses on a number of issues such as accessibility to entry-level programs, counseling high school students about the value of education and preparation for college, improved communication between elementary/secondary education, and improved student recruitment. In the past, these interrelated initiatives have been addressed in a fragmented approach through committees with broad representation from public/private institutions and agencies, and professional organizations. Two such committees were the Education Preparation and Review Committee (EPRC) and the American College Testing (ACT) Advisory Committee. The EPRC reviewed and advised about the Pre-College Curriculum (PCC) requirements and the ACT Advisory Committee advised Kentucky's representative to the ACT Corporation about student guidance, preparation, and assessment services in Kentucky high schools and postsecondary institutions. Both committees dealt with issues that directly related to Kentucky's problems of low educational attainment and college-going rate.

This task group replaces the EPRC and ACT Advisory Committee with a single point of focus for the PCC, ACT, and attainment related initiatives. Specifically, the committee serves at least seven functions:

1. **ADMISSIONS:** Assesses and advises on appropriateness of the current minimum admissions policy. This includes focus on, and definition of, first-time freshmen; the pre-college curriculum; testing requirements and use of test results; transfer policy; and other related issues.
2. **ACADEMIC ADVISING:** Evaluates support services with emphasis on assessment and academic advising. Counseling/assessment services beginning in the early grades, awareness of the benefits of postsecondary education, awareness of postsecondary opportunities and financial aid programs, and need for freshman support programs are stressed.
3. **COLLEGE-GOING RATES:** Considers strategies and opportunities to improve Kentucky's college-going rates.
4. **INFORMATION FEEDBACK:** Advises on the benefits, feasibility, and structure of feedback mechanisms from colleges to high schools that will provide information to improve college preparation.
5. **ATTRITION:** Assists in the identification of causes for high attrition rates and needed support services.

- 6. TESTING COMPANY SERVICES: Advises the Kentucky representatives to ACT and the College Board (CB) about Kentucky's needs and ACT/CB related services.

- 7. SCHOOL/COLLEGE COLLABORATION: Serves as a focal point for conference and workshops on ways to promote school/college collaboration in support of student preparation and success.

The committee is composed of 27 members to include the following representatives:

Task Group Membership

Council on Higher Education*	1
Kentucky Higher Education Assistance Authority	1
Department of Education	1
Council on Independent Kentucky Colleges and Universities	1
Superintendents**	2
Principals**	2
Counselors**	5
Teacher**	1
Parent/Teacher Group**	1
Registrars/Admission Officers	
Doctoral Institutions	2
Masters Institutions	6
Independent Institutions	2
Community Colleges	<u>2</u>
Total Membership	27

*Council Staff representative serves as chairperson.

**To include the president (or designee) of relevant professional organization.

The task group will meet twice a year and otherwise as needed. As the need arises, ad hoc subcommittees may be formed to address specific issues.

Adopted May 7, 1987

TUITION WAIVERS

At its July 9, 1981 meeting, the Council on Higher Education voted to eliminate its nonresident tuition waiver policies based on the rationale that, "By utilizing student financial aid programs, presidents and boards can make priority decisions regarding the best economic mix within their respective institutions."

Each of the institutions provides tuition waivers for students. Some of these waivers are mandated by state statute; others are based on institutional decisions. The term "tuition waiver" is commonly understood terminology used in this context whereby there is no intention of collecting the student fees assessment from the students. However, accounting procedures (College and University Business Administration, NACUBO) prescribe that the amounts of such waivers or remissions be recorded as tuition and fees revenue and as expenditures (scholarships, fellowships, or staff benefits).

V-E1

L-45

Adopted April 14, 1983

APPROPRIATION RECOMMENDATION FORMULA

The Council on Higher Education, in cooperation with the university presidents, is directed by KRS 164 to "devise, establish, and periodically review and revise formulas for use in making recommendations to provide to the Governor and the legislature for use in making appropriations for the institutions of higher learning." The agreement reached between the governor, legislative leadership, university presidents, and the Council on Higher Education and its staff included a commitment on the part of all parties to conduct the initial formula review beginning in 1982 prior to the 1984/86 biennial budget making process. An on-going review will then follow.

The study will be conducted in direct consultation with the presidents or their designated representatives. The Executive Director of the Council on Higher Education will chair a Formula Study Steering Committee composed of the university presidents and the Director of the Governor's Office for Policy and Management to oversee the conduct of the study. A Formula Study Committee of institutional representatives identified by the presidents, the Office for Policy and Management, and the Council on Higher Education's Deputy Executive Director for Finance will conduct the review under the direction of the Steering Committee.

Public participation will be encouraged. The Study Committee will conduct a public hearing on each public university campus ensuring that

all principal segments of each university have an opportunity to participate in the formula review.

CHARGE FOR EACH OF THE PARTICIPATING BODIES

Council on Higher Education--Membership Appointed by the Governor

- The Council, in cooperation with the university presidents, shall devise, establish, and periodically review and revise formulas for use in making recommendations to provide to the Governor and the legislature for use in making appropriations for the institutions of higher learning. The formula shall provide for adequate and equitable allocation of funds among the institutions considering their respective needs and statutory, institutional, and geographic missions. In the development, revision, and refinement of the formula, committees composed of members of the Council staff and a representative of each state university shall conduct hearings on each campus in a manner to give all principal segments of each institution the opportunity to participate in the development of the formula. The studies shall include, but not be limited to:
 - (a) a review of formulas used by other states to calculate needs and appropriate funds for institutions of higher education;
 - (b) a complete review of selected comparable institutions with reference to both the state appropriations and tuition charges;and,

- (c) A review of institutional activities and programs that can be calculated for use in the development of the formula.

CHE Finance Committee--Membership Appointed by Chairman of the Council on Higher Education

- Review and recommend to the Council on Higher Education a formula to be used in the biennial budget process.

Formula Study Steering Committee

Membership: Presidents, Director of Governor's Office for Policy and Management, and Executive Director of the Council on Higher Education

Chairman: Executive Director of the Council on Higher Education

The Formula Study Steering Committee shall:

- address policy issues as needed;
- identify the specific components of the formula which need to be reviewed;
- identify the specific components which were not included in the formula which should be considered in the formula review;

- review as necessary the progress of the Formula Study Committee;
- review the recommendations of the Formula Study Committee prior to the institutional hearings; and,
- review and make final report recommendations to the Financial Affairs Committee.

Formula Study Committee

Membership: An institutional representative per institution, a representative from the Governor's Office for Policy and Management, and the Council on Higher Education's Deputy Executive Director for Finance.

Chairman: Council on Higher Education's Deputy Executive Director for Finance

The Formula Study Committee shall:

- review formula components used in other states which are identified by the Steering Committee for review;
- review the current formula components which are identified by the Steering Committee for review; and,
- make recommendations to the Steering Committee.

Project Staff

Membership: Council on Higher Education's Finance Staff

The project staff shall:

- prepare summary of formulas used in other states for the specific components identified by the Steering Committee;
- prepare all materials required by the Formula Study Committee in order to permit a thorough review of each component identified by the Steering Committee;
- prepare, in consultation with the Formula Study Committee, the agenda for all meetings;
- prepare draft report for Formula Study Committee to review and to make recommendations;
- prepare final draft for Formula Study Committee to recommend to the Steering Committee;
- schedule and hold institutional hearings on each campus under the provisions of KRS 164;
- prepare final report which includes the recommendations of the Steering Committee, institutional comments and recommendations,

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recommendations of the Advisory Conference of Presidents, and summary of institutional hearings; and,

- work with Steering Committee in reviewing the comparable institutions used in the formula.

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Adopted April 14, 1983

Revised November 6, 1989

FORMULA USE POLICY

The formula is intended to generate a statement of need for program continuation and improvement in the system of higher education in Kentucky and, as such, will be the basis for the recommendation for state funding made by the Council on Higher Education. In using the formula, the Council will be cognizant of three fundamental principles:

- the need for equity within the system;
- the need to protect the base budgets of the institutions; and,
- the need to recognize the distinctiveness of each institution.

To implement the first principle, the Council will recommend movement toward 100 percent funding of existing services for each institution as reflected in the formula. It is recognized that limited financial resources may require that this goal be realized over more than one biennium. Accordingly, the Council's intention is to follow the formula approach to achieve full formula funding for all the institutions and to implement the goal to systematically reduce the gap between the lowest and highest percent of institutional funding levels to within a maximum acceptable percentage point gap.

The second principle recognizes that progress toward a 100 percent funding should not occur in such a way as to damage the appropriate and necessary base budgets of the institutions. Accordingly, the Council intends to maintain allocations for each institution at least at the actual base level appropriation plus some continuation adjustment for each year of the recommendation.

The third principle reflects the fact that each institution has needs that are not specifically addressed in the formula. Therefore, each institution will have an opportunity to request additional resources to meet those needs. Such additional funding requests will be thoroughly reviewed by the Council staff and recommendations made on all such requests to the Finance Committee. The Finance Committee will make recommendations on all such requests to the full Council for final action. If approved by the Council, the requests will be added to the formula calculation for the respective institutions.

In determining the recommended appropriation to each institution, the Council will recommend the distribution of funds as follows:

- The continuation of the base general fund appropriation level for each institution;
- Additional state general fund support sufficient to provide a common percentage increase for each institution, based on the base state appropriation less debt service, with the total

utilized for this purpose not to exceed two-thirds of the available new dollars;

- Additional state general fund support sufficient to move all institutions toward a maximum acceptable gap between the lowest and highest percent of institutional funding levels; and

- All remaining funds shall be allocated according to a weighted allocation to each institution directly proportional to its percentage of full funding under the formula based on the base general fund appropriation.

Adopted February 8, 1993

EXCELLENCE IN EDUCATION
PRINCIPLES FOR 1994/96 FUNDING RECOMMENDATION

Based upon two significant policy documents developed by the Council on Higher Education -- the Strategic Plan for Higher Education in Kentucky, 1991-1996 and the HJR 54 Final Report - it is clear that Council policies and goals recognize and promote higher education's role in the development of a quality system of elementary and secondary education in Kentucky. The Council supports the enhancement or restructuring of higher education programs and activities designed to prepare school personnel or to assist local schools and school districts.

The Council recognizes that implementation of these policies will result in the need for increased support for KERA-related activities at the state's public universities. To this end, at its August 1991 meeting, the Council called for a limited review to assess the need for specific formula-generated support for programs and activities which contribute to "Excellence in Education," and to revise the formula accordingly. This limited review should not be considered as being directly responsive to KRS 164.020(4), which directs the Council "in cooperation with the university presidents . . . (to) periodically review and revise (the) formula." Instead, this project should be viewed as a Council activity (in conjunction with the higher education community) to reflect the existing Council goal pertaining to promoting a quality system of elementary and secondary education.

This review will proceed based upon the following principles:

1. Although not mandated to do so, all universities currently offer programs to prepare school personnel and have accepted a fundamental responsibility to maintain the quality of these programs and of the support provided to local schools.
2. Given that education reform is important to the state, and that the system of higher education has been and may continue to be constrained financially, institutions that

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CHE POLICY MANUAL

choose to continue offering such programs must provide adequate financial support for them.

3. The formula generates support in recognition of the basic expectations for operating programs to prepare school personnel. Thus, for the purposes of this special review, no specific additional formula funding will be considered for programs to train school personnel. However, changes in the format of these programs as necessitated by KERA (especially the increased use of practicums, internships, and field-based experiences) will be considered in the next comprehensive formula review.
4. There should be specific funding outside the formula for extraordinary university initiatives which exceed basic expectations related to service to the schools in implementing KERA.
5. Cooperative doctoral programs in education (where "cooperative" means a program in which both institutions cooperatively develop the curriculum, share instructional responsibilities, and contribute faculty to the program, and in which participation of the nondoctoral degree granting institution, as well as the doctoral degree granting institution, is indicated on the diploma) should be specifically recognized and adequately supported. Each institution should receive doctoral-level funding in the formula for credit hours generated at that institution, and students should pay doctoral-level tuition.
6. A more detailed, in-depth evaluation of the appropriate level and type of support for education reform efforts should be included in the next comprehensive formula review.

Council staff will work with institutional representatives and other appropriate entities to determine the funding approach and requirements to meet these principles. Final approval by the Council will, of course, also be required.

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Excellence in Education
Implementation of Principle 4

There should be specific funding outside the formula for extraordinary university initiatives which exceed basic expectations related to service to the schools in implementing KERA.

These "extraordinary university initiatives" will be characterized by the following:

- The university is recognized as providing leadership in addressing a specific aspect of education reform as designated in KERA where this initiative has potential for applicability across the state.
- The initiative includes a commitment of existing institutional resources (financial and personnel).
- The initiative is not unnecessarily duplicative of initiatives at other universities.
- The initiative includes university-wide faculty and staff participation.
- The initiative includes a well-defined effectiveness component.

The initiatives should demonstrate innovation and may be developed in cooperation with another university. Each initiative may be initially implemented in a defined geographic service area; however, it must have the capacity to serve as a model which may be implemented in other areas of Kentucky. Where possible, initiatives also should include a commitment to minority teacher/student participation and to promoting partnerships with the business community and social service agencies.

Institutions will identify (in priority order) initiatives to be considered for funding. To encourage specialization and to emphasize excellence (quality over quantity), a limited number of initiatives will be recommended for funding. Selection will be made by a

CHE POLICY MANUAL

representative panel external to the Council. The panel will make recommendations to the Council; the Council will make appropriate funding recommendations in anticipation of the 1994 Session of the General Assembly.

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OPERATING UNDERSTANDINGS

Finance and Administration Cabinet/Council
on Higher Education/Kentucky Higher Education
Assistance Authority

The FY 1990-92 Final Enacted Appropriations Bill, HB 799 states:

The Kentucky Higher Education Assistance Authority is hereby attached to the Council on Higher Education in the manner of the State colleges and universities. The Council shall approve student aid programs offered by the Authority. The Council shall submit a separate budgetary recommendation for the Authority.

This provision is implemented as follows:

General

The Executive Director of the Council on Higher Education (CHE), an ex-officio member of the Kentucky Higher Education Assistance Authority (Authority) Board of Directors, or a designated CHE representative, will attend Authority board meetings.

The Executive Director of the Authority, or a designated Authority representative, will be informed of all CHE meetings and will be sent all agenda materials prior to the CHE meeting dates.

The CHE recognizes the statutory existence of the State Student Incentive Grant (SSIG) program, the Kentucky Tuition Grant (KTG) program, the College Access Program (CAP), the Teacher Scholarship program, the Work-Study program, the Paul Douglas Teacher Scholarship program, and the Kentucky Educational Savings Plan Trust (collectively called the "student aid programs"). The foregoing student aid programs are hereby approved by the CHE.

The CHE acknowledges the statutory responsibility of the Authority to insure educational loans and the contractual relationship between the Authority and the U.S. Secretary of Education for the administration of federally reinsured educational loan programs. The CHE acknowledges the statutory and contractual obligations between the Authority and the Kentucky Higher Education Student Loan Corporation.

The CHE acknowledges that the Authority is governed by and all of its powers, duties, and functions are exercised by a Board of Directors pursuant to KRS 164.746(1).

The CHE acknowledges that Acts 1986, c.63, attaches the Authority to the Finance and Administration Cabinet for administrative purposes except as hereinafter provided for the approval of student aid programs and submission of the Biennial Budget Request.

Approval of Student Aid Programs

Subsequent to July 1, 1990, requests for approval of new student

financial aid programs will be submitted to CHE upon approval by the Authority Board of Directors. A request is to include a narrative for the new program identifying program intent, general eligibility requirements, the estimated number of students to be served, the estimated program cost, and the proposed source of funds. CHE will act on the request at the first regularly scheduled meeting following receipt of the request unless the request is made within 30 days of the next regularly scheduled meeting. In that case, the request will be acted on at the second regularly scheduled meeting following receipt of the request.

Biennial Budget Request

The CHE will consider the requirements, review the budget request, and make a biennial budget recommendation for the Authority in each odd-numbered year. The Authority's biennial budget request, as approved by its Board of Directors, will be submitted to the CHE in accordance with the requirements and timetable set forth in the Executive Branch Budget Request Manual for agencies' submissions to the Governor's Office for Policy and Management. The Authority's biennial budget request, along with CHE recommendations, shall be submitted to the Governor through the Secretary of Finance not later than November 15 of each odd-numbered year. The CHE shall submit a separate budgetary recommendation for the Authority.

The CHE will make a recommendation on the Authority's biennial budget request for student aid programs from state general funds only.

The recommendation will take into consideration anticipated agency funds and federal funds to support student aid programs.

The CHE will make a recommendation on the Authority's biennial budget request for operating purposes only to the extent that state general funds are required to supplement agency funds to meet projected operating costs.

The CHE will make a recommendation on the Authority's capital budget request for all capital projects to be funded by state general fund or state-supported debt service. The CHE will make recommendations on all Authority capital construction project requests with a cost exceeding \$200,000.

Capital Construction Projects in an Interim

For projects meeting the requirements of KRS 45.760(13), the CHE will review all Authority capital construction projects which exceed \$200,000 in cost and submit a recommendation for consideration by appropriate legislative and executive agencies. Project requests are to be submitted to the CHE with capital request forms from the most recent Executive Branch Budget Request Manual.

Appropriation Increase Requests in an Interim

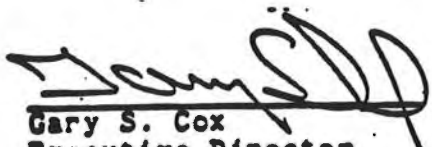
The Authority will submit to the CHE, concurrent with its submission to the Governor's Office for Policy and Management, any

Interim appropriate increase request regarding student aid program.


Biennial Information Resources Plan

Upon approval of the Authority's Biennial Information Resources Plan by the Kentucky Information Systems Commission, the Authority will provide a copy to CHE.

Recommendation for Approval:

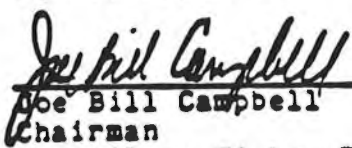


Gary S. Cox
Executive Director
Council on Higher Education
4/10/91
(Date)

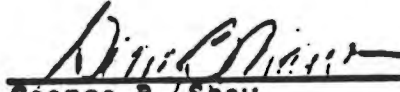


Paul P. Borden
Executive Director
Kentucky Higher Education
Assistance Authority
4/9/91
(Date)

Agency Approval:



Joe Bill Campbell
Chairman
Council on Higher Education
5/20/91
(Date)




George B. Shaw
Chairman, Kentucky Higher
Education Assistance Authority
4/30/91
(Date)

Examined as to Form and Legality:



Attorney, Finance and Administration Cabinet
6/19/91
(Date)

Approved:



Secretary, Finance and Administration Cabinet
7-8-91
(Date)

Adopted March 7, 1985

POLICY STATEMENT ON PRIVATE GIFTS

The Council on Higher Education by statute determines the "overall needs of higher education in the Commonwealth" and develops "comprehensive plans for public higher education which meet the needs of the Commonwealth." In providing long-range planning for the system of higher education, the Council recognizes the distinct mission and programs of each institution and encourages institutional efforts to meet the goals in fulfillment of their missions.

The Council on Higher Education, in meeting its statutory responsibilities, does not wish to take actions which will inhibit private fund raising efforts at Kentucky's public colleges and universities. The Council supports and encourages university gift programs directed at program and facility enhancement. Such fund raising activities are recognized as important in increasing public and private involvement in the future of Kentucky's system of higher education. The achievement of quality and excellence through the raising of private funds in no way diminishes the state's responsibility to these goals. Moreover, the Council does not wish to imply that private gifts will be used to reduce the need for state appropriation. The Council will view the use of such funds as providing support to supplement state funding.

The Council Policy Statement on Private Gifts does address the need for balance between the desire to promote and encourage institutional

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development through private fund raising and recognition and review of the programmatic and financial implications of these efforts for the Commonwealth. In this regard, the Council has the responsibility to review the implications of privately funded projects for the commitment of future state resources and the compatibility of such projects with the Council's statewide strategic plan, academic program review and approval authority, and financial recommendation and review authority.

The Council will prepare a statewide plan for higher education designed to establish and set out a course of action to meet the needs of the Commonwealth. To facilitate unified long-range planning, institutions are encouraged to develop institutional plans and to target private fund raising in areas which are consistent with the goals of the statewide plan. Inherent in the institutions' acceptance of private gifts is the responsibility for recognizing potential additional financial burdens upon the state and for seeking prior approval as it relates to the areas of Council statutory responsibility.

Specifically, requests for new programs and capital construction projects will be reviewed and approved through the normal processes of the Council -- regardless of the source of funds. Institutional requests for new programs and capital projects are to be reviewed by the Council staff for any programmatic and financial implications as set forth in the Council's policies and procedures. Although Council approval is not required for acceptance of private gifts that supplement existing programs or improve existing structures, the institutions should ensure that such efforts are not inconsistent with the goals of the statewide plan.

Adopted March 5, 1987

STRATEGIC PRINCIPLES FOR COMPUTING AND INFORMATION
SYSTEMS IN KENTUCKY HIGHER EDUCATION

The Council on Higher Education's Strategic Plan for Higher Education in Kentucky, 1985 calls for Kentucky's system of higher education to be outstanding among the states with each institution recognized for quality within its specific role and mission. Critical to the Plan's initiatives relating to quality academic and research programs is addressing the need for equipment, with computing equipment representing a significant portion of the need. However, technological innovation in hardware and software occurs rapidly, therefore policy formulation should consider the need of institutions to have the flexibility to keep complex computing and telecommunication systems functional and effective. The Plan stresses the need for the development of a systemwide response to the equipment needs and plans for coordinated equipment acquisition and use.

Colleges and universities are complex institutions with extensive and varied computing and information system needs. The uniqueness of the higher education system requires that computing and information systems be available for virtually all instructional, research, public service, and administrative areas. The following strategic principles are fundamental to the coordination of higher education computing and information services.

that while diverse computing and information systems needs exist within each institution, competition among vendors and volume purchasing can create favorable pricing for institutions.

7. The institutions' biennial budget requests for computing equipment and any supplemental requests for computing funds outside the formula shall cite justification for such requests from the institutions' computing and information systems plans.

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ATTACHMENT D
REVISED POLICIES
TO BE APPROVED

**COUNCIL ON POSTSECONDARY EDUCATION
1.2: BYLAWS**

I. Statement of Purpose

The bylaws provide a framework for the deliberations and actions of the Council on Postsecondary Education (CPE) in carrying out statutory duties and responsibilities. The bylaws ~~{and}~~ establish rules for notification and conduct of meetings, the selection of officers, and set forth the committee structure under which the Council operates.

The Kentucky Community and Technical College System (KCTCS) was created by the legislature during the 1997 First Extraordinary Session. Two branches of the KCTCS were created: the Technical Institutions' Branch consisting of the postsecondary education elements of the Kentucky Tech system in the Workforce Development Cabinet; and the University of Kentucky Community College System excluding the Lexington Community College. "The Kentucky Postsecondary Education Improvement Act of 1997 (1st. EXTRA SESS.) Ky. Acts Ch. 1 ~~{House Bill 1, 1997 First Extraordinary Session}~~ provides for a transition period to the new KCTCS structure. During the period of transition and for purposes of these bylaws, CPE will ensure that both the Technical Institutions' Branch and the University of Kentucky Community College System Branch are equitably represented in all undertakings of the Council. House Bill 1 provides that KCTCS will have the same status as other state-supported institutions. ~~{Specifically, academic program proposals and biennial budget requests will advance directly from the KCTCS Board of Regents to CPE.}~~

II. Statutory Authority

The primary authority for Council actions comes from *KRS Chapter 164* and encompasses public, private nonprofit, and proprietary degree-granting postsecondary institutions as well as postsecondary technical institutions. The Council bylaws also conform to the requirements of *KRS Chapter 61, the Kentucky Open Meetings Law*.

III. Policy

Section 1: General Rules

A. Amendment of Bylaws

- A.1 The Council may amend, revoke, or approve additional bylaws including appendices of the bylaws by action of eight of the voting members.
- A.2 Notice shall be given to the members of any proposed changes or additions to the bylaws in the agenda of a regularly scheduled or special meeting of the Council. All changes shall be

consistent with state law and administrative regulations.

B. Rules on the Conduct of Meetings

- B.1 The Council and all Council appointed committees shall follow *Robert's Rules of Order* concerning motions, recognition of speakers, and order of business.
- B.2 The chair may recognize a non-Council speaker.
- B.3 The Council shall designate a parliamentarian from the membership of the Council or Council staff to assist the chair in interpreting the rules of order.

C. Policy Statements and Administrative Regulations

- C.1 Actions taken by the Council shall constitute the policy of the Council until changed or superseded.
- C.2 The Council may act by adoption of policy or by administrative regulation when permitted by law.
- C.3 The Council shall promulgate administrative regulations when required by state law.
- C.4 The policy statements of the Council including all administrative regulations shall be maintained in the *CPE Policy Manual*.

Section 2: Selection and Terms of Officers

A. Nominating Committee

- A.1 A nominating committee consisting of the current chair and vice chair and two other Council members appointed by the chair shall be created annually by March 31 for the purpose of nominating a new chair and vice chair.
- A.2 The recommendations of the nominating committee shall be presented to the Council at a regularly scheduled or special meeting prior to June 30 of each year.
- A.3 The provisions of A.1 and A.2 above become effective in 1998.

B. Selection of Officers

- B.1 A chair and vice chair shall be elected annually at a regularly scheduled or special meeting held prior to June 30 and shall serve one year terms or at the pleasure of the Council. The provisions of this subsection become effective in 1998.
- B.2 In the absence of the chair or in the event the chair is unable to perform, the vice chair shall perform the duties of the chair. In the absence of both the chair and vice chair or in the event the vice chair is unable to perform the duties of the chair, the Council shall appoint a temporary

chair.

- B.3 In the event the chair resigns and the vice chair assumes the duties of the chair, the Council may select a vice chair to complete the unexpired term of the vice chair.
- B.4 The president shall serve as the secretary to the Council and shall cause the minutes of the meetings of the Council to be recorded and presented to the Council.

C. Terms of Offices

- C.1 Terms of offices for the chair and vice chair shall commence on the date of election and continue for one year unless the Council takes action to remove the chair or vice chair.
- C.2 The chair and vice chair may be elected to subsequent terms without limitation.

Section 3: Meetings of the Council on Postsecondary Education

A. Regular Meeting Schedule

- A.1 The Council shall set the regular meeting schedule for the next year by resolution at the last regularly scheduled meeting of the calendar year.
- A.2 The regular meeting schedule shall provide that the Council meet no less than quarterly but may provide for more than quarterly meetings. *KRS 164.011(9)*
- A.3 The schedule and agenda of regular meetings shall be made available to the public through release to the press by written or electronic means. *KRS 61.820*
- A.4 The Council shall meet with the Advisory Conference of Presidents at least once each year. *KRS 164.021*

B. Special Meetings and Emergency Special Meetings

- B.1 A special meeting or emergency special meeting is a meeting that is not part of the regular schedule of meetings established by the Council pursuant to Section 3 A.1. above.
- B.2 The chair may call a special meeting of the Council when, in the view of the chair, such a meeting is necessary. *KRS 164.011(9) and KRS 61.823*
- B.3 The chair shall call a special meeting upon receipt of a written request from a majority of the Council stating the reason for the meeting. *KRS 164.011(9) and KRS 61.823*
- B.4 The following items are required in calling a special meeting and in the conduct of the special meeting:
 - a. The agenda of a special meeting shall be stated in the notification of the meeting.

- b. Discussions and action at a special meeting shall be limited to items listed on the agenda in the notice. *KRS 61.823(3)*
 - c. Written notice shall be provided to every member of the Council and to each media organization filing a written request to be notified. The notice shall be provided as soon as possible but shall be calculated to be received at least twenty-four hours before the special meeting. *KRS 61.823(4)(a)(b)*
- B.5** Emergency special meetings may be called by the chair subject to the following requirements:
- a. The agency makes reasonable efforts to inform members of the Council, the public, and the media of the date, time, and place of the meeting. *KRS 61.823(5)*
 - b. The chair shall, at the commencement of the meeting, state the reason for the emergency; the statement shall subsequently appear in the minutes of the special meeting. *KRS 61.823(5)*
 - c. Discussion and action by the Council is limited to the emergency for which the meeting was called. *KRS 61.823(5)*
- C. Place of the Meeting**
- C.1** The Council shall fix the place of meetings at the time they are scheduled. The Council may change the place of meetings. *KRS 164.070*
- C.2** The Council may hold meetings, regularly scheduled or special, by video teleconference. Meetings held by video teleconference shall conform to the notice requirements of the Open Meetings Law and Section 3 A. and B., as appropriate. Meetings held by video teleconference shall also conform to these requirements:
- a. The notice of the meeting shall clearly state that the meeting is a video teleconference. *KRS 61.826(2)(a)*
 - b. The locations of the video teleconference as well as the designation of one location as the primary location shall be contained in the notice. *KRS 61.826(2)(b)*
 - c. Rules concerning participation, distribution of materials, and other matters that apply at the primary location shall apply to all video teleconference locations. *KRS 61.826(3)*
- D. Notice of and Agenda for Meetings**
- D.1** Notice of all meetings, regularly scheduled and special, shall be given to members at least ten (10) days prior to the time of the meeting unless all members of the Council waive notice. Waiver may be given orally or in writing. *KRS 164.080*
- D.2** The agenda and supporting materials for a regularly scheduled meeting shall, to the extent possible, be available to the members at least seven (7) days prior to the meeting. In the event

some agenda materials are not available within the required time period, the president shall, as soon as possible, indicate in writing the reason for the delay and when the materials shall be available.

- D.3 Notice to members shall be by mail, personal delivery, or electronic transmission such as facsimile (FAX) or e-mail.
- D.4 The notice of a regularly scheduled or special meeting shall contain the date, time, place of the meeting and the agenda. *KRS 61.823(3)*
- D.5 Notice of and the agenda for all meetings shall be given to the Advisory Conference of Presidents. *KRS 164.021*
- D.6 Special information to be presented to the Council by interested parties shall be provided to the president or chair of the Council seven (7) days in advance of the scheduled meeting. The chair may waive this requirement.

E. Minutes of Meetings

- E.1 The minutes of all meetings, regular and special, shall accurately record the deliberations of the Council and all actions taken.
- E.2 All meetings of the Council and operating committees shall be recorded on audio tape, and the tape shall be maintained in the Council offices.
- E.3 The minutes shall be open to public inspection immediately following the next regularly scheduled meeting of the Council. *KRS 61.835*

F. Quorum and Council Actions

- F.1 A quorum shall be a majority of the appointive membership of the Council. *KRS 164.011(10)*
- F.2 A quorum shall be required to organize and conduct business. *KRS 164.011(11)*
- F.3 An affirmative vote of eight (8) of the appointive members shall be required to carry all propositions. *KRS 164.090 and KRS 164.011(11)*
- F.4 The Council may consolidate multiple agenda items of a similar nature for the purpose of voting if there is no objection from a Council member.
 - a. Before a vote is taken, the chair shall ask if any member objects to the consolidation of the items and shall specify the items to be voted upon.
 - b. The objection of a single member of the Council shall be sufficient to require a separate vote on each item.
- F.5 The Council may, at regularly scheduled meetings, act on any subject within the powers of the

Council. The Council may, by a vote of eight members, add items to the agenda of a regularly scheduled meeting.

G. Closed Sessions

G.1 It is the policy of the Council that all meetings, regularly scheduled or special, be open to the public unless the matter under discussion meets the exceptions contained in *KRS 61.810*.

G.2 The following requirements, consistent with *KRS 61.815*, shall be met as a condition for conducting closed sessions:

- a. The chair shall give notice in the open meeting of the general nature of the business to be discussed in a closed session.
- b. The chair shall state the reason for the closed session citing a specific *KRS 61.810* provision authorizing a closed session.
- c. The session may be closed only upon a motion made and approved by a majority of the appointive membership of the Council present at the meeting.
- d. No formal action may be taken at a closed session.
- e. No matters may be discussed at a closed session other than those publicly announced prior to convening a closed session.

G.3 The requirements of the Council for the conduct of closed sessions shall at all times meet the requirements of *KRS 61.815*.

Section 4: Committees

A. Committees--General

A.1 Committees of the Council shall be designated upon creation as Operating Committees, Standing Advisory Committees, or Special Advisory Groups or Task Forces.

- a. Operating Committees are established to manage the work of the Council, specifically to review all agenda items assigned, discuss and evaluate issues and recommend action to the Council. Membership on Operating Committees is restricted to Council members with Council staff assigned by the president to assist the committee.
- b. Standing Advisory Committees are established by the Council to provide advice and counsel to the Council on issues and policies. Membership on Standing Advisory Committees may include Council members, Council staff, representatives of postsecondary education institutions, lay citizens and public officials. The designation of an advisory committee as "standing" is recognition of the significance and on-going nature of the subject matter assigned to the committee.

c. Special Advisory Groups or Task Forces are established by the Council to address specific issues and problems. By their nature, Special Advisory Groups or Task Forces are time-limited. Membership on Special Advisory Groups or Task Forces may include Council members, Council staff, representatives of postsecondary education institutions, lay citizens and public officials.

A.2 The chair of the Council shall appoint members to all committees unless membership is directed by statute or Council policy.

A.3 The chair of the Council shall assign specific tasks and subject matter to all committees unless action of the Council directs the assignment of a task or subject matter to a committee.

A.4 The president shall assign staff, as appropriate, to assist Operating Committees, Standing Advisory Committees or Special Advisory Groups or Task Forces.

A.5 The Council may create, modify, or abolish any committee, unless the committee is established by statute, upon action taken by a majority of the appointive membership.

A.6 The chair of the Council shall be an ex officio, voting member of all Operating and Standing Advisory Committees.

A.7 The president shall be an ex officio, non-voting member of all Standing Advisory Committees and Special Advisory Groups or Task Forces unless otherwise indicated by action of the Council.

B. Trends and Operations Committee (TOC)--Operating

B.1 Purpose

The purpose of the Trends and Operations Committee is to advise and recommend to the Council on the following issues and activities:

a. The Strategic Agenda and Strategic Implementation Plan

- (1) Develop a strategic agenda for postsecondary education, communicate actions of the Strategic Committee on Postsecondary Education (SCOPE) to the Council, and communicate actions of the Council to SCOPE; and
- (2) Develop a Strategic Implementation Plan for the postsecondary education system designed to accomplish the strategic agenda.

b. Trends

- (1) Develop a mechanism to determine future trends for the postsecondary education system and to incorporate those trends into the Strategic Implementation Plan and into other Council policy initiatives; and
- (2) Provide trend information in support of the Strategic Implementation Plan.

- c. Operations
 - (1) Review all agency budget and personnel matters, including an annual evaluation of the president, and recommend annual compensation for the president;
 - (2) Monitor institutional progress relative to the *Kentucky Plan for Equal Opportunities* and serve as liaison with the Committee on Equal Opportunities; and
 - (3) Develop an annual work plan for the Council in conjunction with the Quality and Effectiveness Committee and the Investments and Incentives Committee.
- d. Perform such other duties and tasks as assigned by the Council or by the chair of the Council.

B.2 Membership

Membership on the Trends and Operations Committee shall consist of seven members:

- a. The chair of the Council;
- b. Vice chair of the Council;
- c. The chairs of the Quality and Effectiveness Committee and the Investments and Incentives Committee;
- d. The immediate past chair of the Council; and
- e. Two additional members of the Council appointed by the chair of the Council.

B.3 General

- a. The Trends and Operations Committee is empowered to act on behalf of the Council only on those matters directed by the Council and within the limits of the direction given by the Council.
- b. Where the Trends and Operations Committee acts relative to B.1. d. above, the Council shall specifically state the authority of the committee.
- c. The Trends and Operations Committee shall report any actions taken to the Council at the next regular meeting. Committee actions are advisory only.

B.4 Meetings

The Trends and Operations Committee shall meet at the call of the chair.

C. Quality and Effectiveness Committee (QEC)--Operating

C.1 Purpose

The purpose of the Quality and Effectiveness Committee is to address matters relating to quality assurance and enhancement efforts that result in an efficient, responsive, seamless, and integrated system of postsecondary education. Specifically, the Committee shall advise the Council and make recommendations on policies, standards, initiatives, and reporting related to the following areas:

- a. Academic Programs and Student Services
 - (1) Academic program coordination, delivery, and outcomes, including standards for the review of all existing academic programs and criteria and standards for the establishment of new academic programs;
 - (2) Support for P-12 education reform;
 - (3) Transfer of academic credit among public institutions;
 - (4) Admissions-related policies, including minimum admission standards, pre-college curriculum, and dual credit; and
 - (5) Student services, programs, and communications, including partnerships with the P-12 education system, that help create a more student-centered postsecondary education system.
- b. A comprehensive system of public accountability, including performance indicators related to educational quality, student advancement and success, research and service, and use of resources;
- c. A coordinated and comprehensive approach to workforce development and technology transfer;
- d. Private college and university licensing; and
- e. Other tasks as assigned by the chair of the Council.

C.2 Membership

Membership on the Quality and Effectiveness Committee shall consist of eight members:

- a. A chair;
- b. Vice chair;

- c. Five members of the Council all appointed by the chair of the Council; and
- d. The Commissioner of Education or designated representative as an ex officio, non-voting member.

C.3 General

The Quality and Effectiveness Committee shall report any actions taken to the Council at the next regular meeting. Committee actions are advisory only.

C.4 Meetings

The Quality and Effectiveness Committee shall meet at the call of the chair.

D. Investments and Incentives Committee (IIC)--Operating

D.1 Purpose

The purpose of the Investments and Incentives Committee is to address issues related to finance, construction and data management and to advise and recommend to the Council on the following activities:

- a. Biennial budget and financial reporting
 - (1) Determine tuition for the postsecondary education institutions. *KRS 164.020(8) and 13 KAR 2:050*;
 - (2) Develop funding proposals for the biennial budget consistent with the strategic agenda for postsecondary education. ~~[House Bill 1, Sections 7–15, 1997 First Extraordinary Session]~~ KRS 164.7911 through 164.7927;
 - (3) Develop, review, analyze and recommend biennial budget requests for institutions and for the system of postsecondary education. KRS 164.020(9) and (10);
 - (4) Develop and implement a financial reporting system for the institutions. *KRS 164.020(25)*;
- b. Review and recommend institutional capital projects, including the acquisition of real property, consistent with *KRS 45.750(1)(f)* which establishes the financial limits for projects requiring legislative approval. *KRS 164.020(11)*;
- c. Maintain a comprehensive data base for the postsecondary education system; and
- d. Perform such other tasks as assigned by the chair of the Council.

D.2 Membership

The Investments and Incentives Committee shall consist of eight members:

- a. A chair;
- b. Vice chair; and
- c. Six members of the Council all appointed by the chair of the Council.

D.3 General

The Investments and Incentives Committee shall report to the Council any actions taken at the next regular meeting. Committee actions are advisory only.

D.4 Meetings

The Investments and Incentives Committee shall meet at the call of the chair.

E. Standing Advisory Committees

E.1 General Rules

- a. The Council shall establish Standing Advisory Committees as required by statute and consistent with an executive order or administrative regulation.
- b. The Council may establish such Standing Advisory Committees as it deems necessary to carry out the statutory duties and responsibilities of the Council.
- c. The Council shall develop a charter for each Standing Advisory Committee and include each committee charter in Appendix A as part of these bylaws.

E.2 Membership may consist of Council members, Council staff, institutional representatives, lay citizens, or public officials.

E.3 Institutional representation shall be determined by the president of the institution except where such representation is set by statute or by the action establishing the committee.

E.4 In appointing members to Standing Advisory Committees, the chair shall consider the need for institutional and constituent representation.

F. Special Advisory Groups and Task Forces

F.1 The Council may create a Special Advisory Group or Task Force to address specific issues or to advise the Council on matters of interest. KRS 164.020(31) [~~House Bill 1, Section 74, 1997 First Extraordinary Session~~]

F.2 General Rules

- a. A Special Advisory Group or Task Force may be created by a majority of the voting membership of the Council.
- b. The action by the Council creating a Special Advisory Group or Task Force shall describe the charge to the committee and the timeframe, if appropriate, for the completion of the assigned task.

F.3 Membership may consist of Council members, Council staff, institutional representatives, lay citizens, or public officials.

F.4 Institutional representation shall be determined by the president of the institution except where such representation is set by the action establishing the committee.

F.5 In appointing members to Special Advisory Groups or Task Forces, the chair shall consider the need for institutional and constituent representation.

Section 5: Strategic Committee on Postsecondary Education (SCOPE)

A. Purpose

SCOPE is a statutory committee consisting of membership of the Council on Postsecondary Education, the Governor and members appointed by the Governor and legislative branch members. KRS 164.004. [~~House Bill 1, Section 4, 1997 First Extraordinary Session.~~]

SCOPE is to serve as a forum for the Council and elected leadership of the Commonwealth to exchange ideas about the future of postsecondary education in Kentucky. KRS 164.004(4). [~~House Bill 1, Section 4(4), 1997 First Extraordinary Session~~]

B. Council Membership on SCOPE

B.1 SCOPE, by statute, includes six Council members and one Council staff member to be determined as follows:

- a. The chair of the Council (by statute);
- b. The vice chair of the Council;
- c. The chairs of the Quality and Effectiveness Committee and the Investments and Incentives Committee;
- d. The president of the Council (by statute); and,
- e. Two members of the Council appointed by the chair of the Council.

B.2 The chair of the Council serves as chair of SCOPE.

Section 6: Compensation and Expenses of Members

A. General

- A.1 For the purpose of compensation and payment of expenses to members of the Council, meetings shall include all regularly scheduled and special meetings of the Council; meetings of Council committees; hearings; and special events where a member represents the Council at the request of the chair.
- A.2 Members of the Council who reside out of state shall not be reimbursed for out-of-state travel to Council meetings. *KRS 164.050*

B. Compensation of Members

- B.1 Members of the Council shall receive compensation for each meeting attended in the amount specified by *KRS 164.050*.

C. Expenses of Members

- C.1 Council members shall receive reimbursement for actual expenses incurred traveling to and attending meetings of the Council as defined in Section 6A.1.
- C.2 The chief state school officer shall receive reimbursement of expenses in the same manner as other expenses reimbursed through the Department of Education.

Section 7: President and Staff

A. President

- A.1 The Council shall set the qualifications for the position of president. *KRS 164.013(1) and (3)*. [~~House Bill 1, Section 5(1) and (3), 1997 First Extraordinary Session~~]
- A.2 The president shall be selected by the Council.
- a. The Council shall employ a search firm and conduct a national search when it seeks to employ a president. *KRS 164.013(1)*. [~~House Bill 1, Section 5(1), 1997 First Extraordinary Session~~]
- b. The provision of Section 7 A. 2. a. shall not apply to the selection of the first president of the Council. SCOPE shall conduct a national search using a search firm and shall recommend to the Council the names of three candidates. *KRS 164.013(2)*. [~~House Bill 1, Section 5(2), 1997 First Extraordinary Session~~]
- A.3 The president is the chief executive officer of the Council and as such makes proposals to the Council for consideration, develops and directs the programs and plans established by the Council, ensures compliance with federal and state law, and represents the Council on numerous

state, regional, and national education and planning organizations. Specific duties of the president are contained in the statutes. KRS 164.013. [~~House Bill 1, Section 5, 1997 First Extraordinary Session~~]

- A.4 The president is responsible for employing, directing, and administering the staff.
- A.5 The president shall make periodic reports to the Council on the operation of the agency as the Council shall so direct.
- A.6 The Council shall perform an evaluation of the president and shall fix the compensation and terms of the contract annually.
- A.7 The president shall be compensated in excess of the base salary of any president of a Kentucky public university. The Council shall annually review the salaries of the presidents of the public universities to assist in satisfying this requirement. KRS 164.013(6). [~~House Bill 1, Section 5, 1997 First Extraordinary Session~~]
- A.8 The president shall have a contract for a term not to exceed five years, renewable at the pleasure of the Council.
- A.9 The president has a statutory role in the licensing of private colleges and universities and shall exercise those duties consistent with the requirements of the statutes and the direction of the Council. KRS 164.945 through 164.947 and KRS 164.992.

B. Staff

- B.1 Staff of the Council shall be employed by and be responsible to the president of the Council.
- B.2 Staff shall serve at the pleasure of the president, subject to the provisions, rules, and regulations approved by the Council. The president shall develop and maintain rules and policies regulating the rights, duties, and responsibilities of employees.
- B.3 The president shall develop and maintain an organization chart for the organization and shall ensure that all positions have written descriptions of duties and responsibilities.
- B.4 The president shall develop and maintain a performance evaluation system for all employees.

Certification: _____
J. Kenneth Walker, Acting Chief Operating Officer

Previous Actions:

Original Approval: August 27, 1997

Amended: _____

Council on Postsecondary Education Bylaws
Appendix A: Committees
Committee on Equal Opportunities (CEO)

Purpose

The Committee on Equal Opportunities, created by *Executive Order 97-1072*, is charged with the following responsibilities:

- to develop, in conjunction with the state-supported institutions, a statewide equal opportunity plan;
- to monitor institutional progress in meeting equal educational opportunity goals and objectives;
- to advise CPE on eligibility of institutions for new academic programs pursuant to the provisions of *KRS 164.020(18) and 13 KAR 2:060*;
- to conduct public college and university site visits to determine conditions on the campuses of those institutions relative to equal opportunity goals and objectives and issues; and
- to make recommendations to CPE for programs and activities promoting equal opportunity.

Statutory Authority

Executive Order 97-1072

Membership and Officers

1. The committee membership consists of thirteen voting members:
 - a. four members of CPE including one member designated as chair;
 - b. no more than eight citizens, who shall be lay members with a demonstrated interest and leadership in equal opportunities; and
 - c. no more than one legislator, all appointed by the chair of CPE.
2. The president of CPE shall be an ex officio, non-voting member of the committee.
3. The CEO may designate a vice chair to serve at meetings when the chair is absent or unable to perform assigned duties.

Meetings

1. The committee shall meet as needed at the call of the chair.
2. The chair shall call a meeting when requested, in writing, by a majority of the committee.
3. The chair shall call a meeting when requested, in writing, by the chair of CPE.

Council on Postsecondary Education Bylaws
Appendix A: Committees
Distance Learning Advisory Committee (DLAC)

Purpose

The Distance Learning Advisory Committee shall advise CPE on matters relating to the Commonwealth Virtual University. CPE is to establish policies to control and promote the use of distance learning systems to be used by the Commonwealth Virtual University to increase the availability of all postsecondary education programs throughout the state in the most efficient manner. CPE is to consult with and receive recommendations from the Distance Learning Advisory Committee prior to the establishment of policies.

Statutory Authority

KRS 164.800(2)

Membership and Officers

1. Membership of the DLAC shall have the following representation:
 - a. the presidents of the nine state postsecondary education institutions;
 - b. the executive director of the Kentucky Educational Television Network;
 - c. a representative of the independent colleges and universities designated by the Association of Independent Kentucky Colleges and Universities (AIKCU); and
 - d. other representatives as CPE deems appropriate appointed by the chair of CPE.
2. The DLAC annually shall elect a chair and such other officers as it deems necessary.

Meetings

1. The DLAC shall meet at least once annually.
2. The chair may call special meetings.
3. The chair shall call a special meeting upon written request of a majority of the members of the committee.

Council on Postsecondary Education Bylaws
Appendix A: Committees
Student Advisory Committee (SAC)

Purpose

The Student Advisory Committee provides CPE with information concerning student issues, interests and viewpoints and provides students with information about Council deliberations and actions affecting students.

Statutory Authority

KRS 164.020(31)

Membership and Officers

The Student Advisory Committee shall consist of the following members:

1. student regents and trustees of the nine public postsecondary education institutions;
2. two representatives of the independent private colleges and universities appointed by the Association of Independent Kentucky Colleges and Universities (AIKCU); and
3. the student member of CPE.

The student member of CPE shall be the chair of the committee.

The president of CPE or designee shall provide staff support to the committee.

Meetings

A minimum of two meetings each year shall be held at the call of the chair.

The chair of the committee shall call a meeting upon written request of a majority of the members of the committee.

Council on Postsecondary Education Bylaws
Appendix A: Committees
Faculty Advisory Committee (FAC)

Purpose

The Faculty Advisory Committee provides CPE with information concerning faculty issues, interests and viewpoints and provides faculty with information about Council deliberations and actions.

Statutory Authority

KRS 164.020(31)

Membership and Officers

Faculty Advisory Committee membership shall consist of the following representatives:

1. the faculty trustee or regent from each of the eight public universities and the community college and technical school faculty trustees on the Kentucky Community and Technical College Board of Regents;
2. the faculty representative on CPE; and
3. two faculty members representing the private, independent colleges and universities designated by the Association of Independent Kentucky Colleges and Universities.

The faculty representative on CPE shall serve as Chair.

The president of CPE or designee shall provide staff support to the committee.

Meetings

The committee shall meet at least twice annually at the call of the Chair.

The chair shall call a meeting if requested, in writing, by a majority of the members of the committee.

**COUNCIL ON POSTSECONDARY EDUCATION
3.03: POLICY ON DETERMINATION OF RESIDENCY STATUS
FOR ADMISSION AND TUITION ASSESSMENT PURPOSES**

I. Statement of Purpose

CPE is charged by statute with the responsibility for setting minimum standards for admission and for setting tuition. A significant feature of both those activities is the determination of whether prospective and currently enrolled students are residents of Kentucky or are nonresidents. Residency status is initially determined by the enrolling institution. CPE reviews student appeals and the student may ultimately request a review by an independent hearing officer.

Policy is established in the form of an administrative regulation.

II. Statutory Authority

KRS 164.020 provides that CPE will determine tuition and set minimum standards for admission. A determination of residency status is fundamental to the successful implementation of the statutory provision. KRS Chapter 13B provides special protection for students filing for an administrative review of their residency status.

III. Policy

(The administrative regulation 13 KAR 2:045. Determination of Residency Status for Admission and Tuition Assessment Purposes is the official policy.)

Certification: _____
J. Kenneth Walker, Acting Chief Operating Officer

Previous Actions:

Original Approval: January 27, 1997

Amended: _____

13 KAR 2:045. Determination of residency status for admission and tuition assessment purposes.

RELATES TO: KRS Chapter 13B, 164.020, 164.030, 164A.330(9)

STATUTORY AUTHORITY: KRS 164.020(8)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.020(8) requires the Council on Postsecondary Education to determine tuition and approve the minimum qualifications for admission to the public institutions of higher education and authorizes the Council to set different tuition amounts for residents and nonresidents of Kentucky. This administrative regulation establishes the procedure and guidelines for determining the residency status of a student who is seeking admission to, or who is enrolled at, a public institution of higher education and for each student residency determination.

Section 1. Definitions. (1) "Academic term" means a division of the school year during which a course of studies is offered, and includes a semester, quarter, or summer term as defined by the institution.

(2) "Continuous enrollment" means enrollment in a state-supported college or university at the same degree level for consecutive terms, excluding summer term, since the beginning of the period for which continuous enrollment is claimed unless a sequence of continuous enrollment is broken due to extenuating circumstances beyond the student's control, including serious personal illness or injury, or illness or death of a parent.

(3) "Degree level" means enrollment in a course or program which could result in the award of a:

(a) Baccalaureate degree or lower including enrollment in a course by a nondegree seeking postbaccalaureate student;

(b) Graduate degree or graduate certification other than a first-professional degree in law, medicine, dentistry or "Pharm. D"; or

(c) Professional degree in law, medicine, dentistry, or "Pharm. D".

(4) "Demonstration of Kentucky domicile and residency" means the presentation of documented information and evidence sufficient to prove by a preponderance of the evidence that a person is domiciled in Kentucky and is a resident of Kentucky.

(5) "Dependent person" means a person who cannot demonstrate financial independence from parents or persons other than a spouse and who does not meet the criteria established in Section 5 of this administrative regulation.

(6) "Determination of residency status" means the decision of a college or university and a

subsequent decision by the Council on Postsecondary Education including an administrative hearing, if appropriate, that results in the classification of a person as a Kentucky resident or as a nonresident for admission and tuition assessment purposes.

(7) "Domicile" means a person's true, fixed, and permanent home and is the place where the person intends to remain, and to which the person expects to return if absent without intending to establish a new domicile elsewhere.

(8) "Full-time employment" means employment for at least forty-eight (48) weeks at an average of at least thirty (30) hours per week.

(9) "Independent person" means a person who demonstrates financial independence from parents or persons other than a spouse and who can meet the criteria established in Section 5 of this administrative regulation.

(10) "Institution", "institution of higher education", or "college" means all entities offering instruction and conferring degrees or diplomas beyond the secondary school level, including four (4) year colleges or universities, two (2) year institutions including community colleges, and postsecondary vocational-technical schools, if the type of institution is not expressly stated.

(11) "Kentucky residency" or "Kentucky resident" means the result of a determination by an institution that a person is a resident of Kentucky for the purpose of tuition assessment and for the purpose of admission to that institution, if applicable.

(12) "Nonresident" means a person who is domiciled outside of Kentucky or who currently maintains legal residence outside Kentucky or who has not met the criteria for Kentucky residency established in this administrative regulation.

(13) "Preponderance of the evidence" means the greater weight of evidence, or evidence which is more credible and convincing to the mind.

(14) "Parent" means one (1) of the following:

(a) A person's father or mother; or

(b) A court-appointed legal guardian recognized by an appropriate court within the United States if there was a relinquishment of the rights of the parents independent of a guardianship established primarily to confer Kentucky residency on the person.

(15) "Residence" or "residency" means the place of abode of a person and the place where the person is physically present most of the time for a noneducational purpose in accordance with Section 3 of this administrative regulation.

(16) "Sustenance" means living expenses including room, board, maintenance, transportation, and educational expenses including tuition, fees, books, and supplies.

Section 2. Scope (1) Public institutions of higher education were established and are maintained by the Commonwealth of Kentucky primarily for the benefit of qualified residents of Kentucky. The substantial commitment of public resources to higher education is predicated on the proposition that the state benefits significantly from the existence of an educated citizenry. As a matter of policy, access to higher education shall be provided so far as feasible at reasonable cost to bona fide residents of the state.

(2) The Council on Postsecondary Education requires a student who is neither domiciled in nor a resident of Kentucky to meet higher admission standards and to pay a higher level of tuition than resident students.

(3) This administrative regulation applies to all student residency determinations regardless of circumstances, including the Southern Regional Education Board contract spaces and academic common market programs.

Section 3. Determination of Residency Status; General Rules. (1) A determination of residency shall include:

(a) An initial determination of residency status by a college or university at the time of admission for a specific academic term;

(b) Each administrative and residency review committee determination made by an institution;

(c) A reconsideration of a determination of residency status by the institution based upon a changed circumstance;

(d) An intermediate review by the Appeals Officer of the Council on Postsecondary Education if requested by the student; and

(e) An administrative hearing conducted in accordance with the provisions of KRS Chapter 13B and 13 KAR 2:070, if requested by the student.

(2)(a) An initial determination of residency status shall be based upon the facts in existence when the credentials established by an institution for admission for a specific academic term have been received and during the period of review by the institution;

(b) An initial determination of residency status shall be based on:

1. Information derived from admissions materials;

2. Other materials required by an institution and which are consistent with this administrative regulation; or

3. Other information available to the institution.

(3) An individual seeking a determination of Kentucky residency status shall demonstrate that

status by a preponderance of the evidence.

(4) A determination of residency status shall be based upon verifiable circumstances or actions.

(5) Evidence and information cited as the basis for Kentucky domicile and residency shall accompany the application for a determination of residency status.

(6) A student classified as a nonresident shall retain that status until the student is officially reclassified by the institution or the Council on Postsecondary Education, as appropriate.

(7) A student may apply for a review of a determination of residency status once for each academic term.

(8) If an institution has information that a student's residency status may be incorrect, the institution shall review and determine the student's correct residency status.

(9) If the Council on Postsecondary Education has information that an institution's determination of residency status for a student may be incorrect, it may require the institution to review the circumstances and report the results of that review.

(10) An institution shall impose a penalty or sanction against a student who gives incorrect or misleading information to an institutional official, including:

(a) Criminal prosecution;

(b) Student discipline by the institution through a policy written and disseminated to students;

or

(c) Payment of nonresident tuition for each academic term for which resident tuition was assessed based on an improper determination of residency status.

Section 4. Presumptions Regarding Residency Status. (1) In making a determination of residency status, it shall be presumed that a person is a nonresident if:

(a) A person is, or seeks to be, an undergraduate student and whose admissions records show the student to be a graduate of an out-of-state high school;

(b) A person's admission records indicate the student's residence to be outside of Kentucky at the time of application for admission;

(c) A person moves to Kentucky primarily for the purpose of enrollment in an institution of higher education;

(d) A person moves to Kentucky and within twelve (12) months enrolls in an institution of higher education more than half time; or

(e) A person has a continuous absence of one (1) year from the state.

(2) A presumption arising from subsection (1) of this section shall be overcome by a demonstration of Kentucky domicile and residency.

Section 5. Determination of Whether a Student is Dependent or Independent. (1) In a determination of residency status, an institution shall first determine whether a student is dependent or independent.

(2) In determining the dependent or independent status of a person, the following information shall be considered as well as other relevant information available at the time the determination is made:

(a) That the person has not been claimed as a dependent on the federal or state tax returns of a parent or other person for the year preceding the date of application for a determination of residency status; or

(b)1. That the person is no longer claimed by a parent or other person as a dependent or as an exemption for federal and state tax purposes; and

2. That the person has financial earnings and resources independent of both parents or a person other than a spouse necessary to provide for the person's own sustenance.

(3) An individual who enrolls in college immediately following graduation from high school and remains enrolled shall be presumed to be a dependent person unless the contrary is evident from the information submitted.

(4) Domicile may be inferred from the student's permanent address, parent's mailing address, or location of high school of graduation.

(5) Marriage to a person domiciled in and who is a resident of Kentucky shall be a factor considered by an institution in determining whether a student is dependent or independent.

Section 6. Effect of a Determination of Dependent or Independent Status on a Determination of Residency Status. (1) The effect of a determination that a person is dependent shall be as follows:

(a) The domicile and residency of a dependent person shall be the same as either parent. The domicile and residency of the parent shall be determined in the same manner as the domicile and residency of an independent person.

(b) The domicile and residency of a dependent person whose parents are divorced, separated, or otherwise living apart shall be a resident of Kentucky if either parent is domiciled in and is a resident of Kentucky regardless of which parent has legal custody or is entitled to claim that

person as a dependent pursuant to Kentucky income tax provisions.

(c)1. If the parent or parents of a dependent person are Kentucky residents and are domiciled in Kentucky but subsequently move from the state, the dependent person shall be considered a resident of Kentucky while in continuous enrollment at the degree level in which currently enrolled.

2. If continuous enrollment is broken or the current degree level is completed, the dependent person's residency status shall be reassessed when the circumstances detailed in subparagraph 1 of this paragraph are present.

(2) If an independent person, the sole parent, or both parents of a dependent person moves out of state, Kentucky domicile and residency, having been previously established, shall be retained until steps are taken to establish domicile and residency elsewhere.

Section 7. Member of Armed Forces of the United States, Spouse and Dependents; Effect on a Determination of Residency Status. (1) A member, spouse, or dependent of a member whose domicile and residency was Kentucky at the time of induction into the Armed Forces of the United States, and who maintains Kentucky as home of record and permanent address, shall be entitled to Kentucky residency status:

(a) During the time of active service; and

(b) If the member, spouse, or dependent returns to this state within six (6) months of the date of the member's discharge from active duty.

(2)(a) A member, spouse or dependent of a member of the Armed Forces of the United States stationed in Kentucky on active military orders shall be considered a Kentucky resident while the member is on active duty in this state pursuant to those orders if the member is not:

1. Stationed in Kentucky for the purpose of enrollment at an institution of higher education; or

2. On temporary assignment of less than one (1) year.

(b) A member, spouse or dependent of a member, shall not lose Kentucky residency status if the member is thereafter transferred on military orders while the member, spouse or dependent requesting the status is in continuous enrollment at the degree level in which currently enrolled.

(3) A person's residency status established pursuant to this section shall be reassessed if the qualifying condition is terminated.

Section 8. Status of Nonresident Aliens; Visas and Immigration. (1)(a) A person holding a permanent residency visa or classified as a political refugee shall establish domicile and residency in the same manner as another person.

(b) Time spent in Kentucky and progress made in fulfilling the conditions of domicile and residency prior to obtaining permanent status shall be considered in establishing Kentucky domicile and residency.

(2) A person holding a nonimmigrant visa with designation A, E, G, H, I, L, N, O, P, R, S, TD or TN shall establish domicile and residency the same as another person.

(3)(a) A person holding a nonimmigrant visa with designations B, C, D, F, J, K, M, or Q shall not be classified as a Kentucky resident, because that person does not have the capacity to remain in Kentucky indefinitely.

(b) A person holding a visa as described in paragraph (a) of this subsection, but who is a dependent of a parent holding a visa as described in subsection (2) of this section, shall be considered as holding the visa of the parent.

Section 9. Beneficiaries of a Kentucky Educational Savings Plan Trust. A beneficiary of a Kentucky Educational Savings Plan Trust shall be granted residency status if the beneficiary meets the requirements of KRS 164A.330(9).

Section 10. Criteria Used in a Determination of Residency Status. (1) A determination of Kentucky domicile and residency shall be based upon verifiable circumstances or actions. A single fact shall not be paramount, and each situation shall be evaluated to identify those facts which are essential to the determination of domicile and residency.

(2) The following facts, although not conclusive, shall have probative value in their entirety and shall be individually weighted, appropriate to the facts and circumstances in each determination of residency;

(a) Acceptance of an offer of full-time employment or transfer to an employer in Kentucky or contiguous area while maintaining domicile in Kentucky;

(b) Continuous physical presence in Kentucky while in a nonstudent status for the twelve (12) months immediately preceding commencement of the academic term for which a classification of Kentucky residency is sought;

(c) Filing of Kentucky resident income tax return for the calendar year preceding the date of application for a change in residency status or payment of Kentucky withholding taxes while employed during the calendar year for which a change in classification is sought;

(d) Full-time employment of at least one (1) year while living in Kentucky;

(e) Attendance as a full-time, nonresident student at an out-of-state institution of higher

education based on a determination by that school that the person is a resident of Kentucky;

(f) Abandonment of a former domicile or residence and establishing domicile and residency in Kentucky with attendance at an institution of higher education following and incidental to the change in domicile and residency;

(g) Obtaining licensing or certification for a professional and occupational purpose in Kentucky;

(h) Payment of real property taxes in Kentucky;

(i) Ownership of real property in Kentucky, if the property was used by the student as a residence preceding the date of application for a determination of residency status;

(j) Long-term lease of at least twelve (12) consecutive months of noncollegiate housing;

(k) Marriage of an independent student to a Kentucky resident;

(l) Kentucky automobile registration;

(m) Kentucky driver's license;

(n) Continued presence as a resident in Kentucky during academic breaks; and

(o) Registration as a Kentucky voter.

(3) Kentucky residency status shall not be conferred by the performance of an act which is incidental to fulfilling an educational purpose or by an act which is performed as a matter of convenience. Mere physical presence in Kentucky, including living with a relative or friend, shall not be sufficient evidence of domicile and residency.

Section 11. Effect of a Change in Circumstances on Residency Status. (1) If a person becomes independent or if the status of a parent or parents of a dependent person changes, the institution shall reassess residency either upon a request by the student or a review initiated by an institution.

(2) Upon transfer to, or matriculation from, a Kentucky public institution of higher education, a student's residency status shall be reassessed by the receiving institution.

(3) A reconsideration of a determination of residency status for a dependent person shall be subject to the provisions for continuous enrollment.

Section 12. Institutional Requirements; Designation of Office and Officer and Publication of the Administrative Regulation. (1) Each institution shall designate:

(a) A person or office at the institution with responsibility for a determination of residency status at that institution; and

(b) An administrative office or person with delegated day-to-day responsibility for administration

of this administrative regulation.

(2) The designation of an administrative office or person pursuant to subsection (1) of this section shall be in writing setting forth the duties and responsibilities. A copy shall be provided to the Council on Postsecondary Education.

(3) Each institution shall establish an operational policy for the determination of residency status which shall be filed with the Council on Postsecondary Education and which shall include:

- (a) Procedures describing the steps in the initial determination of residency status;
- (b) Designated responsibilities of each institutional official;
- (c) Responsibilities of a person requesting admission to the institution or a change in residency status;
- (d) Procedures for the operation of a residency review committee created pursuant to Section 13 of this administrative regulation;
- (e) Timetables and deadlines for student and institutional responses to a request for a review of an institutional determination of residency status;
- (f) Training of institutional officials responsible for a determination of residency status; and
- (g) The role of the residency review committee.

(4) The administrative regulation shall be published in its entirety in all of each institution's catalogs and disseminated to each student.

(5) Copies of the administrative regulation shall be maintained in the office designated pursuant to subsection (1) of this section and shall be made available to each student requesting Council on Postsecondary Education review of an institution's initial determination, review or reconsideration of residency status.

Section 13. Establishment of a residency review committee by an Institution. (1) Each institution shall establish a residency review committee, which shall be a standing committee, to review, evaluate, and act upon:

- (a) A student appeal related to an initial determination of residency status;
- (b) A recommendation of the administrative office or person designated pursuant to Section 12 of this administrative regulation, that the residency review committee review, evaluate, and act upon an initial determination of residency status; and
- (c) A student request for a reconsideration of a residency classification because of a changed circumstance.

(2) Membership on the residency review committee shall include at least one (1) faculty and

one (1) student member.

(3) The policies and procedures of an institution's residency review committee shall be in writing and published for student use.

(4) A copy of the document authorizing and creating an institution's residency review committee, and a copy of the operating policies and procedures of the residency review committee shall be provided to the Council on Postsecondary Education.

Section 14. Student Responsibilities. (1) A student shall register under the proper residency classification which includes the following actions:

(a) Raising a question in a timely manner concerning residency classification;

(b) Making application for change of residency classification in a timely manner with the designated office or person at the institution; and

(c) Notifying the designated office or person at the institution immediately upon a change in residency.

(2) If a student fails to notify an institutional official of a change in residency, an institutional official may investigate and evaluate the student's current residency status.

(3)(a) If a student fails to provide, in a timely manner, information required by an institution in a determination of residency status or by the Council on Postsecondary Education in an appeal of a determination of residency status, the student shall be notified by the institution or by the Council on Postsecondary Education, as appropriate, that the review has been canceled and that a determination has been made.

(b) Notification shall be made by registered mail, return receipt requested.

(c) Notification shall be made within ten (10) calendar days after the deadline for receipt of materials has passed.

(4) A student shall not appeal a determination of residency status made by an institution or by the Council on Postsecondary Education for a failure to meet published deadlines for the submission of information as set forth in subsection (3) of this section. A student may request a review of a determination of residency status in a subsequent academic term.

Section 15. Procedures for an Initial Determination of Residency Status, an Institutional Review of Residency Status and for a Reconsideration of a Determination of Residency Status. (1) Application for a review of a determination of residency status shall be made to the administrative office or person designated by the institution pursuant to Section 12 of this administrative

regulation.

(2) The application, with supporting documentation, shall be made by the student within thirty (30) calendar days after the first day of classes of the academic term for which a review of a determination of residency status is sought.

(3) An application shall consist of:

(a) An affidavit authorized by the Council on Postsecondary Education and submitted by the student or the parent of a dependent student asserting the claim for a determination of residency status and asserting that the documentation and information are accurate and true; and

(b) Information and documentation required by an institution and consistent with this administrative regulation which is necessary to substantiate a request for a change in a determination of residency status.

(4)(a) An application shall be first reviewed by the office or person designated by the institution pursuant to Section 12 of this administrative regulation.

(b) If a student asks, in writing and in a manner set forth by the institution consistent with this administrative regulation, to appeal the decision of the designated office or person, the residency review committee shall review, evaluate, and act upon that appeal.

(c) An application for a review of residency status which is not submitted in a timely manner, shall result in a determination of residency status consistent with an initial determination of residency status.

(5) The decision of the designated office or person, or of the residency review Committee shall include:

(a) Findings of fact;

(b) Determination of whether the applicant is deemed to be a "dependent person" or "independent person"; and

(c) Whether the applicant is a resident or nonresident, and the reasons consistent with institutional policy and this administrative regulation.

(6) The student shall be notified in writing, by registered or certified mail, of the decision of the administrative officer designated by the institution or the residency review committee, as appropriate, within forty-five (45) calendar days after receipt of a person's application for a change.

(7) A change in a determination of residency shall not be made retroactive beyond the academic term in which the request for a change is made.

(8) A student shall have the right to appeal a decision of the residency review committee to

the Council on Postsecondary Education pursuant to Sections 16, 17, and 18 of this administrative regulation

(9) An institution shall, by written policy, establish deadlines for the submission of written documentation by a person seeking an initial determination of residency status and shall not consider an appeal which does not conform to the timetable requirement for documentation and process established in the institution's policy.

Section 16. Procedure for Appeal to the Council on Postsecondary Education and Intermediate Review by the Council on Postsecondary Education Appeals Officer. (1) The President of the Council on Postsecondary Education shall designate a person on the staff of the Council on Postsecondary Education to serve as an appeals officer.

(2) The appeals officer's review of an institutional determination of residency status shall be to determine whether the residency review committee's written decision was supported by a preponderance of evidence and conformed to this administrative regulation.

(3) Upon receipt of notice from the residency review committee of the decision by certified or registered mail, the student shall have fourteen (14) calendar days to appeal that decision to the Council on Postsecondary Education by giving notice in writing to the office or person designated by the institution to administer this administrative regulation.

(4) An appeal filed more than fourteen (14) calendar days after receipt of the decision of the residency review committee shall be dismissed and the decision of the residency review committee shall be final.

(5) The office or person designated by the institution pursuant to Section 12 of this administrative regulation shall be responsible for forwarding to the Council on Postsecondary Education a complete copy of the student's file within fourteen (14) calendar days of the receipt of a notice of appeal. The student may review the content of the file before it is forwarded to the Council on Postsecondary Education.

Section 17. Determination of the Council on Postsecondary Education Appeals Officer. (1) The appeals officer shall make a determination, based solely on the written record submitted, to affirm or reverse the residency review committee's decision.

(2) The appeals officer may order the appeal remanded to the residency review committee for further proceedings before the appeals officer renders a final determination if the appeals officer determines that the residency review committee:

(a) Failed to consider all information and evidence submitted; or

(b) Failed to follow institutional policies and procedures.

(3)(a) New information provided by the student that was not available to the institution at the time of the institution's determination of residency status shall result in a decision by the appeals officer to remand the case to the residency review committee for further action.

(b) A remand by the appeals officer because of information not available at the time of the determination of residency status shall require the residency review committee to reconsider the determination of residency status in light of the new information.

(c) The residency review committee shall consider the new information or evidence and shall forward a written recommendation to the appeals officer within twenty-one (21) calendar days after receipt of the notice of remand.

(d) A copy of the residency review committee recommendation shall be provided to the student.

(e) A remand shall be part of the appeal to the Council on Postsecondary Education and shall not constitute a determination by the appeals officer.

(4) The determination of the appeals officer shall be in writing and shall state the reason for the decision.

(5)(a) Except as provided in paragraph (b) of this subsection, within twenty-one (21) calendar days after receipt of the student's file, the recommendation of the appeals officer shall be forwarded to the student by certified or registered mail with a copy to the office or person designated by the institution to administer this administrative regulation.

(b) If the appeals officer remands an appeal under subsection (2) of this section, the twenty-one (21) days shall not include the time the order was made until the time the residency review committee's written recommendation was received by the appeals officer.

(6) The student shall have ten (10) calendar days after receipt of the appeals officer's recommendation to file a written appeal by registered or certified mail with the Council on Postsecondary Education requesting a formal adjudicatory hearing pursuant to KRS Chapter 13B and 13 KAR 2:070.

Section 18. Administrative Hearing to be Held If Requested by Student. (1) An administrative hearing on a request for a change in a determination shall be held in accordance with the provisions of KRS Chapter 13B and 13 KAR 2:070.

(2) The recommended order shall be received by the President of the Council on

Postsecondary Education who shall issue a final decision on the appeal.

(a) The decision of the president shall be in writing and in accordance with KRS 13B.120.

(b) The decision of the president shall be provided to the student and the institution within twenty-one (21) calendar days after receipt of the hearing officer's decision.

(3) Upon receipt of the notification of the final decision of the president, the student shall have the right to appeal the decision to the appropriate court in accordance with KRS 13B.140.

Section 19. Charges to Institutions for Administrative Hearings. The Council on Postsecondary Education, upon receipt of a bill for the conduct of an administrative hearing on an appeal of a determination of residency status, shall assign one-half (1/2) of the cost of the administrative hearing to the institution from which the appeal is taken. The institution shall provide payment to the Council on Postsecondary Education or to the office or administrative entity so designated by the Council on Postsecondary Education within thirty (30) calendar days of receipt of the notice of payment. (17 Ky.R. 2557; eff. 4-5-91; Am. 22 Ky.R. 1656; 1988; eff. 5-16-96; 23 Ky.R. 3380; 3797; 4099; eff. 6-16-97.)

**MEMORANDUM OF AGREEMENT
FINANCE AND ADMINISTRATION CABINET/GOVERNOR'S OFFICE FOR
POLICY AND MANAGEMENT/COUNCIL ON HIGHER EDUCATION**

This Memorandum of Agreement on General Policies and Operational Procedures among the Finance and Administration Cabinet, the Governor's Office for Policy and Management, and the Council on Higher Education exists to coordinate and explain the functions of the three agencies pertaining to public higher education. This agreement remains in effect unless unilaterally cancelled by any of the signatories.

Purpose:

The Finance and Administration Cabinet and the Governor's Office for Policy and Management, as well as the Council on Higher Education, each have certain functions and responsibilities to perform in relation to higher education in the Commonwealth. These functions and responsibilities are mandated by law and by administrative regulations under statutory authorization. Many of the decisions stemming from that exercise terminate in the Finance and Administration Cabinet or the Governor's Office for Policy and Management; that is, final action is concluded within these two agencies.

The Council on Higher Education, attached to the Secretary of the Cabinet and reporting directly to the Governor, serves as the agency through which the state universities shall report. The Council on Higher Education has legally mandated functions and responsibilities to perform, many of which bear directly upon or implicate the Finance and Administration Cabinet and the Governor's Office for Policy and Management. Some of the actions of the Council on Higher Education are intermediate; for example, when recommending or advising.

To enhance coordination among the institutions and among the three agencies, the Finance and Administration Cabinet, the Governor's Office for Policy and Management, and the Council on Higher Education are entering into an agreement or understanding on policies and procedures by which the three agencies can perform their responsibilities in

concert. In the interest of the public trust, the system of higher education, and the individual institutions, a coordinated effort among these three agencies of state government is desirable. Accordingly, such coordination can best be advanced by the following policies and procedures as agreed upon by the three agencies.

GENERAL POLICIES AND OPERATIONAL PROCEDURES

1.0 Communication

- 1.1 The Secretary of the Finance and Administration Cabinet and the Executive Director of the Governor's Office for Policy and Management, or designated representatives, shall be informed participants in all formal discussions between the institutions and the Council on Higher Education relating to policy and budget matters.
- 1.2 The Executive Director of the Council on Higher Education, or a designated representative, shall be an informed participant in all formal discussions between the institutions and the Finance and Administration Cabinet and the Governor's Office for Policy and Management relating to policy and budget matters affecting either the state system as a whole or any institution.

2.0 Information Systems

- 2.1 Information required from the institutions by the Council on Higher Education, the Finance and Administration Cabinet, and the Governor's Office for Policy and Management, that relates specifically to finance or budgeting, will be made compatible as possible to reduce unnecessary duplication in requests, processing, and delivery.
- 2.2 The Finance and Administration Cabinet and the Governor's Office for Policy and Management will make known to the Council on Higher Education the information needed and, once agreed upon, that information will be incorporated into the Council on Higher Education's information base.

- 2.3 The Council on Higher Education will supply the information generally needed by the Finance and Administration Cabinet and the Governor's Office for Policy and Management from the institutions.
- 2.4 The Council on Higher Education will adopt or develop a financial information system that will adequately reflect the financial situation and needs of each institution. The financial information system will include institutional reporting in compliance with the Uniform Financial Reporting System.
- 2.5 The information system will serve as the primary source of essential information needed by the Governor's Office for Policy and Management for financial review and evaluation.

3.0 State Appropriation Recommendation

- 3.1 The Council on Higher Education shall consider the requirements and review the budget requests of the institutions of public higher education. The budget request shall be prepared by each institution and submitted to the Council on Higher Education in a format and according to a calendar prescribed by the Council on Higher Education.
- 3.2 The Governor's Office for Policy and Management, as an informed participant in the development of the Council on Higher Education's institutional budget request guidelines, shall utilize, but not be limited to, the Council on Higher Education's format in its review of the institutional budget request.
- 3.3 The institutional budget request review and state appropriation recommendation of the Council on Higher Education shall incorporate the following:
 - A. The appropriation recommendation formula shall be a basis for an assessment of continuation or improvement needs of existing institutional programs.

- B. Expansion of existing programs or funding requests for new programs shall require review in relation to the Council on Higher Education's strategic plan and the institution's educational plan. New programs shall require approval by the Council on Higher Education before recommendation to the Governor's Office for Policy and Management.
 - C. Priorities shall be indicated for funding programs (institutions) beyond continuation.
 - D. Priorities for funding subprograms (institutional programs) shall be determined by the institutions.
- 3.4 Each institution's budget request, the Council on Higher Education state appropriation recommendation, and the approved tuition schedule for all categories of students shall be submitted to the Governor's Office for Policy and Management in accordance with timetables established by policy and/or statutory guidelines. Deviation from said requirements shall require approval by both agencies.

4.0 Construction Projects

- 4.1 The Council on Higher Education will review and approve, for consideration by appropriate legislative and/or executive agencies, all construction projects which exceed \$400,000 in cost.
- 4.2 Each project, regardless of the source of funds, will be evaluated to determine its total budgetary impact with special reference to recurring cost to be funded by state appropriation.

5.0 Computing and Computing Plans

- 5.1 Large scale computer support will be made available to the Council on Higher Education from the state central system for the Council on Higher Education

staff needs.

- 5.2 The Council on Higher Education will be responsible for financing shared computing communications between and among the institutions and the Council on Higher Education.
- 5.3 Each biennium, the Council on Higher Education, in conjunction with the institutions, will develop a statewide computing services plan that will contain statements of principles and broad strategies to ensure the coordination of computing resources at the institutions of higher education in Kentucky.

6.0 Real Property

- 6.1 For universities not operating under the capital construction provisions of House Bill 622 (codified as KRS 164A.550-630), the Council on Higher Education staff will review and recommend on all requests for acquisition or disposal of real property up to \$400,000 in cost. An institution may appeal a negative staff recommendation to the Council on Higher Education.
- 6.2 For universities operating under the capital construction provisions of House Bill 622, the Finance and Administration Cabinet delegates, under separate memoranda of agreement, the authority to acquire real property included in the university's approved master plan and costing less than \$100,000. House Bill 622 gives universities electing to operate under the provisions of that statute, the sole authority regarding disposition of real property. The Council on Higher Education staff will review and recommend on all requests for acquisition of real property costing over \$100,000 but not more than \$400,000. An institution may appeal a negative staff recommendation to the Council on Higher Education.
- 6.3 Any acquisition of real property costing more than \$400,000 will require review and recommendation by the Council on Higher Education.

6.4 Institutional requests for the acquisition or disposal of real property should be forwarded directly to the Council on Higher Education staff to reduce unnecessary steps or handling. Requests for acquisition of real property must include the following items:

6.4.1 Estimated Cost (necessarily preliminary in nature);

6.4.2 Funding source for the proposed acquisition;

6.4.3 Purpose of the acquisition as it relates to the campus master plan;

6.4.4 Copy of the Board of Trustees/Regents Resolution to acquire the property; and

6.4.5 Any other background or authority for the project which might be relevant.

6.5 Each request will be reviewed for congruence with the institution's campus master plan and will be evaluated to determine if there are any significant implications for educational programs.

6.6 The Council on Higher Education staff will notify the Finance and Administration Cabinet and the Governor's Office for Policy and Management of all Council on Higher Education and Council staff actions in regard to approval of acquisition or disposal of real property.

7.0 Federal or State Grants, Contracts, Appropriations

7.1 The Council on Higher Education shall establish policies and procedures to monitor the impact of federal or state grants, contracts, and appropriations on the state system of higher education.

7.2 The Council on Higher Education, through the State Clearinghouse, is to serve

as the principal review mechanism for new or continuing federal grants, contracts, and appropriations requested by or provided to the institutions or the state system of higher education.

- 7.3 The Council on Higher Education, in cooperation and conjunction with designated agencies of state government, is to serve as a primary review mechanism for new or continuing state grants, contracts, or other cooperative agreements requested by or provided to the institutions or the state system of higher education.

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**COUNCIL ON POSTSECONDARY EDUCATION
7.01: OPEN RECORDS POLICY**

I. Statement of Purpose

The Kentucky Open Records Act requires each agency to have a policy on the dissemination of public records that are to be open for inspection. CPE's ~~The~~ Open Records Policy provides information to the public regarding CPE rules for access to public records. The policy was developed in consideration of and is consistent with the requirements of the statutes on open records.

CPE recognizes the expressed intent of the Kentucky Open Records Act to provide broad public access to information for which the CPE is the custodian. The CPE also recognizes the special protection afforded in federal and state law to educational records of students. The policy of CPE is to provide broad access to all public records subject only to the restrictions imposed by federal and state law.

II. Statutory Authority

The Kentucky Open Records Act, codified at KRS 61.870 to 61.884, defines ~~sets out a definition of~~ public records; describes which records are open for inspection by the public and which may be shielded from public inspection; and requires each agency to develop agency rules on access to and inspection of open records.

III. Policy

Section 1: Agency Rules for Access to Public Records

- A. Open records requests may be oral or in writing with the stipulation that the CPE may require the request to be in writing, if in the opinion of the president ~~Executive Director~~ the request for information is too vague to permit the agency to respond accurately to the request.
- B. The requestor may examine a public record in the offices of the CPE between the hours of 8:00 a.m. and 4:30 p.m. (Eastern time) or by requesting copies of the records by mail.
- C. It is the policy of the CPE to fully respond to open records requests in a timely fashion: KRS 61.872(5) permits a three-day delay if the public record is not available or is in use. The three-day period commences at the time a request is made by phone or in person, or upon receipt of a written request, if required.
- D. In the event that the information is not available to respond to a request within three days or is in use, a letter will be sent to the requestor explaining the reason for the delay and providing a date when the information will be made available for inspection.

- E. In the event a request for information is denied, a written explanation will be sent to the requestor by the Executive Director explaining the reason for the denial. The denial of a request for access to records must fit one of the exemptions of the Kentucky Open Records Act which includes an exemption for educational records under the Family Education Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g et. seq.
- F. Consistent with KRS 61.874, the CPE may require payment of a fee for copies of records in an amount not to exceed \$.05 per page.

Section 2: Principal Office and Hours of Operation

Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601-8204
Phone: 502/573-1555
Fax: 502/573-1535

Hours of operation: 8:00 a.m. - 4:30 p.m. (Eastern time)

Section 3: Agency Contact Person

Requests for access to open records should be addressed to:

Mr. Dennis Taulbee
Director of Staff Services/General Counsel
(See Section 2 (above) for address and phone/fax numbers)

Certification: _____
J. Kenneth Walker, Acting Chief Operating Officer

Previous Actions:

Original Approval: May 1, 1995

Amended: January 12, 1998

7.04 [8.4] : COUNCIL ON POSTSECONDARY [HIGHER] EDUCATION
DATA POLICY

I. Statement of Purpose

This policy is designed to define the CPE'S [CHE's] approach to the collection, maintenance and use of postsecondary [higher education] data and to the release of information within the guidelines established by state and federal statutes. Official guidelines [for institutional reporting of data], prepared and updated jointly by CPE [CHE] and institutional staff, establish the basis for the reporting of data. These data will be used by CPE [CHE] staff for research purposes, including academic degree program review and approval, state appropriation recommendations, development, accountability, and other activities as prescribed in statutes. The staff maintains the same level of confidentiality as practiced by the institutions and consistent with state and federal law, and responds to external data requests in the form of compiled information rather than raw data.

II. Statutory Authority

KRS 164.020, 164.095 and 164.283 and KRS 61.870-61.884

The Council on Postsecondary [Higher] Education's data policy is based upon Kentucky statutes that authorize CPE to:

- (a) [~~require the CHE to~~] engage in analyses and research; [KRS 164.020(6)]; [~~KRS 164.020(1)~~];
- (b) develop and implement the strategic agenda and to revise the strategic agenda and strategic implementation plan; [require the CHE to develop and transmit to the Governor comprehensive plans for public higher education (KRS 164.020(2))];
- (c) devise, establish and periodically review and revise policies to be used in making recommendations to the Governor for consideration in developing recommendations to the General Assembly for appropriations. [KRS 164.020(9)]; [require the CHE to consider the requirements and review the budget requests, which shall be prepared in the manner and submitted by the institutions to the Council by dates prescribed by the Council, of the institutions of higher education as to their appropriate level of support considering the functions of the institutions and their respective needs... (KRS 164.020(4))];
- (d) [~~permit the CHE to~~] require reports from the Executive Officer of each institution it deems necessary to perform its duties [KRS 164.020(12)]; [~~KRS 164.020(6)~~];
- (e) [~~require the CHE to publish annually a report of the educational and financial affairs... and disseminate other information relating to higher education (KRS 164.020(7))];~~
- (f) [~~require the CHE to~~] define and approve the offering of all higher education associate, baccalaureate, graduate, and professional degree or certificate programs in the state-supported higher education institutions, ensure the coordination, transferability, and connectivity of technology among institutions and eliminate existing programs or make changes in existing academic programs. [KRS 164.020(14)]; [... (KRS 164.020(8))];

- (f) ~~[(g) permit the CHE to]~~ request that student records be made available by the institutions for professional academic research [KRS 164.283(8)]; ~~[(KRS 164.283(8))]~~
- (g) develop a system of accountability for the system of postsecondary education [KRS 164.020(3) and 164.095]; ~~[(h) require the preparation and submission of an accountability report on higher education (KRS 164.095).]~~
- (h) ~~[(i) require upon request the]~~ release upon request ~~[of]~~ public records not otherwise determined as confidential by law, or in cases where response to the request will not place an unreasonable burden on agency staff [KRS 61.870 through 61.884] ~~[(KRS 61.870-61.884)].~~

The Family Educational Rights and Privacy Act of 1974 (Buckley Amendment), as amended, is the basis for CPE's policy on confidentiality and for release of student specific data.

III. Policy

Section 1: Comprehensive Data Base

- A. The Council on Postsecondary Education (CPE) ~~[(Higher Education (CHE))]~~ maintains a Comprehensive Data Base (CDB) consisting of data necessary to perform the prescribed functions of the agency and to meet its statutory responsibilities.
- B. At a minimum, the CDB will consist of five components: students, programs and courses, facilities, faculty/staff and finances.
- C. The use of data will be reviewed on a regular basis to determine if some data are unnecessary and should be removed from the database. Agency and institutional data needs will also be reviewed regularly to determine if additional data should be included in the database.
- D. ~~[(Since)]~~ The CDB is designed to support the ongoing activities of the CPE ~~[(CHE)]~~ and the institutions rather than to anticipate all possible needs of higher education. Therefore, occasional ad hoc requests may be necessary and appropriate. Efforts are ~~[will be]~~ made to keep these requests to a minimum.

Section 2: Guidelines for Reports

- A. The CPE ~~[(CHE's)]~~ *Reporting Guidelines* constitute the official annual request by the CPE ~~[(CHE)]~~ for institutional data which make up the Comprehensive Data Base.
- B. Institutions will submit data according to the instructions, definitions and schedules in the *Guidelines*.

Section 3: Data Editing, Review, and Auditing

- A. Data submitted by the institutions will be edited by appropriate CPE ~~[(CHE)]~~ staff. CPE ~~[(CHE)]~~ staff consider the data as official only when all edit procedures have been completed.
- B. Data from the public institutions, as defined in the CPE ~~[(CHE)]~~ *Reporting Guidelines*, will be periodically audited by CPE ~~[(the CHE)]~~.

Section 4: Confidentiality of Data

- A. The staff will reference both Kentucky Revised Statutes and the Family Educational Rights and Privacy Act of 1974 when disclosing [as to the disclosure of] student information. Further, CPE [the CHE] maintains a policy of destroying any printed documents used for audits or other purposes that [which] contain student name and/or social security number.

Section 5: Publication

- A. CPE [The CHE] will, when appropriate and feasible, submit for institutional review special data-related publications that [which] include CPE [CHE] staff's analyses based on annually reported institutional data.
- B. CPE [The CHE] will solicit institutional comments prior to changing the format and content of regularly published information.

Section 6: Comprehensive Data Base Committee

- A. The Comprehensive Data Base Committee, composed of institutional representatives appointed by the presidents of the postsecondary education institutions [public universities] and representatives of the CPE [CHE] staff, is chaired by the CPE [CHE's] Deputy Executive Director for Finance, Facilities, and Data Management. This committee will advise CPE [CHE] staff on matters pertaining to the collection, reporting, and use of postsecondary [higher] education data.
- B. CPE [The CHE] has established an Internal Data Committee in support of the activities of the Comprehensive Data Base Committee. Chaired by the Associate Director for Higher Education Statistics, the Internal Data Committee is to serve as an advisory group to CPE [CHE] staff and as a liaison to the Comprehensive Data Base Committee. The Internal Data Committee consists of the Deputy Executive Directors and staff directly involved in the collection and analysis of data. The committee will review both internal and external requests for improvement to, and changes in, the Comprehensive Data Base and will periodically review internal data procedures and recommend improvements to that process.

Section 7: Miscellaneous

- A. CPE [The CHE] and all information for which CPE [the CHE] is custodian are subject to the Kentucky Open Records Act (KRS 61.870-61.884). To comply with this Act, CPE [the CHE] has an official open records policy and an accompanying procedural statement [which are] separate from this data policy.

Certification: _____
J. Kenneth Walker, Acting Chief Operating Officer

Previous Actions:

Original Approval: _____

Amended: _____

MINUTES

Council on Postsecondary Education

Executive Committee
Academic Affairs Committee
Finance Committee



January 11-12, 1998

Book 2 of 2

PASS-THROUGH PROGRAMS

Recommendation:

That CPE adopt the recommendations for review of CPE pass-through programs as presented in Attachment A.

Rationale:

- Many CPE members are not familiar with the individual pass-through programs and, therefore, requested during the biennial budget review that CPE staff provide detailed information about each program.
- CPE staff initially asked that responsibility for selected pass-through programs be assigned to the institutions. Action on that request was postponed until CPE could review each pass-through program individually.
- CPE has ten pass-through programs for which CPE serves primarily as the custodian and agent for funds ultimately intended for postsecondary institutions, other state agencies, and other public entities. As custodian and agent for the appropriated funds, CPE has a responsibility to ensure that the funds are properly used and that programs and activities accomplish the purpose for which the funds were appropriated.
- Although selected pass-through programs have been evaluated in the past, a comprehensive review and evaluation schedule for pass-through programs has not yet been adopted.
- The larger pass-through programs, the Strategic Investment and Incentive Trust Funds, are not included in the recommendations. They will be addressed separately by CPE. The Eisenhower Science and Mathematics program is federally funded and is directly administered by CPE staff. It is addressed elsewhere in the CPE agenda for this meeting. Additional information is in Agenda Item CPE (M-6).

Background:

CPE operates ten pass-through programs. Individually and collectively, these programs involve legislative appropriations to CPE that are ultimately intended for entities other than CPE. The other entities include postsecondary education institutions, other state agencies, and public entities that are not state agencies.

Attachment A provides a summary listing of all pass-through programs and the recommended actions. Attachment B provides a detailed description of each program, financial information, and recommendations for future action.

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**SUMMARY OF PASS-THROUGH PROGRAMS
AND
RECOMMENDED ACTIONS**

Contract Spaces Program

CPE staff will participate in the Southern Regional Education Board (SREB) review of the Contract Program, which will take place during 1998.

CPE staff will discuss with SREB and with Indiana University the feasibility of conducting a satisfaction survey for prospective and enrolled students.

Estimated completion date: December 1998.

Rural Allied Health and Nursing Program

Guidelines should be reviewed and specific goals should be established for the program.

An independent evaluator should be employed to increase the information available from the four universities on enrolled students and graduates.

Consideration should be given to distributing the funds to the institutions' budget base with the stipulation that annual performance reports be filed with CPE.

Estimated completion date: December 1998.

Professional Education Preparation Program

CPE staff contracted with an independent evaluator to perform an assessment of PEPP. The report has a targeted completion date of February 1998, at which time it will be provided to CPE.

Metroversity Consortium

CPE staff will request that the University of Louisville, one of the primary participants in the Consortium, facilitate a review of programs and services for Consortium members.

Consideration should be given to transferring the appropriated funds to the University of Louisville.

Estimated completion date: December 1998.

KEYS to KERA

CPE staff will request that the Kentucky Community and Technical College System (KCTCS), on behalf of the University of Kentucky Community College System (UKCCS), provide information on the effectiveness of programs and services.

No further action should be taken on program review and evaluation until it is known whether KCTCS will apply for a new grant.

Experimental Program to Stimulate Competitive Research (EPSCoR)

CPE staff will discuss with the Kentucky Science and Technology Council (KSTC) the procedures used to evaluate grant proposals and award state funds to individual projects.

Estimated date of completion: July 1998.

Telecommunications Consortium (Educational Television)

No action is recommended until the role of the Commonwealth Virtual University is more completely determined. Staff views the roles of KET and television broadcast courses as part of the broader discussion encompassing the Commonwealth Virtual University and distance learning.

Governor's Minority Student College Preparation Program

An independent evaluation of the program's effectiveness should be conducted. The evaluation should examine how effectively existing programs and activities meet current program goals for enrollment and retention of minority students and review existing program goals. The evaluation should produce recommendations for new approaches, if appropriate, for institutional sub-grants.

Estimated date of completion: December 1998.

SREB Compact for Faculty Diversity

No action is recommended until CPE learns whether the state will fund the expansion request.

State Autism Training Center

No action is recommended at this time since the Center has been operating only since July 1, 1997. CPE staff will continue to monitor the Center's operations and provide CPE with reports.

Programs not included:

Strategic Investment and Incentive Funds

No action recommended. Responsibility for this program is assigned jointly to the CPE Investments and Incentives Committee and the CPE Quality and Effectiveness Committee.

Paducah Regional Higher Education Center

No action recommended. The program is complete with the disbursement of the appropriated funds.

Eisenhower Science and Mathematics

No action recommended. Kentucky's Eisenhower program has one of the top performance indicator systems in the nation. The Eisenhower program is addressed elsewhere in Agenda Item CPE (M-6).

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: Contract Spaces Program

Committee: Quality and Effectiveness

Program Description/Purpose:

In 1950, the Commonwealth of Kentucky became a participant in the regional compact of southern states for educational services [KRS 164.530(1)]. The purpose of this compact is to promote a regional approach to education where possible through sharing arrangements and to provide educational services requested by member states. CPE is the designated compact administrator pursuant to KRS 164.530 and 164.540 to represent the Commonwealth and to administer the regional compact for the benefit of the citizens of the Commonwealth.

Since the Commonwealth does not have professional schools in veterinary medicine and optometry, the Contract Spaces Program provides Kentucky students with access to training spaces in these two professional programs through contracts with SREB and Indiana University. The allocation for contract spaces covers contracts with SREB and Indiana University, an administrative charge to cover general operations, and small grants for faculty at Kentucky institutions. In veterinary medicine, Kentucky contracts for 36 entering spaces (34 spaces at Auburn University and 2 spaces at the Tuskegee Institute). In optometry, Kentucky contracts for 14 entering spaces (8 spaces at the Southern College of Optometry in Indiana, 3 spaces at the University of Alabama, and 3 spaces at Indiana University). The fixed number of entering spaces for Kentucky students is reserved, and students selected to enroll in these programs are required to pay only the equivalent of the in-state tuition of the host institution. Students are supported for four years. To reserve these spaces and to help defray costs, the Commonwealth pays a contract fee per space to each participating institution. These contracts are the primary sources of enrollment opportunities for Kentucky students and for trained individuals to meet workforce needs in these professional areas.

In addition to the contract fees, CPE contributes to the administrative operation of the program at SREB and supports a small grants program for faculty at Kentucky institutions to utilize special research facilities or equipment.

Financial Information:

1997-98	1998-99	1999-2000
<u>Budget</u>	<u>Requested</u>	<u>Requested</u>
\$2,247,000	\$2,220,500	\$2,328,500

There are two separate contracts, one with the SREB for Optometry and Veterinary Medicine and one with Indiana University for Optometry. CPE staff certifies student eligibility, and the enrolling institution certifies admission and enrollment. Funds are disbursed annually except for one institution that receives four installment payments. SREB processes payments for its contract; Indiana University bills CPE directly.

In December 1997, SREB notified CPE that its Executive Committee had approved increases in student contract fees, effective for all students enrolled under contract in fall 1999. In addition, SREB will conduct a review of its Contract Program in 1998; CPE staff will participate in this review.

Statutory Authority:

KRS 164.530 and 164.540 assign responsibility to CPE to coordinate the SREB compact. The Indiana agreement falls under the general authority of CPE pursuant to KRS Chapter 164.

Program Information/Evaluation Mechanism:

Student information is maintained on the number of students who apply for one of the eligible programs. The billing information from SREB and Indiana contains the names of students actually enrolled.

The disbursement of funds and final expenditure reports provide financial accountability information.

Staff Recommendation:

CPE staff will participate in SREB's review of the Contract Program, which will take place during 1998.

CPE staff will discuss with SREB and Indiana University the feasibility of conducting a satisfaction survey for prospective and enrolled students.

Estimated completion date: December 1998.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: Rural Allied Health and Nursing Program

Committee: Quality and Effectiveness

Program Description/Purpose:

CPE is responsible for overseeing the Rural Allied Health and Nursing Program established by the 1990 Kentucky General Assembly through the 1990/92 appropriations bill (HB 799). CPE subsequently adopted *Guidelines for the Distribution of Funds for the Improvement of Allied Health and Nursing Programs*. Each year of the 1996/98 biennium, \$373,500 was appropriated to CPE for subsequent allocation to the four regional universities (EKU, MoSU, MuSU, WKU) specified in the bill as eligible to receive funds.

The following is a description of the types of activities being conducted by the four institutions with funds made available through the Rural Allied Health and Nursing Program. All activities are consistent with the intent of the General Assembly when it created the program in 1990 and with the Guidelines established by CPE.

EASTERN KENTUCKY UNIVERSITY (EKU) - Three projects received continuation funding in the 1996/98 biennium:

Paramedic Training in Hazard/Perry County -- Although designated as based in Hazard / Perry County, the project serves students from several other counties in southeast Kentucky as well. The need for paramedics in this area has been well documented. Approximately 50 students have graduated from the program and 17 more are currently enrolled.

BSN and MSN Extended-Campus Nursing Program -- This outreach nursing program extends to associate degree nurses in the Corbin, Somerset, and Manchester areas the opportunity to pursue their baccalaureate degree with minimal travel to EKU's main campus in Richmond. Program funds are used to support site coordinators and one full-time nursing faculty member housed at EKU's extended-campus center in Corbin. In addition to on-site instruction, the faculty has adapted some courses for delivery via the KET Star Channels satellite capability. The first eight associate degree nurses to earn their BSN degree graduated in May 1993. To date, 144 students have graduated from the BSN program, and 16 have graduated from the MSN program (initiated in 1995). The need for these advanced level nurses (i.e., BSN and MSN) is well documented. Approximately 300 students in the outreach service area are currently at some stage of the program leading to the BSN degree; approximately 50 are at some stage of the program leading to the MSN degree.

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Occupational Therapy -- Occupational Therapy (OT) and Physical Therapy (PT) rank at the top of the list in terms of health personnel shortages nationwide and in Kentucky. Only one OT program operates in Kentucky – at EKU. One of the problems with respect to OT is not been enough approved field work and internship sites exist in the state. As a result, many EKU students have had to leave Kentucky for the required intern and fieldwork components of their program. Unfortunately, when many left, they did not return to Kentucky to practice. Project funds are used to develop and maintain field work and internship sites throughout the state and to encourage graduates to practice in more rural areas. The project has been highly successful. There are now therapists in Corbin, Hazard, London, Bowling Green, and Elizabethtown; prior to this program, none were employed in those communities. In addition, 30 new internship sites have been developed in McKee, Harlan, Owensboro, Somerset, Danville, Estill County, and Maysville. Prior to this project there were only 3-4 internship sites in the entire state.

MOREHEAD STATE UNIVERSITY (MoSU) - One project received continuation funding during the 1996/98 biennium:

BSN Extended-Campus Nursing Program -- The goal of the MoSU project is similar to that of the EKU nursing project discussed above, although it operates somewhat differently. The MoSU program is centered in Prestonsburg and project funds support a full-time coordinator (faculty), support services, equipment, and operating expenses (travel, publications, etc.). The program serves students in the far southeast area of the state and enables associate degree nurses to complete their baccalaureate degree without having to commute to the Morehead campus. Distance learning technologies are used intensively in delivery of coursework to Prestonsburg and, more recently, Ashland.

The first thirteen students graduated in May 1993, with the total number of graduates now at about 60. Approximately 180 students are at some stage in the program. They generally complete prerequisite courses at area colleges such as Prestonsburg Community College (PCC), Pikeville College, or Hazard Community College. This program was recently expanded to the Ashland area, and cooperative efforts are being planned with the UK Center for Rural Health headquartered in Hazard.

MURRAY STATE UNIVERSITY (MuSU) - One project received continuation funding during the 1996/98 biennium:

BSN and MSN Extended-Campus Nursing Program -- Program funds during the 1990/92 biennium were used to fund in part the establishment of a high speed (T1) compressed video classroom at Madisonville Community College (MCC) to deliver baccalaureate and master's level nursing courses and support services. In the 1992/94 biennium, funds were used to expand offerings and to support one full-time faculty member at the Madisonville site. This individual teaches on-site and via the T1 network, which now includes Paducah Community College and Hopkinsville Community College. The faculty member also provides student advising and clinical supervision. This program has impacted the number of students actively pursuing the MSN at Murray, which has more than doubled since 1990. Each semester, 4-5 nursing courses are delivered simultaneously to three different sites by regular full-time nursing faculty.

The placement of a faculty member in Madisonville has resulted in cooperative efforts with the Trover Clinic, the Trover Educational Foundation, which provides office space and furnishings; Madisonville and Hopkinsville Community Colleges; and the West Area Health Education System. In addition, the compressed video capability has led to extensive use of the technology by other units of the university. The faculty member in Madisonville is leading efforts to establish an RN to MSN degree program similar to the program now being offered by UK in Hazard. Should that effort prove productive, it would further increase the number of individuals pursuing the BSN and/or MSN.

The faculty member at Madisonville is also working closely with the newly established Certified Registered Nurse Anesthetist (CRNA) certificate program of the Trover Educational Foundation, the only CRNA program in the Commonwealth. Currently about 45 MSN Nurse Practitioner students and a similar number of BSN students are enrolled.

WESTERN KENTUCKY UNIVERSITY (WKU) - One project was funded for continuation during the 1996/98 biennium:

During the 1990/92 biennium, funds were provided to WKU to expand the associate degree nursing program at Glasgow and to enhance and expand the BSN program in Owensboro. The latter project, which was focused exclusively on upgrading equipment, met its goals and was not continued. The associate degree program at Glasgow was funded during the 1996/98 biennium for continued development. Program funds have been used to support an increase in the number of faculty necessary to meet the needs of the Glasgow students. Despite the increase in capacity, neither the on-campus nor the extended-campus program is able to meet the demand for nursing by qualified students. The program continues to graduate 40-50 students each calendar year. Distance learning technologies are now being used to offer WKU's baccalaureate and master's nursing programs at remote sites.

In summary, these Rural Allied Health and Nursing funds have been used efficiently and effectively to address the need to increase the supply of health personnel in rural areas of the state. The disciplines involved rank at the top of the health personnel shortage lists in the state, although the need for associate degree nurses is diminishing.

Financial Information:

1997-98 <u>Budget</u>	1998-99 <u>Requested</u>	1999-2000 <u>Requested</u>
\$373,500	\$394,500	\$416,000

Since 1994, the award of funds has been for continuing programs. The amounts have varied due to budget reductions imposed on the program, but the basic funding is constant. Funds are distributed on a quarterly basis.

The current distribution of funds is as follows:

	<u>1997/98</u>
Eastern Kentucky University	\$115,685
Morehead State University	85,905
Murray State University	85,905
Western Kentucky University	85,905
	<hr/>
Total	\$373,500

Statutory Authority:

Authorization comes through the biennial appropriation bill. CPE does have direct authority to support professional education preparation programs (KRS 164.028) particularly directed at underserved areas of the state.

Program Information/Evaluation Mechanism:

Institutions file annual performance reports indicating what each project has accomplished during the year. Continued funding is dependent upon satisfactory progress being maintained.

Staff Recommendation:

Guidelines should be reviewed and specific goals should be established for the program.

An independent evaluator should be employed to increase the information available from the four universities on enrolled students and graduates.

Consideration should be given to distributing the funds to the institutions' budget base with the stipulation that annual performance reports be filed with CPE.

Estimated completion date: December 1998.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: Professional Education Preparation Program

Committee: Quality and Effectiveness

Program Description/Purpose:

The Professional Education Preparation Program (PEPP) was established in 1980 pursuant to KRS 164.028 through 164.0282.

The program assists students and prospective students from rural and inner-city areas experiencing medical and dental workforce shortages to gain admission to and graduate from medical or dental school. The underlying premise is that such students are more likely to establish a medical practice in underserved areas of the state. Historically, students from such areas have not applied to medical or dental school at the same rate as have their non-shortage area counterparts; moreover, when they did apply, they were not accepted at the same rate.

All funds appropriated to CPE for the PEPP program are subsequently allocated to the University of Kentucky and the University of Louisville to conduct the following program activities:

High School Visits -- University PEPP staff and staff from the state's seven Area Health Education Centers visit high schools located in medically underserved counties and inner-city areas to inform students of health career opportunities and of the opportunity to participate in the PEPP program. Program application forms are distributed at these information sessions.

Pre-Freshman (PF) Workshops -- New high school graduates are selected to participate in a six-week summer workshop conducted at the University of Kentucky and the University of Louisville. Approximately 80-100 students participate each summer. Of these, 72-80 are supported with PEPP funds, 10 "high income" students pay their own way, and 10 (usually minority students from "non-eligible areas") are supported with university minority program funds. Every year, approximately 60 qualified students are not accepted into the program due to lack of funds to support them.

Undergraduate Training Conferences (UTC) -- PEPP-eligible students who have completed at least two years of college are selected to participate in the second phase of the program, the Undergraduate Training Conference. These summer sessions last six to eight weeks and are conducted on the campuses of the two universities. Approximately 50 students participate in the UTC's each summer. Demand for this 2nd phase workshop is increasing rapidly as the number of students who have participated in the Pre-Freshman Workshops increase (i.e., the pool of potential participants is growing rapidly).

Assessment Conferences -- PEPP-eligible students are invited to the campuses of the two universities for weekend assessment conferences where they receive special counseling and advisement with respect to their remaining undergraduate studies and preparing their medical school applications. Approximately 100 students participate in the weekend seminars designed primarily for students who have previously participated in the PF or UTC workshops. However, these workshops also help identify students from PEPP counties who have not previously participated but who have indicated an interest in medicine or dentistry.

MCAT/DAT Seminars -- Special two-to-three day seminars on preparing for the professional admissions tests (MCAT and DAT) are conducted each year for PEPP students just prior to the time they are scheduled to take the tests.

Tutoring -- Due to the large number of students enrolled in undergraduate studies at UK and Transylvania University, the PEPP program at UK is able to provide special tutoring in math and chemistry for PEPP-eligible students.

Summer Job Placement -- Upon request, the PEPP staff at the universities and AHEC staff throughout the state will assist students secure health-related summer jobs or volunteer opportunities.

Regular Follow-up -- The two universities maintain regular contact with PEPP students throughout their undergraduate and professional school studies and provide assistance and advocacy during the admissions process. Follow-up continues with those students who are admitted to the professional schools.

Practice MCAT/DAT Seminars -- Twenty-to-thirty students will participate in these seminars each year.

The first PEPP medical and dental students graduated in 1989. Since that time 181 have graduated. The majority of the medical school graduates who participated in PEPP are still in their residency training programs. Of these, 70 percent are in primary care residency training programs. In addition, an unusually large percentage of the remaining residents are in psychiatry, a discipline often associated with primary care.

Insufficient time has elapsed to permit a meaningful evaluation of practice location.

Students who participate in the PEPP Pre-Freshman workshop are three times as likely to apply to medical school than an established control group. PEPP students apply to dental school at three and one-half the rate of the control group.

PEPP participants who apply to medical school are almost twice as likely to be accepted than those applicants from PEPP eligible counties who did not participate in PEPP. PEPP applicants are also more likely to be accepted to dental school than other PEPP applicants. This success comes despite the fact that the "non-PEPP" applicants were better students coming out of high school (as measured by ACT scores).

The number of PEPP students enrolled in medical school has increased by 117 percent since 1980. Moreover, although the number of entering students has been reduced (from 253 in 1980 to 219 currently), the number of PEPP students enrolled in dental school has increased by 32 percent and constitutes 39 percent of all dental school enrollees (as compared to 19 percent in the early 80's).

Financial Information:

<u>Budget</u>	<u>Requested</u>	<u>Requested</u>
\$293,500	\$310,000	\$327,000

Funds are divided equally between the University of Kentucky and the University of Louisville. Distribution to the institutions occurs semi-annually.

Statutory Authority:

KRS 164.028 through 164.0282. The Professional Education Preparation Program (PEPP) was established by the General Assembly in 1980. KRS 164.028 requires CPE to maintain an office for Professional Education Preparation.

Program Information/Evaluation Mechanism:

Program information is maintained for all PEPP applicants and participants including follow-up information on enrollment in health-related academic programs. Too little time has passed for follow-up on actual medical practice location. Institutions are planning to conduct such a follow-up.

Staff Recommendation:

CPE staff contracted with an independent evaluator to perform an assessment of PEPP. The report has a targeted completion date of February 1998, at which time it will be provided to CPE.

No further action is required.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: Metroversity Consortium

Committee: Quality and Effectiveness

Program Description/Purpose:

Since the late 1970s, CPE has supported cooperative activities among and services to twelve postsecondary education institutions in the Greater Louisville area through an interstate consortium. On behalf of the participating institutions, Metroversity operates the Educational Opportunity Center, a cross-registration program, student and faculty competitions and activities, and interlibrary courier service. The Consortia also maintains a cable TV channel for institutional use. State funds represent less than 10 percent of Metroversity's total budget.

The primary impact of the Metroversity Consortia is to provide, through a sharing of resources and effort, a wide range of services to students, faculty, institutions, and citizens of the Greater Louisville area. Through cooperative arrangements developed and administered by Metroversity, services that would normally be beyond the capability of a single institution are cost-effectively made available to all seven member institutions. The following are examples:

Cross-registration program -- 500 students annually

Library Exchange -- 20,000 volumes exchanged annually

Student Competitions -- 700-1,000 students annually

Faculty Exchanges -- Involves seven institutions

Cable TV Offerings -- 5 hours per day, 5 days per week

Educational Opportunity Center -- 3,000 clients annually

Standing Committees -- e.g., Business Officers and Instructional Technology

Financial Information:

1997-98	1998-99	1999-2000
<u>Budget</u>	<u>Requested</u>	<u>Requested</u>
\$53,000	\$56,000	\$59,000

Funds are distributed to the Louisville-based consortia in two installments, one in the fall and one in spring.

Statutory Authority:

The authorization is contained in the biennial appropriations bill. The Metroversity Consortia is not a state agency and, therefore, cannot receive state funds directly. CPE serves as a conduit for the state appropriation.

Program Information/Evaluation Mechanism:

Information is available through the Consortia on services and participants.

Staff Recommendation:

CPE staff will request that the University of Louisville, one of the primary participants in the Consortia, facilitate a review of programs and services for Consortia members.

Consideration should be given to transferring the appropriated funds to the University of Louisville.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: KEYS to KERA

Committee: Quality and Effectiveness

Program Description/Purpose:

The current program, known as KEYS to KERA, started out as Destination Graduation and later became CampusServe. KEYS to KERA is part of the agency's overall support of elementary and secondary education reform. The program is funded primarily through the federal Corporation for National and Community Service. The federal funds are received through the University of Kentucky on behalf of the community college system. The University of Kentucky Research Foundation acts as fiscal agent and has assigned a project coordinator to oversee the project. State funds are used to pay for the project director and an assistant. The state funds are used to match in part the federal dollars and to support supplemental activities.

The federal government through the Learn and Serve initiatives encourages education institutions to develop service learning programs. The Kentucky grant funds individual projects at postsecondary education institutions where students are encouraged to participate in programs combining service with traditional learning. The primary focus of the Kentucky program is to provide services to elementary and secondary education schools.

CPE's participation in the program derives from Joint Resolution 54 (enacted in 1990), which encouraged CPE to support implementation of KERA and from CPE's Strategic Plan.

Over 25 schools participate in the KEYS to KERA program with over 2,000 students serving 10,000 people.

Financial Information:

<u>1997-98</u> <u>Budget</u>	<u>1998-99</u> <u>Requested</u>	<u>1999-2000</u> <u>Requested</u>
\$65,000	\$68,500	\$72,500

The amounts contained in the appropriation are transferred to the University of Kentucky Community College System (UKCCS) in four installments. State funding supports the matching requirements of the federal grant and provides supplementary funding for the program.

Statutory Authority:

The program is consistent with the general provisions of KRS Chapter 164, whose statutes encourage CPE to support P-12 reform.

Program Information/Evaluation Mechanism:

The University of Kentucky, on behalf of the Community College System, is the grant recipient. Information is maintained on institutions and individuals participating through sub-grants. That information is available to CPE.

Staff Recommendation:

CPE staff will request that the Kentucky Community and Technical College System (KCTCS), on behalf of the University of Kentucky Community College System (UKCCS), provide information on the effectiveness of programs and services.

No further action should be taken on program review and evaluation until it is known whether KCTCS will apply for a new grant.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: Experimental Program to Stimulate Competitive Research (EPSCoR)

Committee: Investment and Incentives

Program Description/Purpose:

The Experimental Program to Stimulate Competitive Research (EPSCoR) is a unique infrastructure building effort initiated by the National Science Foundation (NSF) in 1978 to encourage local action in developing long-term improvements in each state's science and engineering enterprise. The Kentucky EPSCoR initiatives began with a planning grant in 1985 and a five year \$16.5 million program in 1986. That program was funded based on a dollar-for-dollar match between state general funds and federal funds through NSF.

As a response to Congress and to the NSF initiatives, the Environmental Protection Agency (EPA), the Department of Defense (DOD), the Department of Energy (DOE), the National Aeronautics and Space Administration (NASA), and the National Institute of Health (NIH) initiated EPSCoR-like programs. Each agency has its own objectives, which include improving the capabilities of universities to conduct research, to educate scientists in areas of national and state interest aligned with the particular agency, and to develop science and engineering humanpower to meet current and future needs.

As EPSCoR programs for agencies other than NSF began, the Kentucky statewide EPSCoR Committee decided that coordination of all EPSCoR activities under a single statewide entity would provide for greater enhancement of the Research and Development (R&D) infrastructure in the state and for the training of scientists and engineers. Since the Kentucky Science and Technology Council's (KSTC) activities involve statewide research, science and mathematics education programs, and technology development, the EPSCoR Committee aligned itself with KSTC and directed KSTC to assume a statewide coordinating role. This coordinated approach to EPSCoR initiatives enabled Kentucky to increase EPSCoR funds threefold in the past two years, to expand participation in EPSCoR to twelve institutions within the state, and to receive federal funding from all federal agencies sponsoring EPSCoR activities for which Kentucky is eligible.

KSTC and Kentucky postsecondary education institutions have been successful in the following areas: strengthening Kentucky's science and technology infrastructure; facilitating the transfer of research and technology; facilitating collaboration among Kentucky colleges, universities, businesses and industry; making a significant investment in the economic well-being of Kentucky; and helping Kentucky science and research teams become nationally competitive.

Expansion activities include potential funding from the Department of Defense (DOD), the Department of Energy (DOE), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the National Institute of Health (NIH), and the National Science Foundation (NSF). The projected sources of funds, state and federal, are included in the letter from the Kentucky Science and Technology Council (KSTC).

EPSCoR has been immensely successful in leveraging federal dollars over the past decade. State appropriations of some \$13 million have yielded \$32 million in federal funds since the inception of the state program. This is a 2.5:1 yield of federal to state funds.

The current year, 1997-98, appropriation of \$2.2 million, while representing a significant increase in state funds, has already proven inadequate to support project applications. Kentucky declined to participate in an EPA sponsored EPSCoR project this year because of a lack of state matching funds.

NSF has increased program funds by \$20 million in the current year. NIH also is expected to further increase its level of funding for EPSCoR initiatives. Other participating federal agencies are expected to either hold funding levels constant or to increase them slightly.

Financial Information:

<u>1997-98</u>	<u>1998-99</u>	<u>1999-2000</u>
<u>Budget</u>	<u>Requested</u>	<u>Requested</u>
\$2,200,000	\$3,000,000	\$3,000,000

Funds are transferred directly to the Kentucky Science and Technology Council (KSTC), a non-state agency. A committee within KSTC assists in selecting those university grant applications to be supported with state funds.

Statutory Authority:

The specific authority for the EPSCoR initiative is contained in the biennial appropriations bill.

Program Information/Evaluation Mechanism:

The Kentucky Science and Technology Council maintains detailed records on project applications, projects approved, and federal funds received. That information is provided to CPE during the biennial budget request cycle.

Staff Recommendation:

CPE staff will discuss with the Kentucky Science and Technology Council (KSTC) the procedures used to evaluate grant proposals and award state funds to individual projects.

Estimated date of completion: July 1998.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: Telecommunications Consortium (Educational Television)

Committee: Quality and Effectiveness

Program Description/Purpose:

The Kentucky Telecommunications Consortium was established in 1978 with funding provided through the budget of CPE. Programming and staff services are provided by Kentucky Educational Television (KET) through a Memorandum of Agreement with CPE. Members of the Consortium, which makes the programmatic decisions, include the eight public universities, a representative of the UK Community College System, a representative of the Association of Independent Kentucky Colleges and Universities (AIKCU), and a staff member of CPE. The composition of the Consortium will change in 1998-99 when KCTCS is fully operational.

The Consortium provides college credit courses via KET's open broadcast television capability. Generally, 25 courses are broadcast each academic year. Both undergraduate and graduate courses are offered. Students may enroll by mail and view courses in their homes.

All public institutions and any private, non-profit institution licensed by CPE may offer Consortium telecourses for credit. Any such institution may elect to offer all or none of the courses broadcast under Consortium auspices in any given semester and must pay to the Consortium a fee of \$18 per enrolled student. This fee, in turn, is paid to the telecourse distributors (i.e., PBS). This fee is in addition to required telecourse licensure fees of approximately \$3,200 per course. Licensure fees are paid to the Consortium from state appropriations. In addition to administering the program, KET provides office space and does not charge for airtime.

Data from the 1990 census indicate that Kentucky continues to rank at or near the bottom in virtually all measures of educational attainment and, in particular, the percent of state population with more than one year of college. The offerings of the Kentucky Telecommunications Consortium provide an excellent vehicle to reach non-traditional, place-bound adults who may have no other means to improve their educational attainment level. The courses offered by the Kentucky Telecommunications Consortium are directed primarily to non-traditional, place-bound students. The subject areas routinely offered include business, history, math and science, psychology, and sociology. Generally, at least two graduate courses are offered each semester for in-service elementary and secondary education teachers.

From a total enrollment of 850 in its first year of operation (1978/79), consortium enrollment currently exceeds 7,000. Much of this growth is due to increases in the number, variety, and quality of courses being offered. In the late 1980's, KET developed its Star Channels satellite capability, and, while the consortium does not presently use the satellite medium, the telecommunications development of Star Channels was a boon for the Consortium because it allowed KET to free-up more broadcast airtime for Consortium use. As a result, the number of courses being offered each year has increased considerably, from 12-13 in the mid-1980's to the current level of 25.

The chart below describes enrollment since the Consortium was created. Enrollment has declined slightly in the current biennium.

***Telecommunications Consortium Enrollment
1978/79 – 1996/97***

1978/79	848	1983/84	2,035	1988/89	4,711	1993/94	6,089
1979/80	1,640	1984/85	2,373	1989/90	5,297	1994/95	6,750
1980/81	1,422	1985/86	3,070	1990/91	6,292	1995/96	6,750
1981/82	2,452	1986/87	4,348	1991/92	6,400	1996/97	7,200
1982/83	2,677	1987/88	4,611	1992/93	7,030		

In 1996/97, the eight public universities, all community colleges, and six independent colleges offered one or more of the Consortium courses for college credit.

Financial Information:

<u>1997-98 Budget</u>	<u>1998-99 Requested</u>	<u>1999-2000 Requested</u>
\$167,500	\$177,000	\$187,000

Funds are distributed to Kentucky Educational Television Authority once the Consortium makes programming decisions. Distribution of funds is quarterly.

Statutory Authority:

KRS Chapter 164 provides general authority.

Program Information/Evaluation Mechanism:

Information on participants in consortium courses is collected for each semester and provided to CPE.

Staff Recommendation:

No action is recommended until the role of the Commonwealth Virtual University is more clearly determined. Staff views the roles of KET and television broadcast courses as part of the broader discussion encompassing the Commonwealth Virtual University and distance learning.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: Governor's Minority Student College Preparation Program

Committee: Trends and Operations

Program Description/Purpose:

The Governor's Minority Student College Preparation Program is designed to increase the educational preparation of African-American middle school students (grades 7-9); to reduce their high school drop-out rates; to increase their educational aspirations; and to increase the recruitment, retention, and college graduation of Kentucky's minority residents.

Minorities currently drop out of high school in greater numbers than non-minorities. Minorities also score lower than non-minorities on college entrance examinations and receive a smaller percent of the baccalaureate degrees.

The major goals of the program are to increase minority students' awareness of college as a viable option and to help prepare them to do well in college and persist to graduation. The program places emphasis on early intervention in an attempt to overcome problems at the high school level that tend to reduce the pool of minorities interested in attending and prepared to do well in college.

During 1996/97, the program served 1,200 middle and high school minority students. A similar number will be served during 1997/98. (These numbers are expected to hold constant through 1998/2000.) Preparation activities include academic enrichment classes in English, math, and computer science; field trips to colleges and universities to familiarize students with the collegiate environment; counseling, tutoring, and test-taking exercises to help students overcome academic deficiencies; and intensive on-campus summer experiences (1-5 weeks) for over 400 students. Workshops on financial aid, values, careers, and college success strategies are prominent features of all the programs, as is a new effort to involve parents in the program.

Expansion funds are requested each year of the 1998/2000 biennium to add five additional sites. These sites will be located in northern and western Kentucky as well as one site for the community college system and for the technical institutions.

The budget for the Governor's Minority Student College Preparation Program has not increased in recent years despite expansion of the Kentucky Plan for Equal Opportunities to include community colleges. The additional sites reflect increasing emphasis on early intervention and on retention improvement.

Financial Information:

<u>1997-98</u> <u>Budget</u>	<u>1998-99</u> <u>Requested</u>	<u>1999-2000</u> <u>Requested</u>
\$198,500	\$269,500	\$281,000

Funds are awarded annually through grant proposals submitted by institutions and are distributed semi-annually.

Statutory Authority:

CPE has been assigned responsibility for equal opportunity planning for higher education.

Program Information/Evaluation Mechanism:

Staff collects information on the number of participants at each site and for each activity.

Staff Recommendation:

An independent evaluation of the program's effectiveness should be conducted. The evaluation should examine how effectively existing programs and activities meet current program goals for enrollment and retention of minority students and review existing program goals. The evaluation should produce recommendations for new approaches, if appropriate, for institutional sub-grants.

Estimated date of completion: December 1998.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: SREB Compact for Faculty Diversity

Committee: Trends and Operations Committee

Program Description/Purpose:

CPE is assigned statutory responsibility for interstate programs. The statutory reference that provides authority for SREB programs is KRS 164.530-540.

The SREB Faculty Diversity program is a cooperative interstate venture that seeks to support and encourage minority students to pursue doctoral degrees. The program seeks to increase the number of minority faculty members employed as college faculty by increasing the available pool of minority candidates. Students are provided scholarships and other financial support to attend institutions throughout the southern region and in some midwest states as well. The SREB program is a part of a national effort; similar programs exist in the northeast and the west.

In the past, this program has been supported from reallocated funds within the agency budget. It is an expansion request in the current 1998/2000 biennial budget request.

Financial Information:

<u>1997-98</u> <u>Budget</u>	<u>1998-99</u> <u>Requested</u>	<u>1999-2000</u> <u>Requested</u>
\$52,000*	\$34,000	\$68,000

*Funds were temporarily reallocated from surplus payroll accounts. The funds are provided to SREB for allocation to participating students and institutions.

Statutory Authority:

CPE has been assigned authority to conduct equal opportunity planning.

Program Information/Evaluation Mechanism:

Since the program is relatively new, evaluation data are not yet available to determine the program's effectiveness.

Staff Recommendation:

No action is recommended until CPE learns whether the state will support the expansion request.

**COUNCIL ON POSTSECONDARY EDUCATION
PASS-THROUGH PROGRAMS**

Title: State Autism Training Center

Committee: Trends and Operations

Program Description/Purpose:

The Kentucky State Autism Training Center was authorized by the 1996 General Assembly to provide coordinated services for training individuals involved in delivering services to those diagnosed with autism or autistic related disorders. The statutory authorization for the center is KRS 164.981 through 164.9819.

The statute requires that CPE operate a state autism training center by contracting with a public university. In 1996, CPE contracted with the University of Louisville to operate the center.

Financial Information:

<u>Budget</u>	<u>Requested</u>	<u>Requested</u>
\$200,000	\$211,500	\$223,000

Funds are distributed twice annually to the University of Louisville.

Statutory Authority:

KRS 164.981 through 164.9819.

Program Information/Evaluation Mechanism:

CPE has contracted with the University of Louisville to provide the services required in the statutes. This was done by Memorandum of Agreement (MOA). The MOA requires annual reporting and sets out expectations for the Center's operations. A report is due by June 30, 1998.

Staff Recommendation:

No action is recommended at this time since the Center has been operating only since July 1, 1997. CPE staff will continue to monitor the Center's operations and provide CPE with reports.

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Information:

Pursuant to KRS 164.020(18), CPE staff certifies that CPE can receive academic program proposals during calendar year 1998 from 20 of 22 postsecondary education institutions – either through automatic eligibility or the waiver process as provided in 13 KAR 2:060, *Policy on Degree Program Approval; Equal Opportunity Goals*.

Statutory Authority

KRS 164.020(8), SB 398, was enacted by the General Assembly in 1992 and states that, “The Council on Postsecondary Education shall postpone the approval of any new program at a state institution of higher learning, unless the institution has met its equal opportunity goals, as established by CPE.” KRS 164.020(8) was included in HB 1 in the Special Session of the General Assembly in May 1997, codified as KRS 164.020(18), and implemented through Administrative Regulation 13 KAR 2:060.

Background:

In accordance with administrative regulations promulgated by CPE, those institutions not meeting the goals shall be able to obtain a one-year waiver, if the institution has made substantial progress toward meeting its equal educational opportunity goals. HB 1, enacted in the 1997 Special Session of the General Assembly, will make the Kentucky Tech System a part of the postsecondary education system. The KY Tech institutions are not yet officially part of postsecondary education and therefore are not addressed in this evaluation.

CPE authorized its Committee on Equal Opportunities to oversee the implementation of the process. Administrative Regulation 13 KAR 2:060 sets forth the procedures to be used to determine institutional status (eligible to submit or postpone approval). The administrative regulation lists the degree program eligibility status that may result from data analysis.

The process for evaluating institutional progress in implementing the various objectives of *The 1997-2002 Kentucky Plan for Equal Opportunities* was revised to reflect the evaluation methodology employed by CPE in accountability reporting. The methodology adopted is the use of “continuous progress” as the determining element of institutional success in implementing each specific measurable objective. Continuous progress means that an institution shows an increase in the number of students or employees over the previous year for each category of objectives.

At the July 21, 1997 meeting, CPE adopted the *1997-2002 Kentucky Plan for Equal Opportunities in Postsecondary Education*. The new plan is intended to provide oversight and to guide equal opportunity initiatives over the next five years. CPE also adopted a revised administrative regulation at its October 1997 meeting to guide implementation and evaluation of institutional progress in implementing the strategies identified in the new plan. As part of that process the CEO and CPE agreed that evaluation of institutional progress would be in the form of certification and reporting by CPE staff of the status of each institution to request new academic programs. The certification of institutional status is to be reported to CPE at its January meeting.

SUMMARY OF ELIGIBILITY STATUS

Eligibility Category	Community Colleges	Universities	Total
Automatic	4	5	9
Quantitative Waiver	5	2	7
Qualitative Waiver	4	0	4
Not Eligible	1	1	2
Total	14	8	22

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INSTITUTIONAL ELIGIBILITY FOR CALENDAR YEAR 1998

The eligibility status of the institutions was determined through application of the administrative regulation (13 KAR 2:060). The status of each institution and the supporting information is:

COMMUNITY COLLEGES

Institution	Objectives showing Continuous Progress	Total Objectives Evaluated	1998 Eligibility Status
Ashland CC	2	2	Quantitative
Elizabethtown CC	1	2	Qualitative
Hazard CC	3	3	Automatic
Henderson CC	2	3	Quantitative
Hopkinsville CC	2	3	Quantitative
Jefferson CC	4	4	Automatic
Lexington CC	4	4	Automatic
Madisonville CC	3	3	Automatic
Maysville CC	2	3	Quantitative
Owensboro CC	2	3	Quantitative
Paducah CC	1	2	Qualitative
Prestonsburg CC	1	1	Qualitative
Somerset CC	1	4	Qualitative
Southeast CC	2	3	Not Eligible

Notes:

All community colleges are working toward four objectives. When less than four are cited, the college had too few employees in an objective area for a measurement to be made.

Automatic eligibility equals progress in 3 of 4 (or 75%) of the objectives and continuous progress of 100%.

Quantitative waiver equals progress in 2 of 4 (or 50%) of the objectives, 80% continuous progress, a governing board resolution, and no waiver during the 1997 calendar year.

Qualitative waiver requires submission of specified information, a governing board resolution, no waiver during the 1997 calendar year, recommendation by CEO, and CPE approval.

UNIVERSITIES

Institution	Objectives showing Continuous Progress	Total Objectives Evaluated	1998 Eligibility Status
Eastern Kentucky	6	8	Automatic
Kentucky State	5	7	Automatic
Morehead State	5	8	Quantitative
Murray State	6	8	Automatic
Northern Kentucky	5	8	Not Eligible
University of Kentucky - US	6	8	Automatic
University of Louisville	5	8	Quantitative
Western Kentucky	6	8	Automatic

Notes:

Kentucky State University is working toward seven objectives; the university has too few graduate degree programs to participate in the goal related to Enrollment of Graduate Students.

Automatic eligibility equals progress in 6 of 8 (or 75%) of the objectives and continuous progress of 100%. Kentucky State is 5 of 7 (or 71%) and show an increase in the number of entering freshmen with ACT scores at or above the statewide average.

Quantitative waiver equals progress in 5 of 8 (or 63%) of the objectives, 80% continuous progress, a governing board resolution, and no waiver during the 1997 calendar year. Kentucky State is 4 of 7 (57%).

Qualitative waiver requires submission of specified information, a governing board resolution, no waiver during the 1997 calendar year, recommendation by CEO, and CPE approval.

Update:

At its October 20 meeting, CPE received a summary of the priorities established by CPE during the October 7 discussion facilitated by Aims McGuinness. At that time, Chair Hardin indicated that CPE members would receive a report of progress on efforts related to addressing those priorities at each CPE meeting, beginning in January 1998.

Those CPE priorities were categorized in terms of three time periods: *immediate priorities*, to be completed by the November 3 CPE meeting; *short-term priorities*, to be completed by March 1998; and *ongoing priorities*, to be completed after March 1998.

This agenda item provides a brief summary of the status of the *immediate* and *short-term priorities*. The *ongoing priorities* will be updated as significant activities occur in the priorities.

Immediate Priorities (to be completed by November 3, 1997)

- *Approve agency operating budget request.* Completed.
- *Approve capital projects budget request.* Completed.
- *Approve institutions' operating budget request.* Completed. CPE also approved a recommendation to the Governor and General Assembly that before operating and maintenance funds be allotted, each institution be required to submit for CPE approval a facilities maintenance plan establishing and committing to a maintenance standard for facilities at the institution.
- *Approve incentive trust funds criteria.* Completed. In addition, CPE directed its Work Group to develop a Criteria and Application Guidelines document for each trust fund in accord with the criteria approved for each fund. [See Agenda Item CPE (I).]
- *Recommend 1998/2000 funding levels for each incentive trust fund.* Completed.
- *Approve 1998/2000 tuition rates.* Completed. In addition, CPE directed that its tuition-setting policy be reviewed in 1998 due to inclusion of the postsecondary technical schools within the tuition-setting authority of CPE and the planned implementation of the Commonwealth Virtual University. A proposed workplan for this review is included as Agenda Item CPE (N-1).
- *Establish interim policy for new and postponed academic program proposals.* Completed. In addition, CPE directed staff to commence a comprehensive study of statewide academic program policies to serve as a basis for designing a system of

academic program policies that reflect the content and spirit of the Kentucky Postsecondary Education Improvement Act of 1997. A proposed work plan for this comprehensive study is included as Agenda Item CPE (M-3).

- *Establish interim policy for Pre-College Curriculum (PCC)* (in light of new high school graduation requirements). At its November 3 meeting, CPE directed staff to undertake a policy study on minimum admission requirements for all sectors of the postsecondary education system, including an evaluation of the effectiveness of the Pre-College Curriculum, in order to design minimum admission requirements that support the reform agenda. A proposed work plan for this study is included as Agenda Item CPE (M-4).
- *Begin development of public agenda/mission statement.* At the October 20 CPE meeting, Chair Hardin asked the work group appointed to deal with budgets and the incentive trust funds to start work on the strategic agenda. A presentation on the strategic agenda development process will be made at the January 1998 full CPE meeting. [See Agenda Item CPE (C).]
- *Establish relationship with SCOPE.* CPE Chair Leonard Hardin provided an update of CPE activities at SCOPE's October 29 meeting. At that meeting, SCOPE heard presentations from four national search firms; Korn/Ferry International was selected to assist in the search for a CPE president. SCOPE has identified a subset of its members to act as a Search Task Force. The Task Force held its first meeting on December 8. [See Agenda Item CPE (J).]

Short-term CPE priorities (to be completed by March 1998)

- *Determine conceptual model for Commonwealth Virtual University.* The process of developing this conceptual model has begun. At the October 20 CPE meeting, Lee Todd, Chair of the Distance Learning Advisory Committee, presented background information to CPE members. In November, the DLAC held its first meeting to discuss the CVU, and a group of six (CPE members, staff, and institutional representatives) met with individuals in Boulder and Denver, Colorado to explore possible models for Kentucky's CVU. This development process will continue at the next Distance Learning Advisory Committee meeting, which will be held in early 1998. A more detailed update is included as Agenda Item CPE (D).
- *Recruit staff to support CVU.* CPE staff is exploring opportunities to engage short-term staff assistance to support development of the CVU.
- *Develop uniform financial reporting system.* Institutional presidents have identified representatives to serve on a task force charged with developing the uniform financial reporting system. A more detailed update is included as Agenda Item CPE (N-2).
- *Complete remedial education report and response to HJR 6/GA.* A draft of the remedial education report was distributed to institutions for their review; the final

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report was distributed to CPE members in mid-December. In addition, CPE staff met with Representative Rasche to discuss his resolution. CPE staff presented selected findings of the report at the December 4 meeting of the Interim Joint Committee on Education. CPE staff will present the report's overall findings at the January QEC meeting. [See Agenda Item CPE (M-6).]

- *Approve 1998 transition accountability report indicators and format.* A proposal for the 1998 transition accountability report is included as Agenda Item CPE (M-2).
- *Complete public agenda/mission statement; begin development of strategic agenda and strategic implementation plan.* See earlier listing under immediate priorities and separate agenda item on Strategic Agenda Development.
- *Constitute regional advisory groups.* CPE staff discussed the concept of Regional Advisory Groups with Aims McGuinness and other NCHEMS consultants during their CVU trip to Boulder in mid-November.
- *Distribute 1997/98 incentive trust funds based upon CPE-approved criteria.* Criteria and Application Guidelines for requesting 1997/98 incentive trust funds have been developed and distributed to institutions.

AGENDA

Quality and Effectiveness Committee

January 12, 1998

8 a.m. (ET), CPE Conference Room, Frankfort, Kentucky

- A. Roll Call
- B. Approval of MinutesM-3
- C. Information: Overview of New Program Proposals.....M-7
 - 1. Action: Postponement of New Program ProposalsM-9
 - 2. Action: New Program Proposal: AAS in Occupational Therapy Assistant, Madisonville Community College.....M-15
 - 3. Action: New Program Proposal: AAS in Physical Therapy Assistant, Hazard Community College/Southeast Community CollegeM-19
- D. Action: The Status of Kentucky Postsecondary Education: The 1998 Report..M-25
- E. Discussion: Workplan for Study of Academic Program Policies.M-31
- F. Discussion: Workplan for Study on Minimum Admission Requirements.....M-35
- G. Action: Eisenhower Mathematics and Science Education FundsM-37
- H. Presentation: Remedial Education StudyM-49
- I. Other Business
- J. Next Meeting
- K. Adjournment

MINUTES¹

CPE Academic Affairs Committee January 12, 1998

The CPE Academic Affairs Committee met at 8:15 a.m. (ET) in the Council on Postsecondary Education Conference Room, 1024 Capital Center Drive, Frankfort, Kentucky. Chair Bertelsman presided.

ROLL CALL

The following members were present: Ms. Bertelsman, Ms. Adams, Mr. Barger, Mr. Cody, Ms. Helm, Mr. Todd, and Ms. Weinberg.

APPROVAL OF MINUTES

A motion was made by Mr. Todd and seconded by Ms. Helm to approve the minutes of November 3, 1997. The minutes were approved as distributed.

OVERVIEW OF NEW PROGRAM PROPOSALS

Chair Bertelsman referred to the interim policy for approving new programs that was adopted at the November 3, 1997, meeting which specified that institutions must demonstrate a compelling need for any new program proposal. Of the five program proposals submitted for consideration, it was determined that two program proposals met the compelling need requirements, but three did not. She directed the committee's attention to *Table 1: January 1998—Overview of New and Postponed Programs Receiving CPE Action* on page M-8 of the agenda book which listed the five program proposals.

POSTPONEMENT OF NEW PROGRAM PROPOSALS

RECOMMENDATIONS:

- That CPE consideration of the proposed Bachelor of Science in Radiological Sciences program submitted by Morehead State University in May 1997 continue to be postponed.
- That CPE consideration of the proposed Master of Education in Education Administration program submitted by the University of Louisville in November 1997 be postponed.
- That CPE consideration of the proposed Master of Accountancy program submitted by the University of Louisville in November 1997 be postponed.

¹All attachments are kept with the original minutes in CPE offices. A verbatim transcript of the meeting is also available.

- That EEO automatic eligibility status for 1997 be sustained for each program listed above until it is considered by CPE.
- That, for the duration of the Interim Policy for New and Postponed Academic Program Proposals, program proposals that do not meet the compelling need requirements be returned to the submitting institution without formal CPE postponement.

MOTION: Ms. Weinberg moved that the recommendations be accepted. Mr. Barger seconded the motion.

DISCUSSION: Sue Moore stated that efforts are underway to look at methods for institutions to collaborate and possibly incorporate distance learning into their programs. Ruth Greenberg stated that CPE staff received requests to facilitate a statewide meeting since so many institutions are planning or are close to the end of the development process of their Master of Education in Education Administration programs. Therefore, such a meeting has been scheduled for February 2, 1998, at the CPE offices.

Carol Garrison, Provost at the University of Louisville, provided an update on activities with other institutions regarding UofL's proposed Master of Accountancy program. A meeting of university business deans, scheduled for February 3, 1998, will look at means to collaborate and cooperate among accountancy programs.

VOTE: The motion passed.

*NEW PROGRAM
PROPOSAL: AAS
IN OCCUPATIONAL
THERAPY
ASSISTANT,
MADISONVILLE
COMMUNITY
COLLEGE*

RECOMMENDATION: That the Associate in Applied Science (AAS) in Occupational Therapy Assistant (OTA) program proposed by Madisonville Community College (MadCC) in cooperation with the Madisonville Health Technology Center (MHTC) be approved and registered in CIP 51.0803.

MOTION: Mr. Barger moved that the recommendation be accepted. Mr. Todd seconded the motion.

DISCUSSION: Mr. Barger, proposal reviewer, recommended program approval citing the cooperation between the community college and the technical center and the minimal cost of program implementation. In addition, Mr. Fowler, staff reviewer, stated that Madisonville Community College already offers all of the courses in the curriculum at the collegiate level.

VOTE: The motion passed.

**NEW PROGRAM
PROPOSAL: AAS
IN PHYSICAL
THERAPY
ASSISTANT,
HAZARD AND
SOUTHEAST
COMMUNITY
COLLEGES**

RECOMMENDATION: That the Associate in Applied Science (AAS) in Physical Therapy Assistant (PTA) program jointly proposed by Hazard Community College (HazCC) and Southeast Community College (SouCC) be approved.

MOTION: Ms. Helm moved that the recommendation be accepted. Ms. Bertelsman asked that the motion be amended to include CIP 51.0806. Mr. Todd seconded the motion.

DISCUSSION: Ms. Helm, program reviewer, stated that the proposal demonstrated a compelling need, i.e., 68 PTAs would be hired immediately in surrounding counties, and, within the next three to five years, 150 PTAs would be needed. For better student access, the program will be offered at both Hazard and Southeast Community Colleges and at five additional locations. The proposal includes \$60,000 from the E. L. Robinson Trust Fund, and the Appalachian Regional Health Care, Inc., has committed over \$300,000 to the program's development over the next five years.

VOTE: The motion passed.

**THE STATUS OF
KENTUCKY
POSTSECONDARY
EDUCATION:
THE 1998 REPORT**

RECOMMENDATION: That CPE produce a single-volume accountability report for 1998, containing three main components: a status report on postsecondary reform efforts during the 1997/98 academic year, statewide performance indicators, and institutional accountability indicators. Proposed indicators under each of these categories are listed in Attachment A. The report will be distributed at the Governor's Conference on Postsecondary Education Trusteeship in September 1998.

MOTION: Mr. Todd moved that the recommendation be accepted. Mr. Barger seconded the motion.

Roger Sugarman gave a brief summary of the proposed accountability report stating that it resembles the 1997 report with two differences: 1) a section updating postsecondary education reforms and 2) a section containing systemwide indicators. Mr. Sugarman stated the 1998 report would minimize the burden on the institutions because it does not require them to draft narratives. It also would eliminate nonproductive indicators such as student credit hours, which are highly correlated with enrollments. The law requires that the accountability system be tied to the strategic agenda, and since the strategic agenda will not be completed until November 1998, the 1998 report will be another transition year report.

DISCUSSION: Mr. Todd asked if the data were collected uniformly. Mr. Sugarman stated there is a tremendous amount of uniformity in the collection of the data. Mr. Todd asked if the presidents are able to view the report prior to its publication. Mr. Sugarman responded that the institutions have always been furnished with the data beforehand and with the report itself in draft form before it is published.

VOTE: The motion passed.

*WORKPLAN
FOR STUDY OF
ACADEMIC
PROGRAM
POLICIES*

Ms. Bertelsman recounted the November 3, 1997, committee meeting wherein CPE staff was directed to begin background work for two studies -- one dealing with minimum admission requirements and the other dealing with academic program policies. She stated that Ruth Greenberg is the lead staff person on the academic program policy study group, and Roger Sugarman is the lead staff person on the minimum admission requirements study group. Ms. Bertelsman announced that she would be forming the work groups and would circulate a paper to identify members' work group preferences. She also asked for ideas regarding how committee members would like to be kept informed of actions of the study group on which they do not serve.

DISCUSSION: Ms. Weinberg suggested distributing a summary of the other study group's discussions. Mr. Barger agreed, saying that additional information could always be requested if questions existed. Mr. Todd stated that receiving a list of all work group background and reading materials would be preferable to receiving both groups' materials.

Ms. Bertelsman stated she would be working with President Eaglin to help determine which presidents would like to work on which group as well as other representatives as needed.

Ruth Greenberg presented additional background information on the academic program policies study group. She stated the major goal of the policy study is to provide a foundation and to give CPE direction as it develops a new system of academic program-related policies. It is anticipated that the study will take approximately one year and will consist of four phases: (1) start-up organizational stage, (2) information gathering phase, (3) analysis stage, and (4) policy development phase. Ms. Greenberg stated that staff has begun in-house preparation of an RFP for securing the services of a nationally known consultant. Staff is also compiling a list of all policies so the consultant will have the necessary materials with which to begin work immediately.

Elisabeth Zinser, Chancellor at the University of Kentucky, stated she hoped that one of the aspects of the plan would be to arrive at an operational definition of standardized degree programs. Ms. Bertelsman stated that definition would be developed, along with others, as part of the study.

*WORKPLAN FOR
STUDY ON
MINIMUM
ADMISSION
REQUIREMENTS*

Roger Sugarman presented a brief overview of the minimum admission requirements study. He stated that it was initiated in response to two events: 1) the State Board of Education's approval of new, more stringent high school graduation requirements and 2) CPE's Remedial Education Study. Staff proposes that the study initially focus on an evaluation of the Pre-College Curriculum and then look at what other states are doing in the area of admission requirements, particularly focusing on competency-based admissions policies. Like the other policy study, this project will have four stages: 1) organization and start-up; 2) information gathering; 3) analysis and dissemination of results; and 4) development of a set of policy options for review by the study group. The recommended admission requirements will be presented to the Academic Affairs Committee, then to the full CPE for action.

DISCUSSION: Chancellor Zinser asked if the interpretation of the statute requiring CPE to set minimum qualifications for admission to the postsecondary system would also extend to setting standards particular to each sector, which would be a step in the direction of setting standards for individual institutions. President Eaglin stated that a fiscal analysis must be performed when potential admissions qualifications are being considered.

*EISENHOWER
MATHEMATICS
AND SCIENCE
EDUCATION
FUNDS*

RECOMMENDATION: That CPE award Dwight D. Eisenhower Mathematics and Science Foundation funds to support the projects listed in Attachment A for federal fiscal year 1997 (October 1, 1997-September 30, 1998).

MOTION: Mr. Barger moved that the recommendation be accepted. Mr. Todd seconded the motion.

Wendell Cave, Coordinator for the Eisenhower Program, presented a brief history of the program stating that the Council has awarded approximately \$7.5 million for 265 grants over the past 12 years. Those grants have provided professional development activities for 19,431 teachers in the state. For the current year, a panel reviewed 44 proposals submitted from six private colleges and universities, seven public universities, two community colleges, and one nonprofit organization in the state. Of those proposals, the panel recommended funding for the 15 proposals contained in

Attachment A. Mr. Cave commented that the new Request for Proposal was developed to tie it to the professional development needs identified by the Kentucky Department of Education. He also stated that the Government Performance Results Act of 1993 (P.L. 103-62) requires all federally funded programs to develop a system of measurement through performance indicators and that Kentucky has taken the lead nationally by developing a performance indicator system for the program.

DISCUSSION: Ms. Weinberg asked if the number of teachers impacted could be multiplied. Mr. Cave stated that he felt that local school districts would put matching monies into proposals that identify specific needs contained in local action plans of local school systems.

Mr. Todd asked what determines the total allocation amount and what the federal outlook is for the Eisenhower funds going forward? Mr. Cave stated that the program is funded for another year, but that there is always a push in Congress to award all federal education funds as a block grant to states. He stated it would be unfortunate to block grant the higher education portion of the funds.

VOTE: The motion passed.

*REMEDIAL
EDUCATION
STUDY*

Roger Sugarman gave a presentation on the Remedial Education Study stating that the study came about as a directive of the former Council on Higher Education in January 1996. The presentation focused on the demand for remedial instruction, gave a profile of remedial students, examined the success of remedial programs, took into account the cost of remedial instruction, and looked at various policy-related issues.

DISCUSSION: Mr. Todd asked how Kentucky's remedial math and reading statistics compare nationally. Mr. Sugarman stated that he thought our percentages are a little higher than those of most other states. Mr. Cody asked if consideration had been given to how criteria for remediation placement in Kentucky differs from other states. He stated that Department of Education data show that Kentucky students are about at the national average in terms of certain tests pertaining to math and science. Mr. Sugarman responded that the issue was not addressed in this study, but does need to be examined. Mr. Cody stated he hoped the whole issue of the relationship between the different requirements for overall admission to the institutions as well as remediation is explored in more depth. Ms. Weinberg stated that the alignment of the

curriculum and the testing between high school and college would seem to be an area to look into. Mr. Todd stated he would urge a total cost calculation of remedial education.

Commissioner Cody stated that CPE should look at how it defines the Pre-College Curriculum. The new high school graduation requirements adopted by the State Board are essentially universal education for all students. He stated that there should be a tiered system wherein high school graduation requirements are determined and a more demanding academic schedule is supplemented for college-bound students. Ms. Moore distributed copies of the SREB report *Better Preparation Less Remediation: Challenging Courses Make a Difference*. President Eaglin stated that there is variability regarding the institutions' concept of remediation and that Kentucky does not have a system in place to handle it. He also stated that the amount of remediation may depend on which curriculum a student wants to pursue.

ADJOURNMENT

Mr. Barger moved that the meeting be adjourned. The meeting adjourned at 9:15 a.m.



Sue Hodges Moore
Deputy Executive Director
Academic Programs, Planning, and Accountability



Taffie G. Wright
Secretary

Information:

CPE staff received compelling need letters from board chairs requesting CPE consideration of five program proposals: two new programs and three programs previously postponed by CPE in July 1997.

Guided by the Interim Policy for New and Postponed Academic Program Proposals, CPE staff, with input from the members of the Quality and Effectiveness Committee (QEC), evaluated each compelling need request in terms of the argument each made for initiating the program *at the particular institution at this particular time*. This evaluation was conducted using the following five questions, which institutions were required to address in their letters:

- Why must this program be initiated at this time?
- To what extent will the absence of the proposed program have an adverse effect on students and prospective employers?
- Why must the program be delivered by the proposing institution?
- How does the program fit into the institution's mission and strategic plan and how will it be funded?
- To what extent do external mandates or external funding opportunities contribute to the need to initiate the program now?

In addition, an evaluation of the contents of the compelling need letters in terms of the mandates contained in the Kentucky Postsecondary Education Improvement Act of 1997 was conducted. Finally, the two compelling need letters submitted by the University of Kentucky on behalf of community colleges were shared with the KCTCS Board of Regents for their input. (At its November 24 meeting, the KCTCS Board of Regents recommended CPE approval of both programs.)

It was determined that two compelling need letters documented a need for immediate CPE consideration and that the full proposals should proceed through the regular new program proposal process. It also was determined that the three remaining compelling need request letters did not contain substantive responses to one or more of the required questions. Furthermore, the abbreviated program proposal review schedule did not allow adequate time for institutions to provide additional documentation and responses to the compelling need questions [or questions raised during this step in the Interim Policy] in time for CPE review and response prior to the January 12 meeting; thus, immediate CPE consideration of these three programs was postponed (with continuation of their 1997 EEO automatic eligibility status). Despite the condensed timeframe and the highly labor-intensive aspects of this step in the interim policy, CPE provided each institution with a written analysis of the results of the CPE staff/QEC evaluation within 12 working days after receiving the compelling need letters.

For each of the two program proposals proceeding through the regular new program approval process, a program proposal review team consisting of a QEC member and a CPE staff member was assigned review responsibilities. Within one week, members of each review team evaluated the complete proposal independently, then shared their responses and generated a request for additional information and documentation from the institution(s). These requests were faxed to the institutions with a requested December 12 response deadline. Institutions provided responses to these requests, which were once again reviewed by each CPE staff/QEC member review team. In addition, to ensure that these two programs would not unnecessarily duplicate program offerings at private postsecondary institutions, CPE initiated a conversation with the president of the Association of Independent Kentucky Colleges and Universities. This conversation resulted in written communication from the organization's president that the two proposed programs would not duplicate programs offered at private Kentucky institutions. Consensus was reached by each team regarding a recommendation for CPE action for the respective programs. This step in the interim policy was completed in 12 working days.

Table 1 provides an overview of the status of the five proposals scheduled for CPE action at this meeting. The table lists the submitting institution, the date each program was first included in the institution's program advisory statement, whether the compelling need requirement was met, and the jointly developed CPE staff/QEC member recommendation regarding action.

For the two programs being recommended for approval, agenda items are included [QEC (C-2 & C-3)], which include a copy of each program proposal's executive summary; for the three programs being recommended for postponement or continued postponement, an agenda item is also included [QEC (C-1)]. It should be noted that a recommendation to postpone consideration of a program does not suggest that the program is unacceptable, only that the requirements for *immediate* CPE consideration were not met in the compelling need letter.

Table 1:
January 1998--Overview of New and Postponed Programs Receiving CPE Action

Institution	Program Advisory Statement Notification	Compelling Need	Status
Hazard & Southeast Community Colleges	Physical Therapy Assistant (AAS) (01/29/97)	Met	Recommend Approval* (see agenda item QEC [C-3])
Madisonville Community College	Occupational Therapy Assistant (AAS) (01/29/97)	Met	Recommend Approval* (see agenda item QEC [C-2])
Morehead State University	Radiological Sciences (BS) (02/01/97)	Not Met	Recommend Continued Postponement (see agenda item QEC [C-1])
University of Louisville	Accountancy (MAcc) (08/95)	Not Met	Recommend Postponement (see agenda item QEC [C-1])
University of Louisville	Education Administration (MEd) (01/97)	Not Met	Recommend Postponement (see agenda item QEC [C-1])

*KCTCS Board of Regents acted to recommend approval of this program at its November 24, 1997 meeting.

POSTPONEMENT OF NEW PROGRAM PROPOSALS

**ACTION ITEM
CPE (M-1A) QEC (C-1)
January 12, 1998**

Recommendation:

- That CPE consideration of the proposed Bachelor of Science in Radiological Sciences program submitted by Morehead State University in May 1997 continue to be postponed.
- That CPE consideration of the proposed Master of Education in Education Administration program submitted by the University of Louisville in November 1997 be postponed.
- That CPE consideration of the proposed Master of Accountancy program submitted by the University of Louisville in November 1997 be postponed.
- That EEO automatic eligibility status for 1997 be sustained for each program listed above until it is considered by CPE.
- That, for the duration of the Interim Policy for New and Postponed Academic Program Proposals, program proposals that do not meet the compelling need requirements be returned to the submitting institution without formal CPE postponement.

Rationale:

- The Interim Policy for New and Postponed Academic Program Proposals adopted November 3, 1997, requires each institution submitting a proposal for a new degree program to submit also a letter documenting an immediate and critical need for the program by responding to several questions addressing the need for immediate consideration.
- Institutional compelling need letters required by the interim policy were considered by CPE staff and Quality and Effectiveness Committee members. The results of this review indicated that the compelling need letters for the University of Louisville's Master of Accountancy and Master of Education in Education Administration programs and for Morehead State University's Bachelor of Science in Radiological Sciences program did not address certain criteria required in the CPE's interim policy.
- CPE postponement of these programs adheres to the requirements of the administrative regulation (13 KAR 2:060) governing institutional eligibility to have new programs considered, and, at the same time, provides institutions with sufficient

time to respond to the requests for additional information generated by the review of the compelling need letters.

- CPE adoption of the Interim Policy for New and Postponed Program Proposals at its November 3, 1997, meeting created a uniquely compressed timeframe for institutional submission and CPE review of new academic program proposals for January 1998 consideration. This shortened cycle would have placed the institutions at an unfair disadvantage relative to EEO eligibility if the opportunity for postponement did not exist. Since subsequent review processes will revert to the normal two-month cycle, the need for formal postponement of proposals not meeting the compelling need criteria no longer exists.

Background:

In action taken at the November 3, 1997 meeting, CPE adopted an Interim Policy for New and Postponed Academic Program Proposals, effective with the submission of new program proposals in November 1997. The policy requires each institution seeking approval for a new degree program, either a new submission or a postponed program, to submit a letter from the chair of the institution board outlining the reasons for approval *at this time at this institution*. Specific questions to be addressed by the submitting institution are summarized below:

- Why must the program be initiated at this time?
- To what extent will the absence of the proposed program have an adverse effect on students and prospective employers?
- Why must the program be delivered by the proposing institution?
- How does the program fit into the institution's mission and strategic plan and how will it be funded?
- To what extent do external mandates or external funding opportunities contribute to the need to initiate the program now?

Morehead State University submitted the required letter for the BS in Radiological Sciences, a program that was postponed from consideration in July 1997. The University of Louisville submitted the requested letters for a Master of Education in Education Administration and a Master of Accountancy. Letters for each of the three proposed programs outlined the institutional rationale for CPE consideration at this time. Each statement was considered by Quality and Effectiveness Committee (QEC) members and CPE staff in the context of the questions listed above. The review indicated that these letters did not contain substantive responses to one or more of these questions. As a result, letters describing the results of the review process and identifying the questions to be addressed were sent to President Eaglin and President Shumaker on November 26, 1997. The letters also indicate that since substantive responses to unanswered questions could not be completed in time for CPE consideration on January 12, the QEC expects to take formal action to postpone these programs, thereby allowing each institution to retain its 1997 EEO automatic eligibility status for these programs.

More specifically, the review of the compelling need letters yielded the following assessments. For the BS in Radiological Sciences, reviewers noted that the statements do not identify any negative effects of delaying initiation of the program, particularly any adverse effects on students and employers. Additionally, the University of Louisville plans to initiate a similar program in the near future. Therefore, it is appropriate, given the developmental status of both programs, for Morehead State University and the University of Louisville to explore the opportunity for a joint venture.

Reviewers' assessment of the statement submitted for the University of Louisville Master of Education in Education Administration indicates that one critical question was not adequately addressed, that is, "why must this program be delivered by your institution?" In particular, evidence that the demand for this program cannot be met through

collaboration and cooperation with other universities or through distance learning delivery systems by other institutions was not provided. Further, reviewers noted that six other universities indicate through their Program Advisory Statements that they intend to submit proposals for similar programs and that development of these programs would benefit from discussions among institutions regarding the most efficient manner of delivery.

Reviewers reacted positively to the proposal for a Master of Accountancy program submitted by the University of Louisville but noted that two questions were not addressed to their satisfaction: "Why must the program be delivered by your institution?" and "Why must this program be initiated at this time?" Reviewers expected the university's statement to provide evidence that the demand for this program cannot be met through collaboration and cooperation with other universities or through distance learning delivery systems. Regarding the second question, immediate approval of this program did not appear to be critical since the university anticipates implementation in fall 1999.

The eligibility status of institutions to have proposals for new programs considered by CPE is determined by applying the provisions of the administrative regulation 13 KAR 2:060. Institutional eligibility is determined annually and the institution's status is in effect for the following calendar year; that is, eligibility to have programs considered in 1997 was determined by CPE in November 1996. Further, the period of institutional eligibility has been determined to apply to the year in which a proposal for a new program is submitted, even though CPE consideration would occur in the following year; that is, proposals submitted in November would typically be scheduled for CPE consideration in January of the following year.

Adoption on November 3, 1997, of an Interim Policy for New and Postponed Academic Program Proposals with a separate review of compelling need statements introduced another step into the review process that is not anticipated by the administrative regulation. Adherence to the requirements of the administrative regulation requires CPE action at the January meeting, while the review of compelling needs statements revealed a need for additional information that could not reasonably be provided in time for CPE consideration of the full proposal on January 12. Therefore, in order to permit these institutions to have adequate time to provide the requested information, without losing their eligibility due to the adoption of new approval processes late in the calendar year, these programs should be officially postponed by CPE.

The enactment of new postsecondary education legislation in May required the formulation of interim policies that resulted in modifications to the new program approval process. These activities at the state level were occurring at the same time institutions were preparing proposals for new programs according to CPE's published policies and procedures. Since procedures and submission requirements were being modified at the same time new proposals were being delivered, it was prudent to provide an avenue that would allow institutions to meet the new expectations without penalty. CPE adopted "postponement" as an approach to address a variety of circumstances that necessitated a delay in the consideration of proposals for new programs submitted in

1997. The approval of the interim policy in November eliminated the need to continue assigning "postponed" status to proposals submitted in 1998. Compelling need letters submitted in 1998 will be evaluated on their merit. Those program proposals whose compelling need letters meet the compelling need requirements will be reviewed according to the interim policy; those that do not meet the requirements will be returned to the institution. Programs already assigned "postponed" status will retain that designation until acted upon by CPE or withdrawn by the institution.

M-14

M-14

**NEW PROGRAM PROPOSAL: AAS IN
OCCUPATIONAL THERAPY ASSISTANT,
MADISONVILLE COMMUNITY COLLEGE**

**ACTION ITEM
CPE (M-1B) QEC (C-2)
January 12, 1998**

Recommendation:

That the Associate in Applied Science (AAS) in Occupational Therapy Assistant (OTA) program proposed by Madisonville Community College (MadCC) in cooperation with the Madisonville Health Technology Center (MHTC) be approved and registered in CIP 51.0803.

Staff Analysis:

Madisonville Community College is eligible to submit program proposals in calendar year 1997 by virtue of its automatic eligibility status under the administrative regulation implementing KRS 164.020(8), the EEO statute.

The proposed program was initially listed on the January 1997 UKCCS Program Advisory Statement; the complete program proposal was submitted to the Council on Postsecondary Education (CPE) for action at its July 21, 1997, meeting. At that meeting, consideration of the program was postponed due to circumstances resulting from passage of the Kentucky Postsecondary Education Improvement Act of 1997. In November 1997, the University of Kentucky's Board Chair submitted a letter documenting a compelling need for January 1998 CPE consideration, in compliance with the requirements of the Interim Policy for New and Postponed Academic Program Proposals (approved by CPE at its November 3, 1997, meeting). After evaluation of the compelling need letter by CPE staff and members of the Quality and Effectiveness Committee (QEC), a decision was made to proceed with review of the program proposal, with anticipated January CPE action. It also should be noted that the compelling need letter was shared with the Kentucky Community and Technical College System (KCTCS) Board of Regents, which, at its November 24, 1997, meeting, recommended that the program be approved.

The proposal subsequently was reviewed by CPE staff, in consultation with a QEC member. This review resulted in a request for additional information from the proposing institution. In addition, information about the program proposal was shared with the president of the Association of Independent Kentucky Colleges and Universities, who subsequently provided written confirmation that this program would not duplicate programs offered at private Kentucky institutions. Both CPE staff and the QEC representative are satisfied with the response and concur in a recommendation of approval for the program.

Rationale:

- The proposal is consistent with the CPE-approved mission statement for the proposing institution.

- The proposal and the supplemental information submitted present a sound, convincing rationale for approval of the program. At the present time the MHTC offers a certificate program that prepares individuals to meet the requirements for licensure as an Occupational Therapy Assistant. Currently, licensure does not require an associate degree. However, according to MadCC, there are only two certificate programs in the country, one being the program at the MHTC (all other programs lead to an associate degree). Thus, not having an associate degree program for aspiring OTAs in the Madisonville area might put students at a disadvantage when they seek initial employment and subsequent career advancement. In addition, the desirability of increasing the general educational level of health care practitioners is recognized. Although this proposed associate degree program will not increase the number of individuals who annually become eligible for licensure through the MHTC program, it will provide students with a more rounded education, which should contribute both to their success in the technical phase of the program and to their becoming better health care practitioners.
- The nature of the structure of the program is such that there will be minimal new costs (approximately \$10,000 over a five-year period) beyond those costs associated with accreditation at the associate degree level. The collegiate component of the curriculum consists of general education and foundation courses that are already taught at the college. The proposal indicates a possible need for an additional part-time faculty member in the technical component of the program. However, this need would exist with or without approval to transition to an associate degree program. The collegiate curriculum would also enhance articulation opportunities with Eastern Kentucky University's baccalaureate occupational therapy program, the only such program in Kentucky.
- The proposal is consistent with HB 1 and CPE's emphasis on inter-institutional cooperation. There are other instances of successful cooperation of this nature between MadCC and the MHTC (Radiography and Respiratory Therapy).
- The proposal is consistent with the HB 1 requirement that the state postsecondary education system does not unnecessarily duplicate program offerings at Kentucky's private postsecondary institutions.

An executive summary prepared by the proponents is attached to this agenda item.

M-16

Executive Summary

1. Mission, Influence, Organization

The proposed Occupational Therapy Assistant Program (OTAP) is consistent with Madisonville Community College's mission to offer career oriented programs designed to prepare students for immediate technical employment. This program is also consistent with Madisonville Community College's (MCC) long range plan to increase the number of Allied Health programs available to students. The Trover Clinic Foundation, the Regional Medical Center, and Kentucky Tech Madisonville Health Technology Center (HTC) approached the college about developing an Associate Degree program in Occupational Therapy to meet the needs of HTC graduates. Implementation of this program is feasible and represents a model of cooperation between MCC and HTC. This program alleviates duplication of effort and promotes articulation and transfer relationships between two state post-secondary educational institutions. A manpower needs assessment indicated that 100% of the facilities surveyed were supportive of this program and that there is a significant demand for OTAs. The program will be placed in the Division of Biological Sciences and Related Technologies, along with other Health Care programs: Biomedical Equipment Technician, Nursing, Physical Therapist Assistant, Radiography, and Respiratory Care. Biomedical Equipment Technician, Radiography, and Respiratory Care are articulated programs.

2. Program Description

The OTAP is designed to graduate professionals in the art and science of promoting and maintaining the holistic health of individuals in the community. Such workers will serve members of the community, under the supervision of a registered professional Occupational Therapist (OTR), to restore or develop their ability to perform the functional living skills necessary for adaptation and productivity. The program strives to fill a growing need for professionals able to contribute to all facets of Occupational Therapy (OT), from assessment to treatment termination.

A basic background in natural sciences, mathematics, communication and behavioral sciences undergirds the specialized course work. Specialized course work prepares students for the certification examination they will take to become a Certified Occupational Therapy Assistant (COTA). Graduates may obtain employment in hospitals, rehabilitation facilities, nursing homes, clinics and other health care facilities, as well as within pediatric or educational settings.

A clinical component is required for integrating didactic learning and entry level clinical skills into a clinical setting. Clinical experiences are designed to facilitate integration of classroom knowledge and clinical skills, and to assure entry level clinical competencies. The program is designed to meet all standards of accreditation set by the national accrediting body. Accreditation will be applied for when the program receives CHE approval.

The program will be evaluated through the on-going Program Review processes of the University of Kentucky Community College System. These reviews, conducted on a periodic basis and/or when enrollments or graduates drop below specified goals, evaluate all elements of the program, including its curriculum, objectives, student success and satisfaction rates, employer satisfaction surveys, placement and salary information of graduates.

Occupational Therapy Assistant Proposal
Madisonville Community College
March, 1997

Area health care providers and members of an OTA program advisory committee at HTC have been involved in the development of this proposal. Currently, there are no fully accredited OTA programs in the state. Two community colleges currently have CHE approval for programs at their institutions. Jefferson Community College has a program coordinator on board and expects admission of students in the Summer of 1997; Paducah Community College has just recently been granted CHE approval, but has an unfilled coordinator position. HTC is currently the only OTAP in the state that has been granted "developing program status" from the national accrediting agency. HTC is a certificate program, and as such, cannot grant the Associate in Applied Science degree. HTC administrators have asked that Madisonville Community College consider "articulation/joint program" status. Students accepted into the OTP program will complete general education courses at MCC and all technical course work at HTC. Labor market figures indicate a need for OTAs in the region. The program in Paducah will not be in conflict as indicated in the Section 3 (below).

3. Supportive Data

Workforce assessment data indicate that there is a significant need for Occupational Therapists and Assistants at the national, state and local levels.

National: According to the recent work force study commissioned by the AOTA, demand for COTAs will increase as health care providers struggle to contain personnel costs. The U.S. Bureau of Labor Statistics predicts that there will be a 60% increase in the number of occupational therapist positions and a 78% increase for OT assistants and aides by the year 2005, and the number of students currently enrolled in education programs will not meet the present or future needs. The 1996-97 Occupational Outlook Handbook published by the U.S. Department of Labor Bureau of Statistics states that "employment of occupational therapy assistants and aides is expected to grow much faster than the average for all occupations through 2005."

State: A survey conducted by the Kentucky Hospital Association and the Kentucky Occupational Therapy Association in June of 1992 indicated that there was an immediate need for 38.6 FTE Occupational Therapy Assistants. Respondents included 87 acute care hospitals, 5 rehabilitation centers, and 67 other health care facilities. At the time of the survey, respondents indicated an overall COTA vacancy rate of 41.7%.

Local: A telephone survey conducted with fourteen local health care facilities indicated that over 90% were currently without a COTA and expressed a need to fill such a position.

4. Resources

The Occupational Therapy Assistant AAS degree program is a cost effective technical program that maximizes use of existing resources. Implementation of the program will require no additional personnel or equipment expenditures at MCC or HTC. HTC currently offers the certificate program and will provide all of the technical component; MCC will provide the general studies component. Other than accreditation fees to be paid by MCC, no additional current expense will be incurred.

**NEW PROGRAM PROPOSAL:
AAS IN PHYSICAL THERAPY ASSISTANT,
HAZARD COMMUNITY COLLEGE/
SOUTHEAST COMMUNITY COLLEGE**

**ACTION ITEM
CPE (M-1C) QEC (C-3)
January 12, 1998**

Recommendation:

That the Associate in Applied Science (AAS) in Physical Therapy Assistant (PTA) program jointly proposed by Hazard Community College (HazCC) and Southeast Community College (SouCC) be approved.

Staff Analysis:

Both Hazard Community College and Southeast Community College are eligible to submit program proposals in calendar year 1997 by virtue of exercising quantitative waivers under the administrative regulation implementing KRS 164.020(8), the EEO statute.

The proposed joint program was initially listed on the January 1997 UKCCS Program Advisory Statement; the complete program proposal was submitted to the Council on Postsecondary Education (CPE) for action at its July 21, 1997, meeting. At that meeting, consideration of the program was postponed due to circumstances resulting from passage of the Kentucky Postsecondary Education Improvement Act of 1997. In November 1997, the University of Kentucky's Board Chair submitted a letter documenting a compelling need for January 1998 CPE consideration, in compliance with the requirements of the Interim Policy for New and Postponed Academic Program Proposals (approved by CPE at its November 3, 1997, meeting). After evaluation of the compelling need letter by CPE staff and members of the Quality and Effectiveness Committee (QEC), a decision was made to proceed with review of the program proposal, with anticipated January CPE action. It should also be noted that the compelling need letter was shared with the Kentucky Community and Technical College System (KCTCS) Board of Regents, which, at its November 24, 1997, meeting, recommended that the program be approved.

The proposal subsequently was reviewed by CPE staff, in consultation with a QEC member. This review resulted in a request for additional information from the proposing institutions. In addition, information about the program proposal was shared with the president of the Association of Independent Kentucky Colleges and Universities, who subsequently provided written confirmation that this program would not duplicate programs offered at private Kentucky institutions. Both CPE staff and the QEC representative are satisfied with the response and concur in a recommendation of approval for the program.

Rationale:

- The proposal is consistent with the CPE-approved mission statement for the proposing institutions.

- The proposal and the supplemental information submitted present a sound, convincing rationale for approval of the program. The need for physical therapy personnel, including physical therapy assistants, is generally recognized at both the national and state levels. The supplemental information submitted in response to CPE's request provides additional data documenting a very significant need for such personnel in the geographic areas to be served. The data show that employers in the area would employ 68 PTAs immediately and an additional 150 over the next five years.
- The proposal is consistent with CPE's emphasis on inter-institutional cooperation and cost-effectiveness. The program will be delivered by two colleges at five different locations (for portions of the program). There will be a single program director (located in Hazard), an equal number of students at each of the two main campuses, and a degree conferred carrying the names of both institutions.
- Consistent with one of the key messages in the Kentucky Postsecondary Education Improvement Act of 1997, the institutions will use distance learning technologies to deliver portions of the program.
- The proposed program is consistent with the intent of the Health Care Reform Act of 1990 (SB 239), which established the University of Kentucky Center for Rural Health in Hazard. In addition to mandating the offering of specific baccalaureate and master's degree health science programs at the Center, this legislation called for the development of additional health science associate degree programs. There is considerable interaction and resource sharing between the Center and HazCC particularly.
- Geographic distribution of the PTA students over multiple sites should result in a better geographic distribution of the graduates of the program.
- The program was developed at the specific request of, and with financial support from, Appalachian Healthcare, Inc. (AHI), which operates five hospitals in the region. AHI has committed \$60,000 per year for 5 years and an additional \$10,000 to meet accreditation expenses. The program also will receive \$60,000 per year (for a period of three years) from the E.O. Robinson Quasi Trust. The \$100,000 in new money for the second and succeeding years of the program is expected to come from special state appropriations. In the event that such appropriations are not forthcoming, the institutions have committed to further internal reallocation and/or to seek additional external funding. The total recurring budget for the program is consistent (on a per student basis) with other similar programs with some efficiencies enjoyed as a result of the cooperative nature of the program and the use of distance learning.
- The proposing institutions indicate that the national accrediting association for PTA programs requires state approval ten months prior to admission of the first class of students. Although CPE approval of this program in January 1998 will leave only seven months prior to the projected fall 1998 date for admitting the first class of students, there is some indication that the association may be flexible about this requirement.

- The proposal is consistent with the HB 1 requirement that the state postsecondary education system does not unnecessarily duplicate programs offered at Kentucky's private postsecondary institutions.

An executive summary prepared by the proponents is attached to this agenda item.

EXECUTIVE SUMMARY

Regional Physical Therapist Assistant Program Proposal

Hazard and Southeast Community Colleges

March, 1997

1. Mission, Influence, Organization

The proposed regional Physical Therapist Assistant (PTA) Program is consistent with the missions of Hazard and Southeast Community Colleges to offer career oriented programs designed to prepare students for immediate employment within their service areas. The development of this program also supports Senate Bill 239 (Omnibus Healthcare Bill, 1990). This bill recommends that an associate degree program be established at Hazard Community College to allow students to pursue a career as Physical Therapist Assistants.

The concept of a regional PTA program is based upon the commitment that Hazard and Southeast Community Colleges have made to serve the needs of their service areas without regard to physical boundaries. The administrations of the colleges began discussion more than a year ago of ways in which the cooperation they have long enjoyed in other areas could be extended to academic programming. And since both colleges were contemplating the implementation of PTA programs, a decision was made, after consultation with health care providers, the Center for Rural Health, and the Community College System, to explore the possibility of a regional program. Positive feedback and enthusiastic support were offered for a regional approach to the establishment of a PTA program. A memorandum of agreement describing the organization, implementation of and responsibility for the PTA program has been entered into by Hazard and Southeast Community Colleges.

2. Program Description

The PTA Program will prepare the graduate to become a skilled assistant working under the supervision of a physical therapist. The graduate will be given a background to provide essential patient services for the prevention and alleviation of physical impairment and the restoration of function. Accreditation will be sought from the Commission on Accreditation in Physical Therapy Education. Upon accreditation, the

graduate will be eligible to write the state licensing examination for the physical therapist assistant.

The regional approach to the delivery of instruction will have many advantages for students. Since both Hazard and Southeast Community Colleges now offer a full complement of general education courses on all of the campuses, it is possible for students to complete this component at any of five campuses. Additionally, state-of-the-art distance learning laboratories now available at both colleges will allow a major portion of the didactic component to be offered over interactive television, further easing the burden on students to travel from their home communities. Tied to the concept of offering instruction close to home will be the accessing of several healthcare agencies scattered throughout the region for clinical experience. These sites will be assigned, based on their proximity to particular students. Since enrollment in the program will have to be limited, a selective admissions process will be followed.

Both formative and summative evaluation strategies will be employed to gauge the success of the proposed regional PTA program. Included will be an annual evaluation by the program faculty, staff and advisory committee, based on internal processes now in place at both colleges. This review process will be tied to the Community College System's mandated review of technical programs (scheduled at least every five years; and more often if the number of [1] enrolled and [2] graduating students do not meet prescribed thresholds), and to its regularly-scheduled unit reviews. These efforts will be supportive of the on-going evaluation programs that are carried out by the Commission for Physical Therapy Education and the Commission on Colleges of the Southern Association of Colleges and Schools (SACS).

3. Supportive Data

That there is great demand for graduates of this proposed regional PTA program is amply supported. Appalachian Regional Healthcare, Inc.(ARH), a major healthcare provider in southeastern Kentucky, initially contacted Southeast Community College in the Spring of 1996, asking that it begin a PTA program-with substantial support from ARH. Other healthcare providers from throughout the area have also indicated an immediate need for the program, a need which cannot be met by the three programs in Kentucky, now accredited by the Commission on Physical Therapy Education, at Madisonville, Paducah and Jefferson Community Colleges. Graduates of these programs

are not choosing southeastern Kentucky as an area in which to practice. Moreover, individuals who live in the service areas of Hazard and Southeast Community Colleges are, for the most part, unable to travel outside their regions to attend these programs. Thus, the needs of the region are simply not being met.

4. Resources

A regional program of this nature will facilitate the sharing of resources and avoid the costly duplication of effort that would exist if both Hazard and Southeast Community Colleges were to offer separate programs. The most obvious savings will occur with personnel. By sharing a coordinator and instructors, the program will realize an immediate savings of \$75,000-\$100,00 annually. Additionally, accreditation fees will not need to be duplicated. The fact that the program will be able to avail itself of laboratory space in the Center for Rural Health and have full access to instructional television studios already in existence will result in a substantial savings. Classroom and laboratory space will be made available at each college, along with office space for faculty and administrative personnel. Library and student support services programs and facilities are also readily available. (It will also be possible-should the need exist-to relocate the program among the various campuses of the two colleges.)

As can be seen from the letters of support, provided by providers, there is substantial support for this program from the healthcare community. They have pledged their willingness to serve as clinical sites and to provide professionals from their staff's to serve as voluntary faculty / clinical instructors.

While both Hazard and Southeast Community Colleges will create full-time PTA program positions through resource reallocation, they will be assisted in their efforts to fully fund this program with generous financial support from Appalachian Regional Healthcare, Inc., the E.O. Robinson Quasi Trust Fund, and the Center for Rural Health, which has proposed an analogous arrangement for the use of the existing physical therapy teaching laboratories presently used by the University of Kentucky's Physical Therapy Program in Hazard. Given the innovative delivery system that this program will employ, the savings which it will realize, and the tremendous support that will come from partnering with existing healthcare providers in the area, this regional effort could well serve as a model for other such programs across the state.

**THE STATUS OF KENTUCKY
POSTSECONDARY EDUCATION:
THE 1998 REPORT**

**ACTION ITEM
CPE (M-2) QEC (D)
January 12, 1998**

Recommendation:

That CPE produce a single-volume accountability report for 1998, containing three main components: a status report on postsecondary reform efforts during the 1997/98 academic year, statewide performance indicators, and institutional accountability indicators. Proposed indicators under each of these categories are listed in Attachment A. The report will be distributed at the Governor's Conference on Postsecondary Education Trusteeship in September 1998.

Rationale:

- The Kentucky Postsecondary Education Improvement Act of 1997 requires CPE to develop "a system of public accountability related to the strategic agenda . . ." and submit to the Governor and the Legislative Research Commission an annual accountability report by December 1.
- Policy makers are interested in the postsecondary education community's efforts to implement the reform legislation. The first section of the report, "an update on postsecondary reform efforts undertaken during 1997/98," is designed to keep policy makers informed about recent reform initiatives.
- The reform legislation calls for an accountability process that provides for the adoption of systemwide and individual performance goals. The second and third sections of the report, "statewide performance indicators" and "institutional accountability indicators," follow directly from this statutory requirement. To respond to the needs of CPE members, performance indicators were identified that have the most value for informing various policy decisions that face CPE.
- The 14 performance indicators mandated under SB 109 (the previous accountability system) were eliminated under the new legislation. The new statutory language addresses four general categories of performance, including educational quality and outcomes, student progress, research and service activities, and use of resources. CPE is directed to formulate specific indicators within these categories that are consistent with the strategic agenda.
- The single-volume accountability report will lessen the reporting burden placed on institutions.

M-25

Background:

“Accountability” denotes the process of evaluating postsecondary education’s success in meeting its missions and goals. Unlike previous efforts to evaluate the status of postsecondary education, the accountability movement is distinguished by its focus on outcome measures. At the system level, accountability initiatives support policymakers in their planning function to improve the system. Institutional measures focus more on the overall effectiveness of the institution and guide program improvements.

During the 1992 session, the General Assembly passed legislation mandating Kentucky’s first accountability reporting process. The Kentucky Accountability Committee (KAC), composed of university and Council staffs, was created to oversee the reporting of data on the fourteen performance indicators specified in the legislation. The first *Accountability Report Series of Kentucky Higher Education* was published in November 1993. The series consisted of a systemwide report, 22 individual university and community college reports, and a community college system summary report.

In 1995, the former Council on Higher Education initiated a review by external evaluators of the accountability reporting series. The intent of the review was to develop suggestions for improving the presentation of the annual reports so that they could be easily understood by a variety of audiences, including the General Assembly and the public. Based on input from the external reviewers and the institutions, CHE staff proposed a number of changes to the presentation of data in the reports that were subsequently approved by CHE at its May 1996 meeting.

At its meeting on July 21, 1997, CPE approved modifications to the 1997 accountability reporting process. These changes were intended to develop--in a limited amount of time--a portrait of postsecondary education reflecting the directives of the Kentucky Postsecondary Education Improvement Act of 1997. The series of twenty-four accountability reports was replaced with a single-volume status report featuring comparative institutional data. To make the reports more responsive to the needs of policy makers, performance indicators were selected that had the most value for informing various policy decisions: pass rates on licensure exams, persistence and graduation rates, survey results, remedial follow-up analysis, room utilization, and a number of others. A few performance indicators, such as student credit hours, were eliminated because they were thought to be uninformative by many readers of the report. Other indicators, such as accreditation and faculty workload, were not included in the 1997 report, but will be re-examined in the future with the thought of developing improved reporting and data collection standards. In addition, some previously unreported indicators were featured in the 1997 report in an effort to meet the needs of policy makers. Separate chapters were devoted to student outcomes assessment, workforce development initiatives, employment-related outcomes, use of technology, and EEO eligibility status.

Aside from several systemwide indicators, the performance indicators listed in Attachment A are substantially the same indicators as those found in the 1997 report. The systemwide indicators (e.g., statewide college-going rates, percentage of adults enrolled in credit-bearing courses, etc.)

proposed for the 1998 report speak to concerns about Kentucky's level of educational attainment addressed in the Kentucky Postsecondary Education Improvement Act of 1997.

The 1997 reporting process lessened the administrative burden placed on institutions while satisfying the reporting requirements of the Kentucky Postsecondary Education Improvement Act of 1997. In previous years, institutions were required to develop narratives explaining the detailed performance data that comprised the institutional reports. Developing the narratives often consumed considerable staff time. By discontinuing the institutional reports, CPE eliminated the need for institutions to compose the narratives. Moreover, CPE further reduced the demands placed on institutional staff by eliminating several of the performance indicators mandated in 1992 by Senate Bill 109. Ultimately, the current recommendation for producing the 1998 report will result in lighter reporting responsibilities for the institutions while maintaining a commitment toward systemwide and institutional accountability.

The Kentucky Postsecondary Education Improvement Act of 1997 eliminated the fourteen indicators established under the previous accountability legislation and directed CPE to tie the new accountability system to the statewide strategic agenda and strategic implementation plans. The legislation specifically requires CPE to develop implementation plans with the following elements: a mission statement; goals; principles; strategies and objectives; benchmarks; and incentives to achieve desired results. In developing appropriate benchmarks, CPE is required to use a variety of statistical information to compare regions within the Commonwealth to other states and the nation. Development of this new system will require extensive work over the next year, with appropriate involvement of the institutions. A detailed workplan will be completed in combination with the workplan for the development of the strategic agenda and strategic implementation plans. Since this development process will not be completed until late in 1998, the 1998 accountability report, like the 1997 report, will be a "transitional" document that will differ from reports produced in future years.

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**Organization and Contents of
*The Status of Kentucky Postsecondary Education: The 1998 Report***

Update on Postsecondary Reform Efforts Undertaken During 1997/98

- Strategic agenda
- Incentive trust funds
- Kentucky Community and Technical College System transition
- Commonwealth Virtual University
- Academic program coordination, delivery, and quality
- Seamless education system (e.g., p-16 cooperation, PCC, transfer frameworks)
- Other initiatives

Statewide Performance Indicators

- Annual college-going rates of recent high school graduates
- Percentage of adult enrollments in credit-bearing courses
- Annual college graduation rates
- Percentage of adults with a four-year degree or more (based on census data compiled every 10 years)
- Percentage of adults with one to three years of college (based on census data compiled every 10 years)
- Maps depicting access to postsecondary education institutions
- Indicators of access to courses offered through distance learning

Institutional Accountability Indicators

Institutional Profile Information

- Enrollments
- Degrees awarded
- Personnel

Educational Quality

- Ongoing assessment activities
- Student outcomes assessment
- Pass rates on licensure exams
- Graduating students survey
- Undergraduate alumni survey

Student Progress/Advancement

- Remedial follow-up
- Persistence and graduation rates (1991 baccalaureate cohort and 1994 associate cohort)
- Community college transfers (persistence and graduation rates)

Research, Service, and Workforce Development

- Education reform initiatives
- Research and public service
- Workforce development initiatives
- Employment-related outcomes

Use of Resources

- Room utilization
- Use of technology (results of survey of technology and distance learning practices)

Commitment to Equal Opportunities

- EEO eligibility status

M-30

11-11
30
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Discussion:

At its November 3, 1997, meeting, CPE approved a comprehensive study of statewide academic program policies. This action was taken in recognition that a new system of academic program policies consistent with the contents and spirit of the Kentucky Postsecondary Education Improvement Act of 1997 would be needed to achieve the goals for 2020 outlined in that legislation.

Statutory Authority

The Kentucky Postsecondary Education Improvement Act of 1997 authorizes CPE to set policy for a wide range of activities related to academic program development and delivery, including:

- Define and approve all program offerings at Kentucky's postsecondary education institutions.
- Eliminate existing programs, when necessary.
- Initiate "standardized" degree programs.
- Approve teacher education programs.
- Ensure that the state postsecondary system does not unnecessarily duplicate programs offered at private postsecondary institutions.
- Establish policies to control and promote the use of distance learning delivery systems.
- Promote credit transferability.
- Implement an accountability system that measures educational quality and outcomes.

Scope of Study

This study is broad in scope and contains two major components:

- A review and evaluation of all current CPE academic program policies, among them definitions of degree programs, the registry of degree programs, questionable program practices, criteria for master's degree programs, new program approval, program advisory statements, performance of recently approved programs, program review process, and criteria for suspending and reactivating programs.
- An investigation of nationally recognized "best practices" in the academic program policies area—practices related to existing CPE academic program policies and new CPE academic program-related responsibilities, for example, the Commonwealth Virtual University, standardized degree programs, and postsecondary technical programs.

Three core postsecondary education reform goals will drive the activities conducted during this policy study: 1) ensuring access to quality academic and technical programs; 2) creating a coordinated, responsive, seamless postsecondary education system; and 3) developing an accountability system that results in continuous improvement. In addition, this policy study has ramifications for initiatives related to several other issues on the reform agenda, among them the statewide strategic agenda and implementation plans, incentive trust funds criteria, the Commonwealth Virtual University, extended campus policies, and institutional mission statements, some of which are being undertaken simultaneously. Thus, developments with these initiatives will be considered carefully as this study proceeds and vice versa.

Desired Outcomes

One of the critical messages of the Kentucky Postsecondary Education Improvement Act of 1997 is that the development and delivery of the postsecondary system's program offerings be handled in a different way—that they be strongly tied to the state's economic vitality and development and that they reflect academic and fiscal responsibility, efficiency, and creativity.

The goal of this policy study is to provide a foundation for designing academic program policies that are meaningful at both the statewide and institutional level; streamlined, mutually reinforcing, and complementary to institutional and accrediting agencies' policies and practices. Once completed, this study's findings will drive the development of policies that achieve these goals:

- Support the goals of House Bill 1, the statewide strategic agenda, and the institutions' own missions and strategic plans.
- Foster appropriate access to programs at various degree levels relative to student demand and regional needs.
- Promote economic development throughout the Commonwealth.
- Enhance program productivity.
- Ensure an efficient, non-duplicative, seamless postsecondary education system.
- Facilitate most effectively students' ability to access postsecondary education and to transfer credits from one institution to another.
- Promote the highest quality educational outcomes.
- Assure that potential students view Kentucky as having a seamless, student-friendly system of postsecondary education.

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Process and Timetable (preliminary)

Organization and Start-up (early 1998)

- Discuss workplan at January Quality and Effectiveness Committee (QEC) meeting.
- Form a study group. QEC Chair will appoint a study group composed of CPE members, institution presidents (selected in consultation with the convener of the Conference of Presidents), and other postsecondary education constituents. CPE staff will work with the study group to refine the staff's workplan, determine appropriate timeframes for completing the report, and provide overall guidance at critical junctures throughout the process.
- Engage a consultant. CPE staff will be assisted by a consultant who is nationally recognized as an expert in academic program policies and issues. This consultant will analyze Kentucky's academic program policies and procedures in light of the Kentucky Postsecondary Education Improvement Act of 1997 and innovative best practices in other states; identify key issues; and, in general, guide the study process. (A request for proposals has been prepared to secure consulting services.)

Information Gathering (March-June 1998)

- Review existing academic program-related policies.
- Review the literature and collect policies from other states.
- Conduct focus group meetings with institutional representatives and stakeholders, among them the Council of Chief Academic Officers (CCAO), Faculty Advisory Council (FAC), other work groups involved in postsecondary reform initiatives, and the Kentucky Department of Education (KDE), to identify issues and solicit ideas.
- Identify successful practices throughout the country.
- Provide a status report at the March QEC meeting (and at each subsequent QEC meeting throughout the year).

Analysis and Dissemination of Results (June-December 1998)

- Draft report of initial findings and share with the study group for its input; share revised draft with the Conference of Presidents, CCAO, FAC, KDE, and other groups involved with postsecondary reform initiatives.
- Present a discussion item at QEC meeting.
- Present study findings at full CPE meeting.

Policy Development (December 1998-March 1999)

- Prepare draft recommendations for a complementary set of academic program policies for review by the study group, Conference of Presidents, CCAO, FAC, KDE, and other groups involved with postsecondary education reform initiatives.
- Present recommended academic program policies to the Quality and Effectiveness Committee for action and to full CPE for its action. Effective dates for individual policies will be incorporated into the proposal for the new system, with implementation and submission schedules where appropriate.

M-34

Discussion:

At its November 3, 1997, meeting, CPE approved a policy study on minimum admission requirements. Interest in conducting this policy study was sparked by the promulgation of new high school graduation requirements and the results of the recently completed policy study on remedial education.

Statutory Authority

KRS 164.020(8) authorizes CPE to establish "minimum qualifications for admission to the state postsecondary system." A complete analysis of current admission requirements and their effectiveness must be conducted before CPE can develop minimum admission requirements that fully support the reform agenda.

Scope of Study

Staff proposes examining the development of minimum admission requirements to postsecondary education from both national and local perspectives. Particular emphasis will be given to evaluating the effectiveness of the Pre-College Curriculum (PCC) in preparing students for the demands of a college education. For instance, the study will examine the historical relationship between the rate of PCC compliance and the rate of placement in remedial courses. Moreover, the PCC will be analyzed in light of the new high school graduation requirements and efforts to restructure the high school experience based upon recent KERA reforms. The study also will evaluate whether there are strategies to improve the coordination of postsecondary admission policies with P-12 efforts to increase student achievement.

Attention will be devoted to examining competency-based admission policies in other states. Efforts will be made to develop a set of valid predictors of success in postsecondary education based on the performance of recent high school graduates during their careers in postsecondary education. These empirically derived predictors will, in turn, be compared to the PCC to test their relative effectiveness in predicting students' level of achievement in postsecondary education. Finally, the study will examine the potential impact of rigorous admission requirements upon students who historically have been under-represented in postsecondary education.

Desired Outcomes

Currently, a mismatch exists between the new high school graduation requirements and the PCC. The graduation requirements are now more demanding than the standards for admission to college. The study will help CPE members evaluate the adequacy of the PCC and assess the potential effectiveness of competency-based criteria for admitting students to postsecondary education. Ultimately, this study would enable CPE to develop

a range of admission standards for each postsecondary education sector that would maximize each student's probability of success.

Process and Timetable (preliminary)

Organization and Start-up (early 1998)

- Discuss workplan at January Quality and Effectiveness Committee (QEC) meeting.
- Form a study group. The QEC Chair will name a study group composed of CPE members, institution presidents (selected in consultation with the convener of the Conference of Presidents), and other postsecondary education consultants. CPE staff will work with the study group to define the staff's workplan, determine appropriate timeframes for completing the report, and provide overall guidance at critical junctures throughout the process.

Information Gathering (March – June 1998)

- Conduct literature review for national trends in postsecondary education admission requirements.
- Interview national experts on admission practices.
- Evaluate the effectiveness of the Pre-College Curriculum (PCC).
- Validate competency-based criteria for admission purposes.
- Conduct focus groups with institutional representatives.
- Provide a status report at the March QEC meeting (and at each subsequent QEC meeting throughout the year).

Analysis and Dissemination of Results (July – October 1998)

- Draft report of initial findings and share with the study group for its input; share revised draft with the Conference of Presidents, CCAO, FAC, KDE, and other groups with an interest in admission policies.
- Present a discussion item at QEC meeting.
- Present study findings at full CPE meeting.

Policy Development (November 1998)

- Develop a set of policy options for review by the study group, Conference of Presidents, CCAO, FAC, KDE, and other groups involved in postsecondary education admissions.
- Present recommended admission requirements to the QEC for action and to full CPE for its action.

**EISENHOWER MATHEMATICS AND
SCIENCE EDUCATION FUNDS**

**ACTION ITEM
CPE (M-5) QEC (G)
January 12, 1998**

Recommendation:

That CPE award Dwight D. Eisenhower Mathematics and Science Education funds to support the projects listed in Attachment A for federal fiscal year 1997 (October 1, 1997-September 30, 1998).

Rationale:

- CPE, serving as the state-coordinating agency for postsecondary education, annually receives federal funds to support projects at public and independent higher education institutions and nonprofit organizations for improving the quality of P-12 instruction in mathematics and science.
- Federal regulations require that Dwight D. Eisenhower Mathematics and Science Education funds be distributed through a competitive process. The funding amount for the 1997 state grant program is \$778,961.
- On November 14-16, 1997, a panel of independent reviewers evaluated the 44 proposals received as a result of the August 1, 1997, Request for Proposals (RFP) distributed to all public and independent colleges and universities. The panel evaluated the proposals in accordance with guidelines listed in the RFP. CPE staff does not serve on the review panel.

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Background:

The Dwight D. Eisenhower Mathematics and Science Education State Grant Program has specific responsibility for initiating and supporting activities designed to improve teaching and learning through sustained and intensive high-quality professional development activities in mathematics and science and other core curriculum areas. Allowable activities include sustained high-quality professional development programs for teachers and staff of schools and/or local school districts and teacher education improvement programs designed to meet more effectively local school district needs for well-prepared teachers.

Funds are distributed to states based on school-age population and the number of children identified as economically disadvantaged. Since its inception in 1985, CPE has awarded over \$7,000,000 in subgrants that have provided professional development to more than 19,000 teachers. See Attachment B for a statistical history of the program. CPE is responsible for administering the \$778,961 awarded to Kentucky for the current year. Of this amount, \$38,948 (5%) is set aside for administering the program. Public and independent institutions of higher education and non-profit organizations with demonstrated effectiveness, such as museums and educational partnership organizations, are eligible to submit competitive proposals for the remaining \$740,013.

In response to the RFP, 44 proposals were received from seven public universities, six independent institutions, and two community colleges. Requests totaled \$2,128,291. The review panel recommended for CPE approval 15 proposals in the amount of \$739,829. These proposals (see Attachment A) include seven public universities and two private colleges. One of the recommended proposals in the amount of \$143,816 will continue the cooperative partnership between CPE and the Partnership for Reform Initiatives in Science and Mathematics (PRISM) project funded by the National Science Foundation.

Additional Background Information on the Accountability System for Eisenhower Fund Projects

Given CPE's interest in accountability as it relates to pass-through funds, details of the "model" accountability system developed for Eisenhower Fund projects are included in this agenda item. The Government and Performance Act of 1993 (P. L. 103-62) requires CPE to submit its Annual Program Performance Report in 1998 based on a system of performance indicators for the program. Further, CPE is required to collect baseline data for the system in FY 97. In response to this requirement, CPE contracted with WESTAT Inc. for technical assistance. WESTAT Inc. was selected because of the expertise gained in developing a similar set of documents for the federal Eisenhower Office.

CPE and WESTAT staff worked with the Kentucky Eisenhower Higher Education Advisory Council to develop a performance indicator system and companion assessment instruments. Once finalized, the performance indicator system (which includes objectives and performance measures) and the assessment instruments became the basis for revising the RFP. As a result, Kentucky has an Eisenhower Higher Education Program with totally articulated components

(see Attachment C for excerpts from the Eisenhower RFP packet). The projects submitted herein for approval are required to administer the companion evaluation instruments. Thus, CPE can be assured that the approved proposals specifically address the stated objectives and performance indicators and that institutions will provide data that are specific to the performance indicators. Future program changes will be based on needs identified through analysis of data collected using the performance indicator and assessment system.

Kentucky is among the first states to have progressed to this point in implementing these requirements, and, in fact, is in the forefront in its efforts to develop and implement a totally integrated performance indicator system. To date, staff has filled requests from more than 25 states for copies of the Kentucky program.

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ATTACHMENT A

Eisenhower Mathematics and Science Education Grant Program

Projects Recommended for Approval for Federal FY 97

Institution	Amount	Proposal Type
Brescia College	\$33,046	Technology (Internet)
Eastern Kentucky University	\$14,503	Math/Science (Alliance)
Ky. Science & Tech. Council	\$143,816	Science PRISM KSTC (preservice)
Morehead State University	\$20,360	Math/Science (Alliance)
Morehead State University	\$52,709	Science (astronomy Space)
Murray State University	\$45,990	Math/Science (Environmental Ed)
Northern Kentucky University	\$57,000	Math (Geometry) Grades 4-9
Union College	\$17,246	Science P-5
University of Kentucky	\$51,896	Science (Earth Space)
University of Kentucky	\$52,490	Science (Elementary Physical)
University of Kentucky	\$57,000	Math Technology (MAPLE, LaTeX)
University of Louisville	\$43,116	Math/Science (Elementary)
University of Louisville	\$57,657	Math (Middle School Certification)
Western Kentucky University	\$37,000	Math/Science (Outdoor Education)
Western Kentucky University	\$56,000	Math/Science (Preservice Model)
GRANT TOTAL	\$739,829	

ATTACHMENT B

KENTUCKY COUNCIL ON POSTSECONDARY EDUCATION EISENHOWER MATHEMATICS AND SCIENCE PROGRAM HISTORY OF PROGRAM ACTIVITY				
Grant Year	Grants Awarded	State Grant Allocation	Teacher Participants	Students Involved Duplicate Count (Estimated)
1985/86	9	\$429,859.00	1,184	150,000
1986/87	8	\$186,620.00	515	58,000
1987/88	12	\$346,429.00	1,295	113,000
1988/89	25	\$515,132.00	3,207	210,000
1989/90	26	\$508,434.00	2,993	170,000
1990/91	29	\$512,522.00	724	57,000
1991/92	33	\$817,792.00	2,695	208,447
1992/93	35	\$915,736.00	1,125	62,148
1993/94	28	\$982,833.00	699	105,000
1994/95	23	\$970,176.00	1,657	207,125
1995/96	19	\$634,560.00	1,603	200,375
1996/97	18	\$695,966.00	1,734	216,750
TOTALS	265	\$7,516,059.00	19,431	1,757,845

ATTACHMENT C

Excerpt from Eisenhower RFP Packet

CPE Performance Indicators

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KENTUCKY EISENHOWER HIGHER EDUCATION

PERFORMANCE INDICATOR SYSTEM

Objective 1: INCREASE DEGREE TO WHICH PROFESSIONAL DEVELOPMENT ACTIVITIES REFLECT BEST PRACTICES.

Indicator a. To what extent do professional development activities address high priority professional needs of teachers, teacher candidates, and other school personnel?

- i. 100% of grantee programs will address the Kentucky Council on Postsecondary Education's (CPE) professional development priorities defined in the RFP. **Source: Proposals.**
- ii. 100% of funded proposals will address state and national standards such as NCTM Curriculum and Assessment Standards and the National Science Education Standards. **Source: Proposals.**
- iii. By 1998, 100% of funded proposals will provide evidence that they are addressing the specific needs of school(s) and/or LEA(s) as identified in local action plans. **Source: Components of LEA/School action plans that are enclosed in proposals.**
- iv. 75% of direct training participants will report that the professional development addressed their most pressing professional needs. **Source: Follow-up survey question #F8a.**
- v. 100% of funded proposals will include specific strategies for implementing the Kentucky Core Content for KIRIS Assessment. **Source: Proposal.**
- vi. 10% of the funded proposals were developed in coordination with schools in decline, schools in crisis and/or improving schools as defined by the Kentucky Department of Education. **Source: Proposals.**

Indicator b. To what extent are professional development activities utilizing instructional techniques that reflect best practices?

- i. 100% of funded proposals will include professional development techniques recommended in the RFP. **Source: Proposals.**
- ii. 75% of direct training participants will report that the instructional techniques used during the professional development were appropriate for reaching the intended objectives. **Source: Follow-up survey question #F8b.**

- Indicator c. To what extent are professional development activities and their follow-up of sufficient duration and intensity?
- i. 100% of funded direct training professional development programs that teach core content will have a minimum of 30 contact hours. **Source: Proposals**
 - ii. In a follow-up survey of participants, 75% of direct training participants responding to the follow-up survey will report that the professional development program provided ample time to achieve the stated objectives. **Source: Follow-up survey question #F8c.**
 - iii. 100% of funded direct training professional development will include at least two followup training sessions during the following school year. **Source: Proposals.**
 - iv. 75% of direct training participants, responding to the follow-up survey, will report that the professional development program provided adequate follow-up. **Source: Follow-up survey question #F8d.**
- Indicator d. To what extent are professional development activities providing participants with methods for transferring new knowledge and skills to the classroom?
- i. 75% of direct training participants, responding to a follow-up survey, will report that the professional development program provided useful methods for transferring new knowledge and skills to the classroom (e.g., lesson plans or materials). **Source: Follow-up survey question #F8e.**

Objective 2: INCREASE PROFESSIONAL DEVELOPMENT SUPPORT TO APPROPRIATE TARGETED POPULATIONS.

Indicator a. To what extent do teachers and teacher candidates from historically underrepresented groups utilize professional development activities?

- i. By 1999, the proportion of teachers from gender or ethnic minorities that participate in the professional development programs will exceed their proportion in the state teaching population (The minority group is defined for each activity based on the subject area and school level. e.g., in elementary levels male teachers are in the minority, while females are in the minority in the math and science high school teaching population). **Source: Preliminary survey questions #P5 and #P6 compared with state figures.**

Indicator b. To what extent do teachers and teacher candidates who work with (or intend to work with) students from historically underrepresented groups utilize professional development activities?

- i. By 1999, participants from schools with high-poverty student populations will participate in the professional development program at rates comparable to or higher than the rates for teachers in other schools. **Source: Preliminary survey question #P4 compared with state figures.**

Objective 3: STRENGTHEN CAPACITY OF THE TEACHING WORKFORCE.

Indicator a. To what extent do teachers and teacher candidates who participate in professional development activities acquire new knowledge and teaching skills in mathematics, science, technology, and other core academic subjects?

- i. By 1998, 100% of direct training professional development programs will provide follow-up evidence that their participants acquired new knowledge or skills. **Source: Preliminary and follow-up survey questions #F9, #P8/F12 and #P9/F13.**
- ii. 75% of direct training participants, responding to a follow-up survey, will report that their teaching capacity is improved (e.g., increased confidence in their skills, effectiveness and interest). **Source: Preliminary and follow-up survey questions #P8/F12(a-c).**

- Indicator b. To what extent do teachers and teacher candidates who participate in professional development activities enhance their interest in and capacity for networking?
- i. Beginning in 1999, the number of teachers and administrators involved in networking activities will increase by 2% annually. **Source: Reports of participant counts. Baseline year is 1998.**
 - ii. 20% of direct training professional development participants will report on a follow-up survey that they have enhanced their interest and capacity for networking (e.g., joined a professional association or attended a professional association conference, maintained contact with other participants, and/or established a network). **Source: Follow-up survey questions #F10(a-d) and #P8/F12d.**
 - iii. 40% of direct training participants will report that they shared new knowledge and skills with their colleagues. **Source: Follow-up survey questions #F10f and #F10g.**
 - iv. 10% of networking activity participants attended the meetings on the recommendation of a colleague who had attended prior meeting. **Source: Preliminary survey question #P7.**
 - v. Where applicable, 25% of direct training professional development program participants, responding to a follow-up survey, will report that they have or would recommend this program to their colleagues. **Source: Follow-up survey question #F10e.**

Objective 4: STRENGTHEN CLASSROOM PRACTICES OF TEACHERS.

- Indicator a. To what extent do teachers who participate in professional development activities use classroom techniques that reflect best practices?
- i. By 1998, 75% of direct training professional development participants responding to a follow-up survey will report that they applied their new knowledge or skills to their classrooms. **Source: Preliminary and follow-up survey questions #F9d and #P9/F13.**

Objective 5: INCREASE STUDENTS' LEVEL OF INTEREST AND ACHIEVEMENT IN MATHEMATICS, SCIENCE, AND OTHER CORE ACADEMIC SUBJECTS.

Indicator a. To what extent are students becoming more interested and involved in mathematics, science, technology, and other core academic subject areas?

- i. 20% of direct training professional development participants, responding to a follow-up survey, will report that, as a result of their participation in the program, their students are more attentive and involved in classroom activities. **Source: Follow-up survey question #F11a.**

Indicator b. To what extent are students improving their academic achievement in mathematics, science, technology, and other core academic subject areas?

- i. 20% of direct training professional development program participants, responding to a follow-up survey, will report that, as a result of their participation in the program, the quality of their students' work is noticeably improved. **Source: Follow-up survey question #F11b.**
- ii. 10% of direct training professional development program participants, responding to a follow-up survey, will report that, as a result of their participation in the program, their students' scores on statewide student assessments have improved. **Source: Follow-up survey question #F11c.**

Objective 6: ENHANCE INSTITUTIONAL CAPACITY OF SCHOOLS TO SUSTAIN A COMMUNITY OF LEARNERS.

Indicator a. To what extent are schools engaging teachers and staff in ongoing professional development?

- i. By 1998, at least 50% of the funded projects will include participants other than teaching faculty (including principals, administrators, and policymakers). **Source: Preliminary survey question #P1.**

Indicator b. To what extent are schools increasing the cadres of experienced teacher educators and role models available for professional development?

- i. At least 10% of professional development programs will be developed and/or implemented in cooperation with 'Kentucky Department of Education Distinguished Educators'. **Source: Proposals.**

Objective 7: STRENGTHEN COORDINATION, DEVELOPMENT, AND MANAGEMENT OF EISENHOWER-ASSISTED PROGRAMS AND ACTIVITIES.

Indicator a. To what extent are stakeholders involved in the development and monitoring of professional development programs and activities?

- i. 100% of funded projects were planned with the assistance of teachers and administrators from the LEAs and schools to be served. **Source: Proposals.**

Indicator b. To what extent are policies and practices of professional development programs and activities integrated with other professional development and reform efforts?

- i. 100% of funded projects will be aligned with professional development priorities of the Kentucky Department of Education and/or systemic reform initiatives in the state (NSF). **Source: Review of proposals.**

Indicator c. To what extent do professional development programs and activities conduct needs assessments and outline priority plans that address the professional development needs of teachers and other school personnel?

- i. By 1998, 100% of funded proposals will provide evidence that they are addressing the specific needs of school(s) and/or LEA(s) as identified in local action plans. **[Note: This is the same as indicator 1a] Source: Components of LEA/School action plans that are enclosed in proposals.**

Indicator d. To what extent is the availability of professional development being increased

- i. At least 5% of all funded proposals will provide outreach to multiple schools and districts or provide a mechanism for sharing their techniques with other regions of the state. **Source: Proposals.**

Indicator e. To what extent are program data being collected and used to strengthen programs and activities?

- i. 100% of funded projects will submit a final program report. **Source: Final program reports.**
- ii. Grantees will provide evidence that they conducted post-activity surveys on at least 25% of their direct training professional development participants. **Source: Final program reports.**

REMEDIAL EDUCATION STUDY

Presentation:

At its January 1996 meeting, the former CHE directed staff to conduct a policy study of remedial education programs at Kentucky's public universities and community colleges. The study was undertaken because many students enter postsecondary education without some of the skills necessary for their later success. No action is required on this study, but the report's findings will serve as a foundation for the policy study on minimum admissions requirements directed by CPE at the November 3 meeting.

A PowerPoint presentation of the study's findings will be made by CPE staff to the Quality and Effectiveness Committee. Some of the highlights of the remedial education study are in the attachment.



A Policy Study of the
Council on Postsecondary Education

*An Analysis of Remedial Education
at Kentucky's Public Universities
and Community Colleges*

December 17, 1997

An Analysis of Remedial Education at Kentucky's Public Universities and Community Colleges

Kentucky Council on Postsecondary Education

December 17, 1997

A significant number of students enter higher education without some of the basic skills necessary to perform college-level work. A recent nationwide survey conducted by the National Center for Education Statistics (NCES, 1996) revealed that 29 percent of first-time freshmen took at least one remedial course in fall 1995. In Kentucky, 44 percent of first-time freshmen enrolled in one or more remedial courses during the fall 1995 semester. This report provides the Council on Postsecondary Education (CPE) with a comprehensive look at the status of remedial education programs at Kentucky's public colleges and universities¹. This policy study also partially fulfills the mandates contained in House Joint Resolution (HJR) 6, which was passed by the General Assembly during the 1997 Extraordinary Session. HJR 6 directs the Council to "review the policies of higher education institutions for identification and placement of students in remedial and developmental courses and make a recommendation for establishing a statewide standard." This legislative mandate is consistent with the Council's statutory responsibilities. KRS 164.020 (8) authorizes the Council to establish "minimum qualifications for admission to the state postsecondary educational system."

The first section of the report briefly traces the historical development of this nation's remedial programs and presents opposing viewpoints on the appropriateness of offering remedial-level programs in college. The report then focuses on student placement policies and the administration of remedial programs in Kentucky. Next, the report features a demographic profile of remedial students and an evaluation of the effectiveness of remedial education. Following a discussion of the direct costs of remedial programs, policy issues related to remedial education are explored. The report concludes by taking a fresh look at the issue of access in postsecondary education.

Remedial Education: The National Perspective

The relatively large number of students who require some form of remediation has captured the attention of legislators, educators, and the media in recent years. History shows, however, that this is not a new phenomenon in higher education. An 1828 edition

¹ In 1996, the former Council on Higher Education directed staff to conduct a comprehensive study of remedial education at the state's public colleges and universities. Council staff had nearly completed this study when the General Assembly passed the Kentucky Postsecondary Education Improvement Act of 1997. This legislation provided the new Council with oversight of the state's postsecondary technical institutions. The postsecondary technical institutions offer some remedial courses; however, the Technical Institutions' Branch does not maintain centralized information on various remedial education statistics. Collecting and reporting remedial program data from the 25 postsecondary technical institutions is beyond the scope of the present study. In the future, staff will take a closer look at the remedial offerings at the postsecondary technical institutions.

of the *Yale Report* featured an article criticizing the university's policy of admitting students with "defective preparation." Faculty at Harvard University developed special composition courses in 1874 to address freshmen deficiencies in writing. By the beginning of the twentieth century, eight out of ten colleges and universities in America had established preparatory schools for students lacking critical skills.

During this century, the expansion of remedial education programs paralleled the establishment of the community college movement. The growth in remedial programs continued during the 1950s when the launching of the Sputnik satellite prompted concern about the readiness of students. In the 1970s, remedial programs became even more pervasive as many colleges developed open admission standards in response to the changing demographics of entering freshmen and declining high school achievement levels (NCES, 1991). Currently, all public two-year institutions and eight out of ten public four-year institutions across the country offer at least one remedial course (NCES, 1996).

Many educators and policy makers believe that providing under-prepared students with access to college plays a critical role in protecting our social and economic vitality. Today's global economy places a premium on highly skilled workers. Thus, in response to the demands of a changing economy, many workers have learned that they must periodically upgrade their skills to perform their jobs effectively. In addition, a significant number of adults have discovered--either by choice or by circumstance--that it is now the norm to change careers several times during one's work life. Consequently, some form of postsecondary education has become imperative for all adults. Postsecondary education offers hope to many citizens that they will not be disenfranchised from the rewards of American life. In its historic report, *A Nation at Risk* (1983), the National Commission on Excellence in Education clearly articulated these sentiments: "The twin goals of equity and high-quality schooling have profound and practical meaning for our economy and society, and we cannot permit one to yield to the other in principle or in practice." From a policy perspective, however, the simultaneous pursuit of these dual objectives has often proved to be a difficult undertaking.

Alexander Astin (1985) asserts that the pursuit of excellence and equity are compatible goals, if we agree that the purpose of education is the development of talent. Astin argues that the education of well-prepared students is no more important than the education of students who perform poorly on admissions tests. America can simply not afford to neglect the educational development of its under-prepared students. The belief that excellence and equity conflict with one another is predicated upon the erroneous assumption that education excellence is reflected in either an institution's reputation or its resources. Instead, Astin asserts that excellence is a function of how well the institution develops the talents of its students and faculty.

Some educators, however, believe that the relaxing of academic admissions standards and the accompanying increase in remedial offerings at the college level may have produced some unintended consequences. Bruno Manno (1995) contends that admitting students who are under-prepared to do college-level work not only increases

the costs of higher education but also devalues the worth of a college degree. He notes that remedial education contributes to the increased time it takes many students to earn a degree. Finally, Manno argues that the decline of standards sends the message to high school students that academic achievement and hard work are not critical because anyone can achieve admission to college.

William Moloney, a member of the Governing Board of the National Assessment of Education Progress, also has voiced frustration over the policy of admitting under-prepared students to college. Moloney (1996) contends that K-12 and higher education must stop the finger pointing and work together in order to rescue American education. After observing signs of cooperative efforts in his home state of Maryland, Moloney wrote:

A reformist State Board of Education is driving toward truly rigorous high school assessments, which will require students to demonstrate fundamental knowledge and ability before being allowed to graduate. No more diplomas for "time served and good behavior." Simultaneously the state Higher Education Commission is recognizing that it must stop disguising a virtual open admissions policy as a triumph of "access" and start requiring admissions committees to actually insist on some capacity to do college-level work.

CPE Analysis: Educators and legislators in Kentucky must perform a difficult balancing act when it comes to developing workable remedial programs and admissions standards. Kentucky is a state with a long history of low educational attainment. Data from the United States Census Bureau indicate that, from 1980 to 1990, the percentage of adult Kentuckians with a four-year degree or more rose 2.5 percentage points, from 11.1 percent to 13.6 percent. Nationwide, 20.3 percent of adults were college graduates. Despite recent gains in educational attainment, Kentucky currently ranks 48th in the nation in the percentage of its adult population with a college degree. The challenge facing Kentucky's postsecondary education system in the next century will be to expand access to under-served segments of the population, increase the relatively low graduation rates of students, and enhance the quality of academic programs.

Policies Governing Remedial Education in Kentucky

All remedial courses are designed to prepare students for college-level study. Kentucky's public colleges and universities provide remedial instruction in math, English (writing), reading and study skills. These courses cannot be applied toward graduation requirements, although they may be used by students to qualify for financial aid. Traditional students (under the age of 25) who have not met Pre-College Curriculum (PCC) requirements (i.e., four units of English, 3 units of math, and 2 units of science and social studies, respectively) are required to take selected remedial courses to satisfy their deficiencies. However, nontraditional students (25 years of age or older) who have PCC deficiencies are not required to take the prescribed courses. No other statewide policies are in place to guide the placement of under-prepared students in remedial courses.

Table 1

Placement Policies for Remedial Math

Institution	ACT Score Required to By-Pass Remedial Math	Use of Additional Placement Exams
EKU	ACT Math score of 18	Students with ACT scores 15-17 are placed in remedial math based on results of the exam.
KSU	ACT Math score of 19	A placement exam may be used by some departments.
MoSU	ACT Math score of 18	Additional exams are not used.
MuSU	ACT Math score of 19 Students who score below 19 are <i>recommended</i> to take remedial math.	Additional exams are not used.
NKU	ACT Math score of 18	Students with ACT scores 15-17 are placed in remedial math based on results of the exam.
UK	ACT Math score of 18	Students with ACT scores below 18 are placed in remedial math based on results of the exam.
U of L	ACT Math score of 21	Students may challenge remedial placement by taking an exam. All students admitted to the Transitional Studies program are required to take a placement exam.
WKU	ACT Math score of 22	With an ACT Math score below 22, a student's math background and results from a pre-test determine placement in remedial math.
UK Community College System	ACT scores do not usually mandate placement in remedial math.	Placement is generally <i>recommended</i> —rather than required—based on the results of additional placement exams.

However, students who have been identified as under-prepared on the basis of placement exams may or may not be required to take remedial course work. Institutional policies for placing students into remedial math and English are set forth in Tables 1 and 2, respectively.

Each university uses the ACT to place under-prepared students into remedial courses. However, some universities use additional exams to ensure accurate placement or resolve borderline cases. In addition, the cut-off scores for placing students vary considerably from institution to institution. For instance, a student at Northern Kentucky University needs an ACT math score of 18 or above to be placed initially in a college-level math course. If the student scores in the 15 to 17 range, another exam is given, and the results determine whether the student is placed into a remedial-level or a college-level math course.

Table 2

Placement Policies for Remedial English

Institution	ACT Scores Required to By-Pass Remedial English	Use of Additional Placement Exams
EKU	ACT English score of 16	An additional placement exam is also used to place students into remedial English.
KSU	ACT English score of 19	Additional placement exams may be used by some departments.
MoSU	ACT English score of 17	Additional exams are not used.
MuSU	ACT English score of 17	Additional exams are not used.
NKU	ACT English score of 20	Students with ACT scores 15-19 are placed in remedial English based on results of a placement exam.
UK	No remedial English	
U of L	ACT English score of 18	Results from a placement exam may ensure placement in remedial English. All students admitted to the Transitional Studies program are required to take a placement exam.
WKU	ACT English score of 16	An in-class essay is used for placement.
UK Community College System	ACT scores do not usually mandate placement in remedial English.	Placement is generally <i>recommended</i> --rather than required--based on the results of additional placement exams.

On the other hand, a student at Western Kentucky University must score 22 or above on the ACT math test to be placed initially in a college-level math course. If the student scores below 22, the student's math background, coupled with results from a pre-test, determines whether placement in remedial math is necessary.

In the University of Kentucky Community College System (UKCCS), some system-wide policies are in place, but each institution maintains autonomy in developing local remedial policies. Only two of the fourteen community colleges maintain a mandatory remedial requirement for students with deficiencies identified on the basis of high school grades, scores on the ACT, or scores on various placement exams. Most community colleges simply recommend remedial courses to academically under-prepared students. Two community colleges make it somewhat difficult for students to ignore recommendations by requiring them to sign a form acknowledging that they are declining recommended remedial courses.

University and community college students must generally satisfy PCC requirements before they may take entry-level courses. However, remedial students with assessed deficiencies may take non-remedial courses. Universities generally prohibit and community colleges discourage students from taking courses that require skills in which

students are deficient. Some universities also require students to earn General Education credits before being admitted to a baccalaureate degree program. Community colleges differ in how they handle students who disregard the recommendations of advisors. Community college students with identified deficiencies may "exit" the remedial program whenever they choose, just as they may ignore the remedial recommendations of advisors.

CPE Analysis: The lack of comparability in instruments and policies makes it difficult to establish a uniform definition of "college-level work." The testing instruments and cut-off points for placing students into remedial courses vary considerably among Kentucky's public colleges and universities. Consequently, remedial course-taking rates are not comparable from institution to institution. The result is that one institution's remedial student may very likely be another institution's fully-prepared student. The new Baccalaureate Program Transfer Frameworks are predicated upon a uniform definition of college-level work. Yet, the wide variation in remedial placement policies prevents the postsecondary education community from establishing clear-cut standards for collegiate studies. In his testimony before the SCR 103 legislative task force in 1996, Dr. Ansley Abraham, of the Southern Regional Education Board (SREB), noted that Kentucky is one of only four states in the South without statewide admissions criteria for placing under-prepared students into remedial courses.

The perspectives of employers, parents, and students need to be considered in this public policy issue. Employers need to know if their college-educated employees meet certain minimum standards in knowledge, skills and abilities regardless of the college attended. Parents and students would appreciate the assurance that students do not need to enroll in an extra semester of college simply because their chosen institution has adopted more stringent remedial policies than similar institutions in the state.

Finally, educators at both the secondary and postsecondary levels need to be concerned about the degree to which institutional placement exams are aligned with the high school curricula. Michael Kirst (1997), Professor of Education at Stanford University and co-director of Policy Analysis for California Education, contends that California students face various types of admissions and placement exams that do not possess the same content approach. The different tests are designed to provide answers about student preparation for college, course placement, future success at the universities, and the adequacy of K-12 standards. He points out that none of the university admissions exams is coordinated with the curriculum frameworks established by the State Board of Education.

Kirst (1997) states that the California State University system's placement exams exemplify several of the problems that may arise when the linkages between K-12 and higher education are weak. For instance, Cal State's math placement exam, which was designed by a committee of professors, uses a multiple-choice format to assess knowledge of algebra, geometry, and algebra II. Kirst claims that it is highly unlikely that the placement exam tests the math content currently being taught in California's high schools. In addition, high school students do not have any way of preparing for the exam

because they are not told about the test's contents before taking it, and students who take the test are not given any detailed feedback on their performance. Moreover, the test is not designed to assess student deficiencies in a way that would enable high school administrators and teachers to address the weaknesses in their math curricula. Finally, no procedures are in place for teachers to learn about the performance of their students on either the Cal State or University of California placement tests.

Further research is needed to determine whether the placement policies at Kentucky's public colleges and universities suffer from the same problems afflicting California's higher education system. For instance, it is not clear to what degree university and community college placement exams in Kentucky reflect the content of high school courses. In the meantime, the following comments of Michael Kirst offer sound advice to educators pondering the direction of education reform:

The national debate about standards and systemic reform has been conducted mostly in isolation between K-12 reformers and university admissions policy makers. Most of the discussion focuses on statewide assessment at various grade levels, and on K-12 curriculum. If there are to be clearer and more consistent signals about what knowledge is most worth possessing, then the linkages between K-12 reform and universities must be strengthened.

The Administration and Delivery of Remedial Courses

A survey conducted by SREB (1992) revealed that the traditional academic department was the predominant way to deliver remedial education in the South. The traditional academic department was used by 41 percent of the institutions in reading, 57 percent in writing, and 58 percent in mathematics. Separate remedial divisions were used to offer remedial courses by about a third of the institutions. At Kentucky's public universities, half of the institutions teach remedial courses in the traditional academic department while the other half offer instruction in a separate division or program. Community college remedial courses are offered by the appropriate academic department.

In Kentucky, those who teach remedial courses include part- and full-time faculty, as well as graduate teaching assistants. Faculty members often hold lower teaching ranks, such as lecturer or instructor. While faculty members with Ph.D.s do teach remedial courses, typically the highest degree earned by most remedial instructors is a master's degree in a related discipline. These findings are fairly consistent with the results of SREB's survey of remedial practices in the South (SREB, 1992).

Three Kentucky universities provide special training for their remedial instructors. On the other hand, community colleges do not generally provide special training for their remedial instructors. By way of comparison, SREB (1992) found that only about one-third of all institutions in its survey reported that ongoing training was available for remedial instructors. Finally, Kentucky's universities and community colleges provide frequent advising, special labs, and tutoring services for remedial students. Two universities and at least three community colleges provide either special facilities or

dedicated space for remedial labs or special tutoring services.

Profile of Remedial Students

Educators and policy makers have shown great interest through the years in academic preparation of entering students. The National Center for Education Statistics (NCES, 1996) found that 29 percent of first-time freshmen took at least one or more remedial course in fall 1995. The remedial needs of freshmen were greatest in the area of mathematics. In the South, about 36 percent of first-time freshmen took at least one remedial course in math, writing, or reading (SREB, 1992). Consistent with the national data, first-time freshmen in the South took considerably more remedial courses in math than they did in writing or reading. Nearly four out of ten first-time freshmen in the SREB states took a remedial math course.

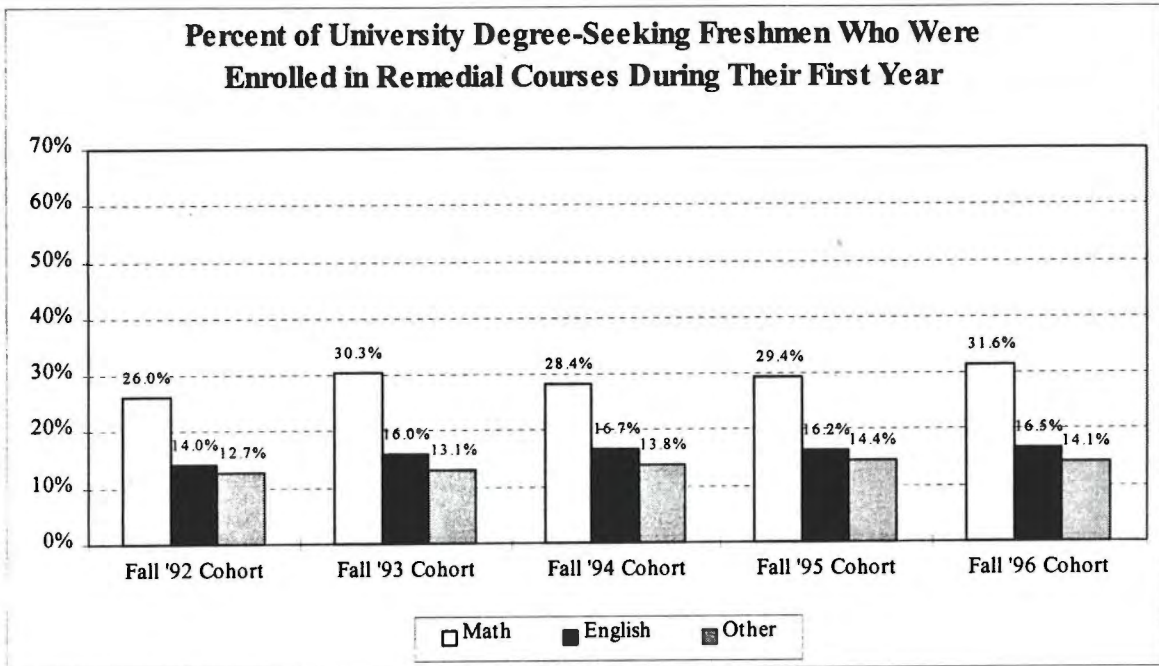
CPE staff examined remedial enrollment data for students who were first-time, degree-seeking freshmen² at one of Kentucky's universities or community colleges from 1992 to 1996. The percentage of first-time, degree-seeking freshmen enrolled in one or more remedial courses during their first year in college rose from 43.0 percent in 1992 to 49.3 percent in 1996. Figures 1 and 2 show the percentage of such students who enrolled in remedial math, remedial English, and "other" remedial courses during their first year at one of the public universities or community colleges, respectively.

From 1992 to 1996, the percentage of university freshmen enrolled in remedial math fluctuated between 26.0 percent and 31.6 percent. Enrollments in remedial English remained fairly constant during this period, ranging from 14.0 percent to 16.7 percent. The percentage of university freshmen enrolled in "other" remedial courses also remained fairly stable from 1992 to 1996, ranging from 12.7 percent to 14.4 percent.

At the community colleges during the same five-year period, enrollment in remedial math courses jumped from 47.0 percent in 1992 to 62.8 percent in 1994 and leveled off in 1995 and 1996. In each of the five years, about one-fourth of the first-time freshmen enrolled in one or more remedial English courses. However, there was a decline in the percentage of first-time freshmen who enrolled in "other" remedial courses, from 16.8 percent to 12.0 percent.

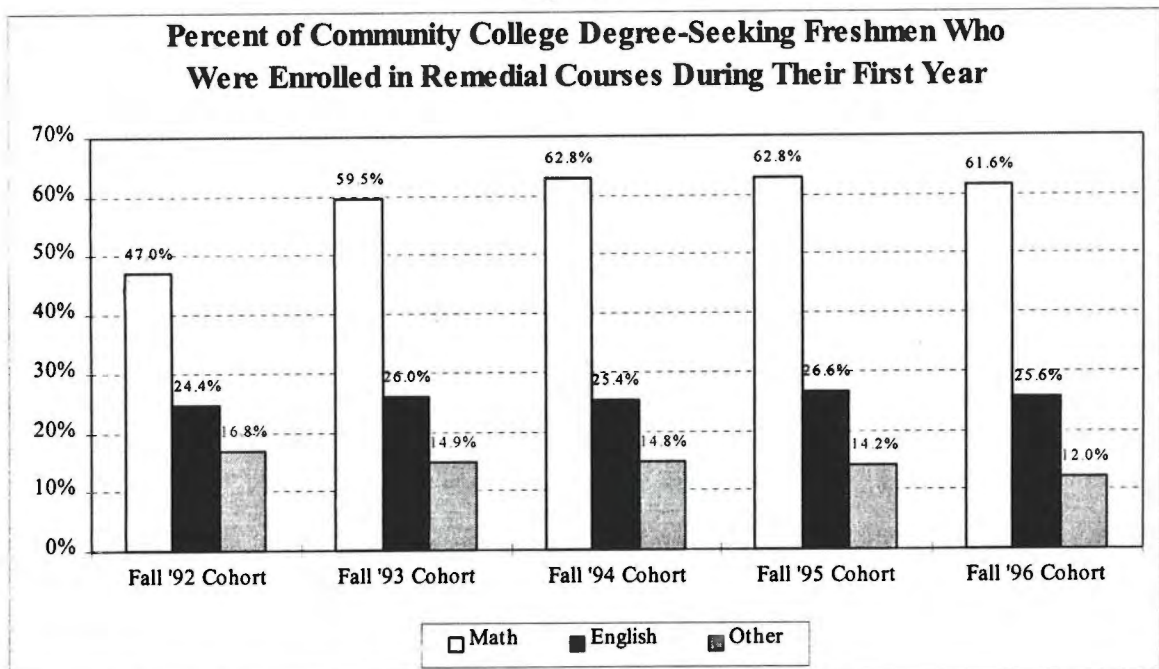
²Additional comparative data on remedial enrollments of first-time freshmen are provided in the annual *Kentucky High School Feedback Reports*. The remedial enrollment rates listed in the feedback reports differ in three significant ways from those cited here. First, the remedial enrollment rates in the feedback reports apply only to first-time freshmen who graduated from high school the previous spring. The enrollment rates listed here include all first-time freshmen. Second, the remedial enrollment rates appearing in the feedback reports are for the fall semester only. The enrollment rates in this report are for an entire academic year. Third, the remedial enrollment rates listed in the feedback reports are calculated by dividing the number of remedial takers in math (or English) by the number of students enrolled in a math (or English) class. The remedial enrollment rates presented in this report are computed by dividing the number of remedial takers in a given discipline by the total first-time freshmen cohort. Consequently, the remedial rates listed in the high school feedback reports will generally be higher than the rates listed here. High school feedback data for 1992 to 1995 are presented in the appendix.

Figure 1



Source: CPE Database

Figure 2



Source: CPE Database

In the process of developing a profile of remedial students, CPE staff examined the patterns of remedial enrollment across various subgroups of students. It is informative to note how these demographic patterns differ at the universities and the community colleges. Because the patterns of remedial enrollment at universities and community colleges were fairly consistent from fall 1992 to fall 1996, tables 3 and 4 include data only for the fall 1996 first-time freshmen cohorts.

Table 3

**Percent of University First-Time Degree-Seeking Freshmen
Enrolled in One or More Remedial Courses
Students Beginning in Fall 1996**

Subgroups	Number in Subgroup	% Enrolled in Remedial Course			Any Remedial Course
		Math	English	Other	
All Students	13,463	31.6%	16.5%	14.1%	37.3%
<i>Race</i>					
Black	1,320	57.2%	44.5%	35.4%	77.0%
White	11,751	29.1%	13.3%	11.8%	34.3%
Other	392	20.9%	15.3%	11.2%	29.6%
<i>Gender</i>					
Female	7,282	32.3%	14.2%	13.0%	36.9%
Male	6,181	30.8%	19.1%	15.5%	37.9%
<i>Age</i>					
Traditional	13,041	30.9%	16.0%	13.8%	36.5%
Non-Traditional	422	52.8%	31.0%	23.9%	62.3%
<i>Enrollment Status</i>					
Full-Time	12,889	31.1%	16.1%	13.9%	36.7%
Part-Time	574	43.2%	25.4%	19.9%	52.8%
<i>Directly Out of H.S.</i>					
Yes	11,829	29.3%	14.9%	13.2%	34.8%
No	1,634	47.9%	17.7%	21.1%	55.4%

At the universities:

- African-Americans enrolled in remedial courses at more than twice the rate of whites, 77.0 percent compared to 34.3 percent.
- Females were more likely than males to enroll in remedial math courses and less likely to enroll in remedial English courses.
- Nearly two-thirds (62.3%) of the nontraditional students enrolled in at least one remedial course, compared to about one-third (36.5%) of the traditional students.

- Students who entered the university on a part-time basis (52.8%) were more likely than full-time students (36.7%) to take a remedial course.
- Students who delayed their entry from high school into the university (55.4%) were more likely to enroll in remedial courses than students who went directly into college from high school (34.8%).

The differences in remedial enrollment among these subgroups are fairly consistent for each of the remedial subjects: remedial math, remedial English, and “other” remedial courses.

Table 4
Percent of Community College First-Time Degree-Seeking Freshmen
Enrolled in One or More Remedial Courses
Students Beginning in Fall 1996

Subgroups	Number in Subgroup	% Enrolled in Remedial Course			Any Remedial Course
		Math	English	Other	
All Students	8,872	61.9%	25.6%	12.0%	67.5%
<i>Race</i>					
Black	608	66.8%	40.0%	33.1%	75.3%
White	7,838	61.8%	24.0%	10.2%	66.8%
Other	426	50.9%	35.4%	14.3%	65.5%
<i>Gender</i>					
Female	5,238	64.2%	26.5%	13.2%	69.9%
Male	3,634	57.9%	24.4%	10.2%	63.7%
<i>Age</i>					
Traditional	7,325	62.0%	23.9%	11.4%	67.2%
Non-Traditional	1,547	59.9%	33.5%	14.7%	67.9%
<i>Enrollment Status</i>					
Full-Time	6,463	68.8%	27.7%	13.2%	73.1%
Part-Time	2,409	42.5%	20.0%	8.8%	51.9%
<i>Directly Out of H.S.</i>					
Yes	5,549	63.1%	23.8%	11.0%	68.0%
No	3,323	59.2%	28.6%	13.5%	66.3%

At the community colleges:

- African-Americans enrolled in remedial courses at a higher rate than whites, 75.3 percent compared to 66.8 percent;
- Females were more likely than males to enroll in remedial courses, 69.9 percent compared to 63.7 percent;
- Students of traditional and nontraditional ages enrolled in remedial courses at about the same rate;

- Full-time students (73.1 percent) were far more likely to enroll in at least one remedial course than part-time students (51.9 percent); and
- Students who entered college directly out of high school were somewhat more likely than students who delayed their entry to enroll in remedial math courses (63.1 percent compared to 59.2 percent), but were less likely to enroll in remedial English courses (23.8 percent compared to 28.6 percent).

The patterns of remedial enrollment by student subgroups at the community colleges are quite different than the patterns of remedial enrollment at the universities. Contrary to expectations, community college students who enrolled initially on a part-time basis were less likely than full-time students to take remedial courses. On the other hand, part-time university students were more likely to take remedial courses than full-time students. Nontraditional community college students enrolled in remedial courses at about the same rate as traditional students, but nontraditional university students were far more likely to take remedial courses than traditional students.

During the process of compiling this profile on the preparation of first-time freshmen, Council staff identified a number of students who were well into their college careers when they enrolled in remedial courses. During fall 1996, 13.9 percent of the university students enrolled in remedial courses were sophomores, juniors, or seniors. This pool of remedial students ranged from 7.1 percent to 30 percent at the eight public universities. The Council may want to take a closer look at institutional policies that would permit students to remediate their academic deficiencies at a relatively late point in their college studies.

Efforts to Evaluate the Effectiveness of Remedial Education

The remedial follow-up analysis presented in the Annual Accountability Report Series of Kentucky Higher Education examines the number of students who pass remedial English and math courses. The analysis also reports on the percentage of students who successfully complete entry-level courses (i.e., first non-remedial courses) in these disciplines by earning a grade of C or better. Students sometimes require remediation in other subjects, but the bulk of remedial work occurs in English and math; therefore, the annual reports focus on these disciplines. Students enrolled in remedial English and math courses are tracked for four semesters to evaluate their success in completing entry-level courses. The four-semester tracking period accounts for the use of relatively "old" data, such as the fall 1994 remedial cohort featured in this report.

System-wide, a total of 18,164 students were enrolled in remedial math courses, while 5,564 students were enrolled in remedial English courses in fall 1994. The community colleges enrolled the majority of students who took remedial math (63.7 percent) and remedial English (54.6 percent). As a percentage of the lower division headcount, university enrollments in remedial math and English remained constant from fall 1990 to fall 1994 (ranging from 14.8 percent to 16.0 percent in remedial math and 5.3 percent to 6.1 percent in remedial English). The significant growth in remedial

enrollments, particularly in remedial English, occurred at the University of Kentucky Community College System (UKCCS). While UKCCS enrollments grew 11.8 percent between fall 1990 and fall 1994, remedial math enrollments rose 23.1 percent and remedial English enrollments increased 49.0 percent.

Pass Rates in Remedial Courses.

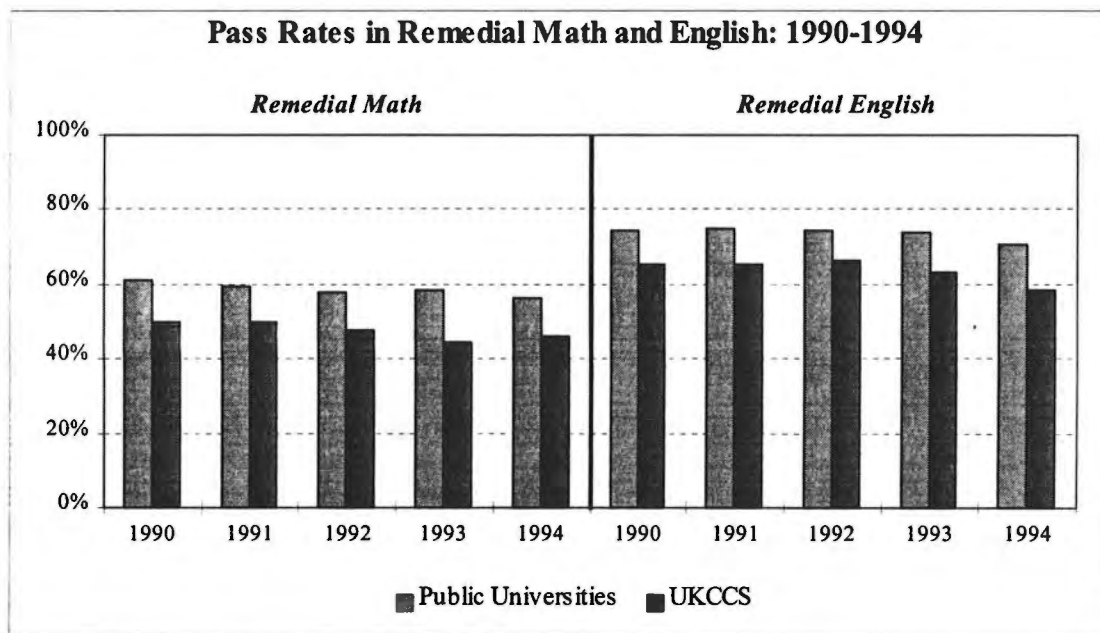
University Sector Results

During fall 1994, nearly six out of ten university students enrolled in remedial math passed their remedial courses with a grade of C or higher (see Figure 3). The remedial math pass rate for university students was five percentage points below the 1990 baseline pass rate. At the eight universities, the fall 1994 remedial math pass rates ranged from 39.4 percent to 67.5 percent. Seven out of ten students enrolled in remedial English in fall 1994 passed their remedial courses with a C or higher grade. Across the five cohorts studied, the pass rates for university students in remedial English ranged from 70.8 percent to 74.8 percent. In fall 1994, the remedial pass rates at the eight universities ranged from 56.1 to 80.9 percent.

Community College Sector Results

Less than half of the community college students who took remedial math in fall 1994 passed their remedial courses with a C or higher grade. The remedial math pass rates for community college students fluctuated between 44.6 percent and 49.9 percent across the five cohorts examined. At the 14 community colleges, the fall 1994 remedial math pass rates ranged from 38.3 percent to 62.2 percent.

Figure 3



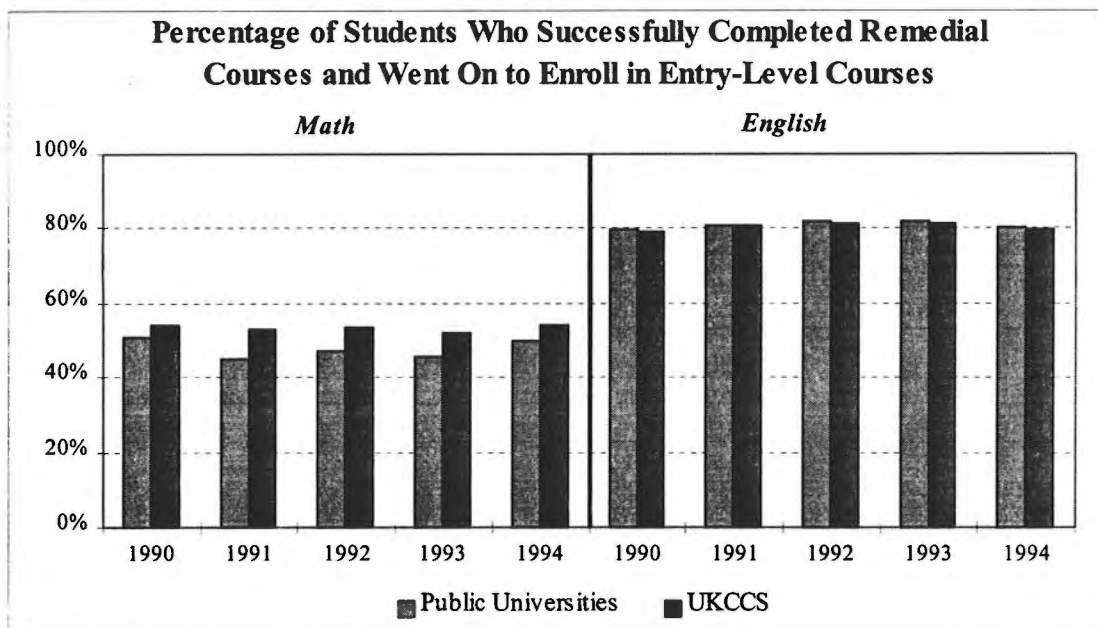
Note: A passing grade is a 'C' or better.
Source: CPE Database

Six out of ten community college students who took remedial English during fall 1994 passed their remedial courses with a C or higher grade. The 1994 pass rate of 58 percent in remedial English was seven percentage points below the 1990 baseline pass rate and 9 percentage points below the pass rate for the 1992 cohort. In fall 1994, 35.7 percent of the students passed remedial English at one community college while 66.5 percent of the students passed at another community college.

Two significant conclusions can be drawn after five years of tracking remedial course outcomes. First, students generally have greater difficulty passing remedial math than remedial English. Second, university students tend to do better than community college students in both remedial math and remedial English. Differences in remedial pass rates also emerged according to the ethnicity, gender, and age of the students. Based upon the performance of students in fall 1994, the following generalizations can be made:

- African-Americans were less likely to pass remedial math at the universities and less likely to pass remedial math and English at the community colleges;
- Females did significantly better than males in remedial math and English at the universities and community colleges; and
- Nontraditional students were more likely than traditional students to pass remedial math at the universities and more likely to pass remedial math and English at the community colleges.

Figure 4



Note: Students are tracked for four semesters.
Source: CPE Database

Participation Rates of Remedial Students in Entry-level Courses. Figure 4 shows that nearly half of the university students who successfully completed a remedial math course went on to enroll in an entry-level math course during the 4-semester tracking period. At the community colleges, between 54 percent and 60 percent of the remediated math students took an entry-level math course after completing their remedial work. The percentage of university and community college students who took remedial English and who later enrolled in an entry-level English course has remained at about 80 percent. The following demographic differences in entry-level participation rates emerged:

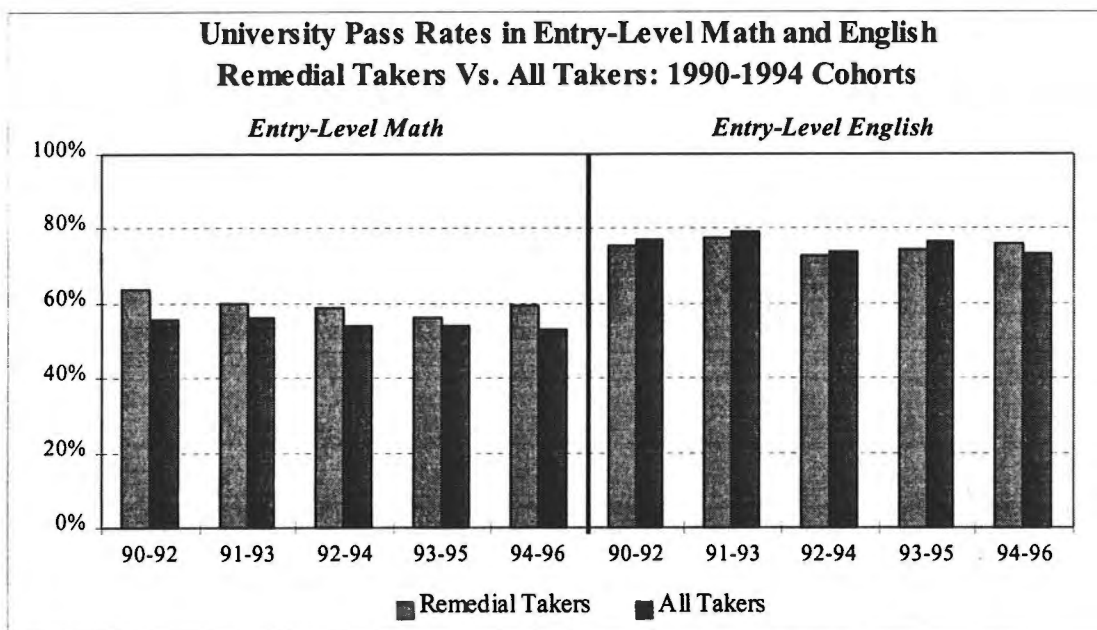
- African-Americans were more likely than whites to take entry-level courses at the universities and less likely to take entry-level courses at the community colleges after passing remedial courses; and
- Females were more likely than males to enroll in entry-level courses after passing their remedial courses.

Pass Rates in Entry-Level Courses.

University Sector Results

Of those university students who passed remedial math in fall 1994 and went on to take an entry-level course, nearly six out of ten successfully completed their courses with a C or higher grade--a pass rate above that for all entry-level course takers (59.6 percent vs. 52.9 percent). At seven of the eight universities, the remediated students performed better than "all takers" in entry-level math courses. The pass rate for remediated students in entry-level math has fluctuated between 55.9 percent and 63.8

Figure 5



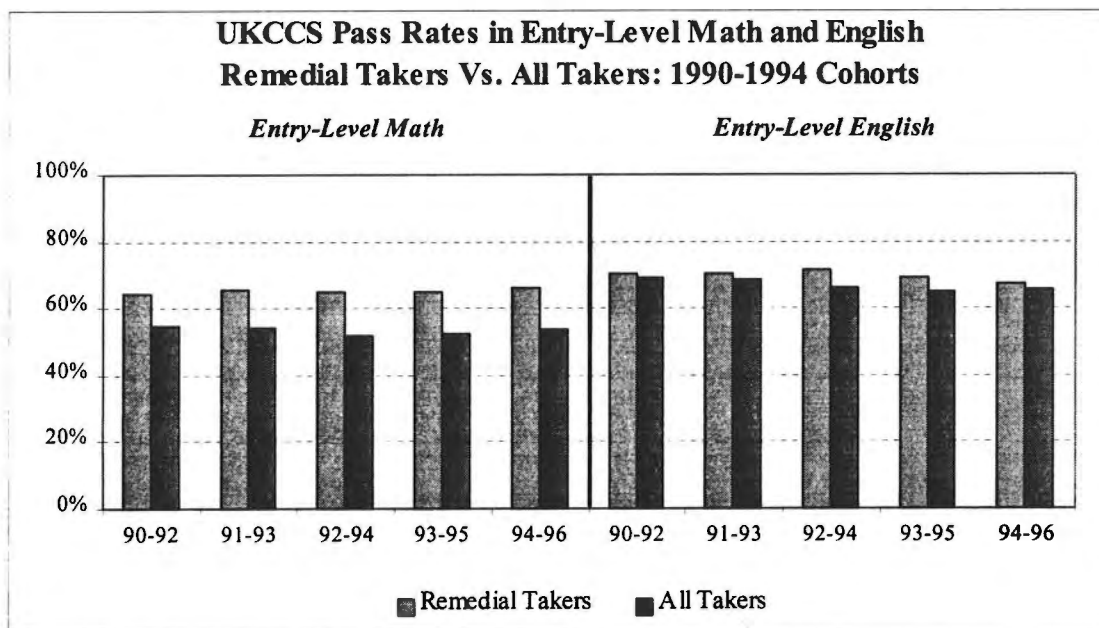
Note: Students are tracked for four semesters. A passing grade is a 'C' or Better.
Source: CPE Database

percent across the five year reporting period (see Figure 5). Of those university students who passed remedial English in fall 1994 and went on to take an entry-level course, more than three-quarters successfully completed the course with a C or higher grade--a pass rate above that for all entry-level takers (76.1 percent vs. 73.0 percent). At four of the seven universities that offer remedial English, the remediated students performed better than "all takers" in entry-level English courses. The pass rate for remediated students in entry-level English fluctuated between 72.9 percent and 77.8 percent across the five cohorts examined.

Community College Sector Results

Of those community college students who passed remedial math in fall 1994 and went on to take an entry-level course, two-thirds successfully completed the course with a C or higher grade--a pass rate considerably above that for all entry-level course takers (66.3 percent vs. 53.5 percent). Of those community college students who passed remedial English in fall 1994 and went on to take an entry-level course, seven out of ten students successfully completed the course with a C or higher grade--a pass rate slightly above that for all entry-level course takers (67.1 percent vs. 65.3 percent). The

Figure 6



Note: Students are tracked for four semesters. A passing grade is a 'C' or Better.
Source: CPE Database

entry-level math and English pass rates for remediated students have remained steady across the five cohorts examined (see Figure 6). At the community college system level, the pass rates of remedial math and English takers surpassed those for all entry-level takers in all five years of the reporting period. The most noteworthy differences in the

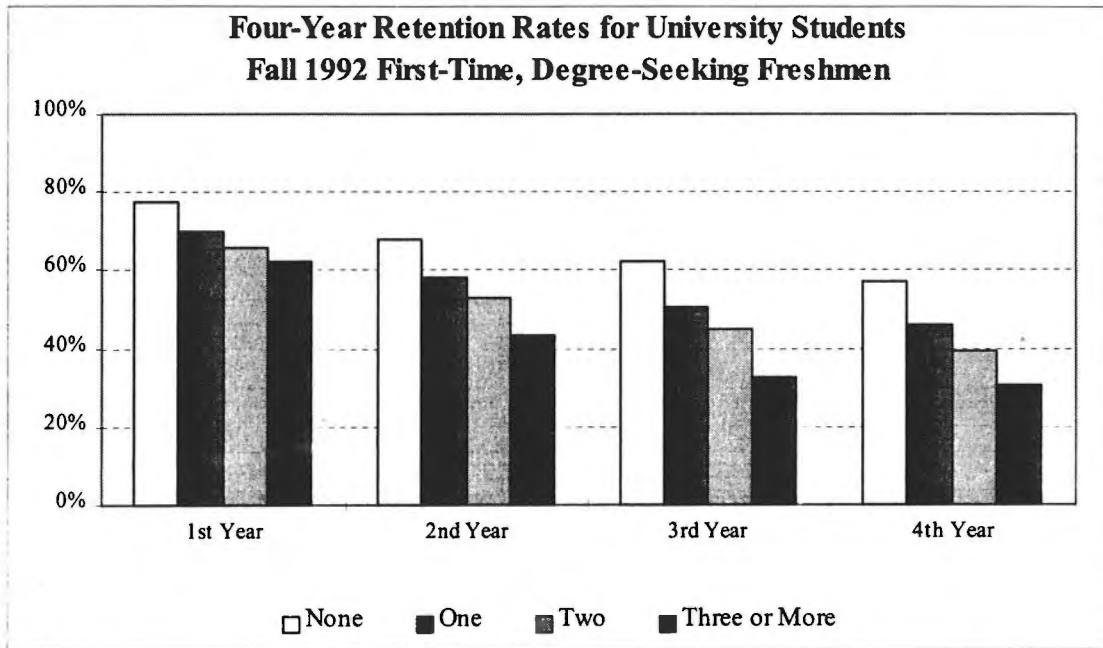
entry-level pass rates of various student subgroups are the following:

- African-Americans were less likely than whites to pass entry-level math and English at both the universities and community colleges;
- Females passed their entry-level math and English courses at a higher rate than males at both the universities and community colleges; and
- Nontraditional students were more likely than traditional students to pass entry-level math and English at the universities and the community colleges.

Retention Rates of Remedial and Non-Remedial Students. Several statewide studies have shown that well-prepared students have higher retention and graduation rates than students who must take remedial course work (Boylan, 1996; Georgia Board of Regents, 1995; Maryland Higher Education Commission, 1996). The annual retention rates presented in Figure 7 and Figure 8 reflect the percentage of first-time, degree-seeking freshmen who returned to college in successive years. Students who graduated from their original institution or who transferred to another public institution in Kentucky are figured into the annual rates. Figure 7 depicts the retention rates of fall 1992 university freshmen who took varying numbers of remedial courses during their first year in college. Consistent with previous research, the graph reveals that university students who do not take a remedial course have significantly higher retention rates from year to year than students who take one, two, or three or more remedial courses during their first year in college. Figure 8 presents one- and two-year retention rates for the fall 1992 cohort of degree-seeking freshmen at the community colleges. The graph reveals an important finding that differs from the pattern of results for university freshmen. In contrast to the relatively high retention rates of non-remedial university students, non-remedial community college students generally do not have a higher retention rate than their counterparts who take remedial courses.

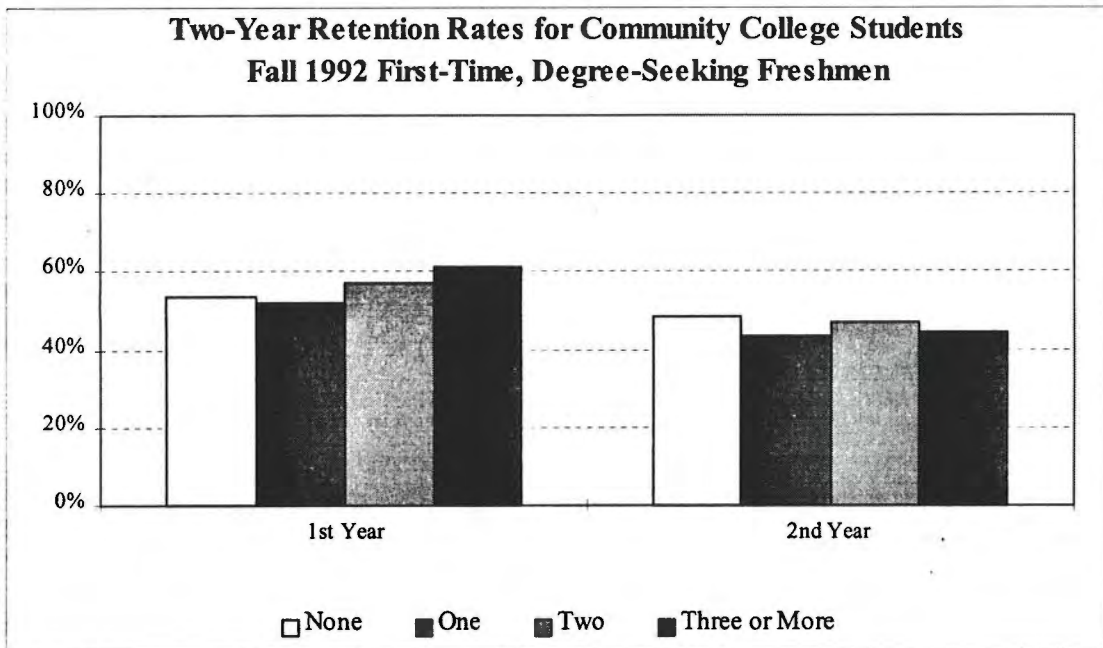
CPE Analysis. In an effort to shed further light on these findings, CPE staff examined differences in the remedial enrollment and retention patterns of community college and university students. The analysis sorted the fall 1992 cohort into several demographic groups and examined not only their participation in remedial courses but also their respective retention rates. Consistent with the profile developed for first-time freshmen from fall 1996, community college students who began their studies on a part-time basis were less likely than full-time students to enroll in remedial course work. On the other hand, part-time university students were more likely to take remedial courses than full-time students. Nontraditional community college students took remedial courses at about the same rate as traditional students, but at the universities nontraditional students were far more likely to take remedial courses than traditional students

Figure 7



Source: CPE Database

Figure 8



Source: CPE Database

The retention analysis of community college and university students also uncovered two significant findings that were consistent at both the community college and university sectors. (The results of this retention analysis are located in Table 1 of the appendix.) The analysis revealed the following sets of findings:

- Part-time and nontraditional students who did not take remedial courses had lower retention rates than their full-time and traditional age counterparts; and
- Unlike full-time and traditional age students, part-time and nontraditional students had higher retention rates if they took at least one remedial course.

The relatively large proportion of part-time and nontraditional students attending the community colleges and the empirical findings listed above explain, in part, why the retention rate for non-remedial community college students is generally no better than for students who undertake remedial course work. Other factors also may account for the relatively low retention rates of community college students who do not receive remedial instruction. A convincing case can be made that specific policies involving course placement and the PCC exert a negative impact upon the retention patterns of community college students, particularly the nontraditional students who comprised 50 percent of the UKCCS enrollment in fall 1992. First, community college students who have met PCC requirements--but who also have identifiable skill deficits--are generally not required to take remedial courses. Second, nontraditional students are exempt from having to meet PCC requirements. Consequently, the group of non-remedial students appearing in Figure 8 is actually composed of a fair number of students with assessed deficiencies, and many of these students are part-time and older adult students. Perhaps, part-time and nontraditional students realize that it is going to take a long time for them to meet their educational objectives. As a result, they may be reluctant to take remedial courses that will not count toward graduation at either a community college or a four-year institution they eventually plan to attend. Alternatively, part-time and nontraditional students may experience difficulties finding remedial courses that are available during the relatively few hours that they are free from work and family responsibilities. These scenarios may account for the relatively low retention rates of community college students who have not taken any remedial courses.

The retention rate analysis presented above suggests that older adult community college students may not receive sufficient remediation to maximize their chances of success. It should be emphasized that nontraditional community college students take remedial courses at about the same rate as traditional students, but at the universities nontraditional students are more likely to take remedial courses than traditional students. This pattern of participation in remedial courses may be the product of various social comparison processes. To be sure, a nontraditional university student may doubt her ability to compete in an entry-level math course with the great majority of freshmen who graduated from high school the previous spring. As a result, she may feel the need to enroll in a remedial course before tackling subject matter that she has not studied in a number of years. On the other hand, a nontraditional community college student may feel that her math skills are comparable to most of the other older adult students on

campus. Consequently, she may not feel compelled to enroll in a remedial course to enhance her current skills.

Current policies may do a disservice to many nontraditional and part-time students by allowing them to avoid remedial course work that is essential to their later success in college. It is important to note that nontraditional students perform well when they take remedial courses. The CPE staff analysis revealed that nontraditional students are more likely than traditional students to succeed in remedial and entry-level courses. The superior performance of nontraditional students was demonstrated in both the community college and university sectors. CPE's policy of exempting nontraditional students from meeting PCC requirements was implemented in an effort to be sensitive to the needs of older students who enter college a number of years after graduating from high school. The policy may still be a reasonable one, provided that students are assessed for skill deficiencies and are required to remediate any deficiencies that are identified. Thus, nontraditional students would still be exempt from having to go back to high school to comply with the PCC. However, older adults and community college students in general would have to demonstrate various competencies before being allowed to enroll in college-level courses.

The Funding of Remedial Education

Table 5 presents information on the actual direct cost of remedial education in 1994/95, along with estimated tuition revenue generated by the remedial course activity. The direct cost of remedial instruction ranged from \$18,900 to \$851,300, while the estimated revenue generated through tuition ranged from \$59,200 to \$2,028,500. Consequently, the tuition associated with these courses more than covers the actual expenditures at most universities. In fact, one university generated more than one half million dollars in excess tuition revenue over direct costs while another university produced more than one million dollars in excess tuition revenue over direct costs. Thus, a substantial amount of excess tuition revenue was generated at two universities that could be allotted to other programs and services. At the UKCCS, the actual cost of instruction was \$5,268,600, and the tuition revenue generated was \$3,844,300; therefore, a total of \$1,424,300 of state general funds was required.

All in all, the financial data indicate that the direct cost of remedial education has been largely self-supporting at the universities and requires under \$1.5 million in the community college system.

CPE Analysis: An analysis of the financial data indicates that the institutions are more than adequately funded to provide remedial instruction. At the system level, institutional data suggest that the direct costs of remedial instruction are generally covered by the tuition associated with these courses.

Table 5

**Cost of Remedial Instruction
Actual 1994/95 Expenditures**

Institutions	Direct Cost of Instruction	Estimated Tuition Revenue	Excess Tuition Revenue	Net State General Fund Expended*
Eastern Kentucky University	693,600	882,100	188,500	---
Kentucky State University	241,100	199,400	---	41,700
Morehead State University	220,600	213,100	---	7,500
Murray State University	107,400	170,800	63,400	---
Northern Kentucky University	470,900	1,034,300	563,400	---
University of Kentucky University System	18,900	59,200	40,300	---
University of Louisville	851,300	2,028,500	1,177,200	---
Western Kentucky University	278,900	484,600	205,700	---
UNIVERSITY SECTOR TOTAL	2,882,700	5,072,000	2,238,500	49,200
COMMUNITY COLLEGE SYSTEM	5,268,600	3,844,300	---	1,424,300

* Direct cost of instruction minus estimated tuition revenue, as reported by the institutions.

Source: The eight public universities and the UKCCS.

Legislators, CPE members, and other policy makers have debated whether the state can afford to pay twice for the instruction of basic skills, once in high school and again in college. In his recent presentation to a legislative task force, Dr. Abraham said that six states (Florida, New Jersey, Montana, Washington, West Virginia and Wisconsin) are considering legislation to require students or high schools to pay the cost of remedial course work. In addition, the Maryland Higher Education Commission's 1996 study of remedial education mentions that campuses may want to consider assessing special fees to students to offset a portion of the costs of remedial instruction. Currently, only one community college in Maryland assesses such fees for remedial services. In a similar vein, the Washington State Higher Education Coordinating Board's 1996 report to the legislature on remedial education recommends that the state should limit the number of times it will fund the same remedial course for a student.

Recently, some colleges and universities have explored the use of private contractors to handle the remediation of students on their campuses. *The Chronicle of Higher Education* for the week of September 19, 1997, reports that Kaplan Educational Centers and Sylvan Learning Systems are now developing, managing, and instructing remedial courses at several colleges. For example, in its contract with Greenville Technical College, Kaplan may gross over \$700,000 annually. In 1997, Greenville Tech

will outsource over 10,000 remedial credit hours to Kaplan at a rate of about \$75 per credit hour. However, college officials note that Kaplan will allot approximately \$300,000 (i.e., about \$20 per credit hour) to pay the salaries of teachers already employed by Greenville Tech. Kaplan also offers six-hour workshops to prepare incoming freshmen for various placement tests at Greenville Tech. Moreover, the company is now designing a few “fast-track” courses, which will enable a student with minimal deficiencies to begin studies in November and enter a degree-granting program by the first of the year. Evaluation studies are in progress, but no firm statistical evidence is available to document the effectiveness of the two firms’ approaches to remedial studies.

Policy Issues Related to Remedial Education

In recent years, it has become fashionable in policy circles to talk about the “seamless web” of education from P-12 and on through postsecondary education. This approach suggests that efforts to improve student preparation for college may be most successful when they are planned and carried out in collaboration with teachers and administrators at the primary and secondary levels. College admission requirements and high school graduation requirements can be thought of as opposite sides of the same coin. In the global economy of the twenty-first century, high school graduates must have critical thinking skills that prepare them for some form of postsecondary education. Ideally, any student graduating from high school should have the necessary preparation for tackling college-level studies. It is imperative that college admissions requirements and high school graduation requirements send the same message to high school students about the importance of developing communication skills and problem-solving abilities through a sequence of rigorous courses.

Many educators across the nation believe that college admissions requirements exert an impact not only upon the high school curricula but also upon the courses high school students take. College admissions requirements also influence the college curriculum, including the remedial courses offered on campus. By driving students’ level of preparation, college admissions requirements indirectly affect student retention and graduation rates. In 1983, the National Commission on Educational Excellence (NCEE) responded to the declining levels of high school achievement. The panel recommended that college-bound students complete a program of study that included four years of English, three years of mathematics, three years of science, three years of social studies, two years of foreign language, and one-half year of computer studies.

Kentucky’s Pre-College Curriculum (PCC). In its study of Kentucky higher education, the original Prichard Committee on Higher Education in Kentucky’s Future (1981) concluded that increasing numbers of high school students entering Kentucky’s colleges and universities were not adequately prepared for college-level work. The Prichard Committee recommended the establishment of an appropriate “pre-college curriculum” (PCC) to be required of all students entering the state’s public universities. The original PCC requirements were developed by a special committee with membership from the higher education community, secondary education, the Kentucky Department of Education, and the general public. The panel’s recommendations were approved by the CPE in January 1983. The new requirements were later reviewed and revised by a

similar committee in 1989/90 and adopted by the CPE in November 1990. The PCC requires college-bound students to meet the following course requirements:

- English - 4 units;
- math - 3 units;
- social studies - 2 units; and
- science - 2 units.

The CPE stipulated that by 1994/95 the number of baccalaureate-degree status students admitted conditionally at each university without the minimum educational preparation qualifications be reduced from 20 percent to 5 percent of the base figure³. The transition from 20 percent to 5 percent was initiated with 15 percent conditional admissions acceptable for 1992/93, 10 percent for 1993/94, and 5 percent for 1994/95. The PCC is not used as admissions criteria for the community college or for community college-type programs at universities. However, students in associate degree programs must generally correct any PCC deficiencies prior to completing 24 hours of degree credit. Nontraditional students (age 25 or above) are excluded from this requirement.

It is worth noting that the PCC is not as stringent as the core curricula set forth by the NCEE and ACT. Like the NCEE curriculum, the ACT core calls for an additional year of social studies and science, respectively. However, unlike the NCEE curriculum, the ACT does not prescribe courses in foreign languages or computer skills. ACT has conducted a considerable amount of research demonstrating that students who take the ACT core perform better in college than students who take less than the core sequence of courses. Currently, Kentucky has the lowest percentage of high school graduates completing the ACT core or more in the nation.

Last year, ACT researchers examined specific sequences of courses taken by students in order to determine their relationships to ACT scores (ACT, 1996). They found that students' course work was highly correlated with their performance on the ACT. As documented in previous research, students who took a minimal core curriculum in mathematics (algebra 1, algebra 2, and geometry) out-performed students who did not take these courses. Moreover, the researchers found that average ACT scores increased significantly for each additional math course taken. For instance, ACT Math scores for students who took trigonometry were 2.7 points higher than the scores of students who took the minimal core sequence.

In science, ACT researchers uncovered a similar pattern of results. Students who took a core science sequence (general science, biology, and chemistry) scored 1.4 points higher than their peers on the Science Reasoning test. Students who took physics outscored other students on the Science Reasoning test by 2.5 points. Similar--but less dramatic--correlations were observed for English and the social sciences. Of course, one cannot simply conclude that taking additional courses in these subjects will automatically have a positive effect upon ACT scores and the subsequent likelihood of being placed

³This figure was to be determined by computing the number of students enrolled in baccalaureate programs during the preceding four years.

into college-level courses. These findings are undoubtedly influenced by the fact that the better prepared students are more predisposed to taking challenging courses. Nevertheless, the bulk of education research shows that students respond favorably to high expectations and standards for their performance.

New High School Graduation Requirements. At its February, 1997 meeting the Kentucky Board of Education approved new requirements for graduation from Kentucky's high schools. These new requirements were approved as administrative regulations on July 2, 1997. The graduating class of 2002 will be the first group of students to be affected by the new requirements. The specific course requirements are listed below:

- Language Arts - 4 credits (including English I, II, III, and IV);
- Social Studies - 3 credits (to incorporate U.S. History, Economics, Government, World Geography and World Civilization);
- Mathematics - 3 credits (including Algebra I, Geometry, and one elective as provided in the program of studies (704 KAR 3:303);
- Science - 3 credits (including life science, physical science and earth and space science as provided in the program of studies (704 KAR 3:303);
- Health - ½ credit;
- Physical Education - ½ credit;
- History and Appreciation of Visual and Performing Arts (or a performing arts course which incorporates such content) - 1 credit; and
- Electives - 7 credits

High school restructuring was introduced on an experimental basis in 1993 with just 68 volunteer high schools. These schools piloted all or some of the following five high school restructuring components recommended in June 1993 by the Task Force on High School Restructuring: individual graduation plans, integrated academic portfolios, student-initiated culminating projects, school-sponsored activities, and exit reviews. Several universities are now piloting admissions and placement processes which take into account student portfolios.

CPE Analysis. As high school restructuring unfolds, it is anticipated that strengths and weaknesses will be delineated, and workable components of the 21st century high school will become relatively common across Kentucky. These changes will have an impact on postsecondary education in at least three ways. First, expectations of incoming freshmen will be much different given their high school experiences with collaborative learning, performance assessment, and student-centered instruction. Second, admissions and

placement decisions are likely to use demonstrated learning outcomes and performance criteria, rather than rely exclusively upon transcripts, which clearly delineate subjects, grades and standardized scores. Third, prospective high school teachers will need preparatory programs that emphasize interdisciplinary, performance-based content and instructional strategies. As change takes place in the high school experience, opportunities for closer collaboration among colleges, universities, and high schools will emerge. Innovative senior year experiences which include increased collegiate enrollment for prepared students and expanded use of advanced placement courses will not only prepare students better but also decrease students' time to degree.

Currently, a mismatch exists between the high school graduation requirements and the PCC. The graduation requirements are now more stringent than the standards developed for admission to college. Consequently, unless the PCC is changed, students will be receiving a mixed message about what is expected of them. In the upcoming months, the Council will want to examine the adequacy of the PCC and explore whether other admissions requirements are needed.

Competency-Based Admissions Policies. The Council's growing emphasis on student outcomes has generated some interest in revising the current admissions requirements. The new standards would emphasize an applicant's level of achievement--not just the completion of specific courses. Existing criteria may not provide enough diagnostic information to determine adequately a student's level of readiness. For instance, knowing that a student sat through three years of math classes may indicate very little about that student's ability. Thus, if Kentucky eventually formulates policies to direct under-prepared students to community college programs, statistically valid predictors of college success would need to be developed for the purpose of making difficult placement decisions

To develop valid predictors of college success, appropriate instruments and measures must be selected for further study. Many other states use high school grades, high school rank, and minimum scores on an admissions test (e.g., ACT or SAT) to decide whether to admit an applicant. These criteria and the Kentucky Instructional Results Information System (KIRIS), used to assess school performance under KERA, should be examined to learn whether they can help admissions officers make accurate predictions about a student's performance in college.

In order to incorporate KIRIS results into the college admission process, research must determine whether KIRIS results are reliable at the individual student level, not just the school level. Research also must determine whether KIRIS results are statistically valid predictors of persistence, overall grade point averages, and other measures of college success. The CPE and the Department of Education are now jointly coordinating a study among the public universities and community colleges that will examine the degree to which the KIRIS assessment, ACT subscores, and high school grades predict performance in college.

Finally, high school restructuring, which is required to implement KERA instructional strategies, has generated some questions about the applicability of the PCC, with its emphasis on courses as units of instruction. Implementing fundamental change in the organization of instruction is a long-term proposition. In the near future, however, policy makers will need to decide whether to expand the number of courses required by the PCC to conform to the new high school graduation requirements and the recommendations by NCEE and ACT. In addition, policy makers should examine the need to set minimum ACT scores and grades for PCC courses.

A Second Look at the Issue of Access in Postsecondary Education.

In recent years, the public has demanded that higher education spend its funds more efficiently. Consequently, many state decision makers are debating whether to restrict remedial education to less expensive programs offered at community colleges. Dr. Ansley Abraham of SREB reports that Colorado, Florida and South Carolina now statutorily prohibit remedial education at four-year institutions and limit the administration of remedial programs to two-year colleges. Eight states (Georgia, Maryland, Minnesota, Missouri, Nevada, New York, Ohio, and Virginia) are considering whether to restrict remedial offerings to two-year institutions. Dr. Abraham points out that all of the above institutions are concerned about the effect such policies would have upon access to four-year institutions. He notes that over half of all minority students require some degree of remediation when they enter higher education. Moreover, the majority of students who begin their studies at a two-year institution never transfer to a four-year institution.

Policy makers in Nebraska have responded to a situation that is similar to the one that Kentucky now faces. In Nebraska's *Comprehensive Statewide Plan for Postsecondary Education (1992)*, the planners state:

Our citizens hold highly the belief that postsecondary education opportunity should be readily available to them. There is, however, a balance between perceived need for access and the state's ability to provide that access. Citizens must realize that the state cannot afford to provide everything for everyone. . .

Students do not have equal abilities, interests and motivation. They certainly do not come to postsecondary education with equivalent preparation. An appropriate goal of postsecondary education is to provide access to postsecondary education consistent with each person's abilities at any given point in his or her growth.

If Council members decide to implement a similar policy, statistically valid predictors of college success should be used to determine a student's abilities for appropriate entry into the postsecondary education system. In developing policies in this area, it may be important for the Council to recognize that students vary considerably in the range of deficiencies they bring to postsecondary education. Some students with low ACT Composite scores have not mastered skills in a number of disciplines; others with "average" or "above average" ACT Composite scores may have more limited gaps in preparation.

In an effort to recognize the broad spectrum of students' achievement levels, Oregon's strategic plan offered the following recommendation: "Institutions may offer developmental programs for students with minor deficiencies in basic skill areas. Students broadly deficient in basic skills will be referred to community colleges if a community college is within the area until their deficiencies are corrected." Thus, Oregon restricts developmental courses offered at state colleges and universities to limited instances in which the student needs only to "catch up" in one area. Oregon's plan concludes that "The system's emphasis must turn to better serving the students it admits, while screening out those students who clearly cannot succeed in college-level work without major remediation."

In formulating remedial policies, the Council may also need to consider the age of students who attend colleges and universities. Staff examined the remedial follow-up data in the *Baseline Accountability Reports* to assess the performance of traditional (i.e., under age 25) and nontraditional (25 and older) students. The following generalizations can be drawn from the data:

- Nontraditional students were more likely than traditional students to pass remedial math at the universities, and more likely to pass remedial math and English at the community colleges; and
- Nontraditional students out-performed traditional students in entry-level math and English courses at both the universities and community colleges.

The superior performance of nontraditional students possibly may be due to their high degree of motivation to succeed. They may make greater sacrifices to enroll and, therefore, may place greater value on college study. In addition, nontraditional students may be more likely than traditional students to recognize the importance of college for sustained career growth, financial well-being, and personal development. Finally, some nontraditional students may simply need to refresh previously learned skills. If these generalizations are true, policy makers may want to establish somewhat different remedial policies for traditional and nontraditional students.

Conclusions

This report provides documentation that many students are academically under-prepared when they arrive at Kentucky's colleges and universities. As a state with a history of low educational attainment, Kentucky must continue to make opportunities for success in postsecondary education available to its citizens. The Commonwealth has a responsibility to provide educational opportunities that are the cornerstones of the fulfillment of individual potential and of economic development. Council members, however, are faced with a number of important policy issues stemming from the great

demand for remedial instruction. During the coming years, the CPE must grapple with the following policy issues:

- How prepared are students to undertake college-level course work?
- What is the proper point of entry for under-prepared students? (community college? technical institution? university? all institutions?)
- Does the Pre-College Curriculum adequately prepare students for college?
- How consistent are institutional remedial policies across the state?
- How can remedial policies support equal opportunities?
- Who should help fund remedial education? (the state? the student? the student's high school?)
- How effective are remedial programs?
- Should different remedial policies be established for students who are under-prepared in only one subject and for students who show a general lack of preparation for college-level work? For students coming directly from high school and for those adults returning to college?

This analysis provides Council members with a starting point for answering these difficult policy questions. Some of the questions can be addressed adequately with the information at hand; other questions may require additional data before workable initiatives can be developed. A thoughtful approach to the problem of under-prepared students recognizes that remedial initiatives must dovetail with policies in many other areas of postsecondary education, including admissions standards, quality and effectiveness, accountability, and alliances with the primary and secondary education community.

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APPENDIX

**Figure 1: Percentage of Kentucky High School Graduates Enrolled in Remedial Math and English
Fall 1992 – Fall 1995**

Table 1: One-Year Retention Rates by Number of Remedial Courses by Student Subgroups

Appendix - Table 1

One-Year Retention Rates by Number of Remedial Courses By Student Subgroups

Fall 1992 - First-Time Degree-Seeking Freshmen

Subgroups	Universities				Community Colleges			
	Students (N)	Number of Remedial Courses			Students (N)	Number of Remedial Courses		
		None	One	Two or More		None	One	Two or More
All Students	12,270	77.4%	70.0%	63.8%	9,266	53.7%	52.0%	58.9%
<i>Race</i>								
Black	1,107	71.7%	63.7%	62.7%	591	28.4%	27.4%	41.7%
White	10,831	77.7%	70.7%	63.5%	8,465	55.4%	53.5%	61.0%
Other	332	77.7%	68.4%	86.0%	210	43.3%	37.1%	50.7%
<i>Gender</i>								
Female	6,717	78.7%	72.0%	66.4%	5,656	57.4%	55.2%	62.4%
Male	5,553	75.8%	67.5%	61.1%	3,610	48.5%	47.0%	52.6%
<i>Age</i>								
Traditional	11,705	78.2%	70.2%	64.5%	6,830	58.0%	51.0%	56.0%
Non-Traditional	565	54.1%	66.1%	55.8%	2,436	41.3%	54.7%	65.5%
<i>Enrollment Status</i>								
Full-Time	11,591	79.5%	71.5%	64.6%	6,198	68.9%	56.3%	60.5%
Part-Time	679	40.1%	45.9%	52.2%	3,068	33.2%	43.3%	53.0%
<i>Directly Out of H.S.</i>								
Yes	10,362	80.4%	72.9%	67.2%	5,064	67.7%	57.2%	59.1%
No	1,908	55.9%	59.1%	52.6%	4,202	36.8%	45.4%	57.9%

HIGHLIGHTS OF FINDINGS

An Analysis of Remedial Education at Kentucky's Public Universities and Community Colleges

Kentucky Council on Postsecondary Education

How prepared are students to undertake college-level course work?

- Nationwide, 29 percent of first-time freshmen took at least one remedial course in fall 1995.
- In Kentucky, 44 percent of first-time freshmen enrolled in one or more remedial courses during the fall 1995 semester.
- As a percentage of the lower division headcount, university enrollments in remedial math and English remained relatively constant from fall 1990 to fall 1994 (ranging from 14.8 percent to 16.0 percent in remedial math and 5.3 percent to 6.1 percent in remedial English.)
- The most significant growth in remedial enrollments, particularly in remedial English, has occurred at the community colleges.
- While overall community college enrollments grew 11.8 percent between fall 1990 and fall 1994, remedial math enrollments rose 23.1 percent and remedial English enrollments increased 49.0 percent.

How consistent are institutional remedial policies across the state?

- The testing instruments and cut-off points for placing students into remedial courses vary considerably among Kentucky's public colleges and universities.
- Only two of the fourteen community colleges maintain a mandatory remedial requirement for students with assessed deficiencies; most community colleges simply recommend remedial courses to academically under-prepared students.
- Kentucky is one of only four states in the South without statewide criteria for placing under-prepared students into remedial courses.

Does the Pre-College Curriculum (PCC) adequately prepare students for college?

- Despite the increasing number of high school graduates who take the PCC, many students continue to need remedial course work when they enter college.
- The PCC is not as stringent as the core curricula set forth by the National Council on Educational Excellence and ACT, which prescribe an additional year of social studies and science.
- Currently, Kentucky has the lowest percentage of high school graduates taking the ACT core or more in the nation.
- The new high school graduation requirements approved as administrative regulations on July 2, 1997 are more stringent than the PCC.
- Existing admissions criteria may not provide enough diagnostic information to determine adequately a student's level of readiness.

What is the proper point of entry for under-prepared students? (community college? technical institution? university? all institutions?)

- Colorado, Florida and South Carolina now statutorily prohibit remedial education at four-year institutions and limit the administration of remedial programs to two-year colleges.
- Eight states (Georgia, Maryland, Minnesota, Missouri, Nevada, New York, Ohio, and Virginia) are considering whether to restrict remedial offerings to two-year institutions.
- Dr. Ansley Abraham of SREB notes that the above states are concerned about the effect such remedial policies would have upon access to four-year institutions; the majority of students who begin their studies at a two-year institution never transfer to a four-year institution.

How can remedial policies support equal opportunities?

- At the universities, African Americans enrolled in remedial courses in fall 1996 at more than twice the rate of whites, 77.0 percent compared to 34.3 percent.
- At the community colleges, African Americans enrolled in remedial courses in fall 1996 at a higher rate than whites, 75.3 percent compared to 66.8 percent.
- In fall 1994, African Americans were less likely to pass remedial math at the universities and less likely to pass remedial math and English at the community colleges.
- In fall 1994, African Americans who successfully completed remedial course work were more likely than whites to take entry-level courses at the universities and less likely to take entry-level courses at the community colleges.
- In fall 1994, African Americans who successfully completed remedial course work were less likely than whites to pass entry-level math and English at both the universities and community colleges.

Who should help fund remedial education? (the state? the student? the student's high school?)

- The tuition associated with remedial courses more than covers the actual expenditures for remedial instruction at most universities in Kentucky.
- At the community colleges, about \$1.4 million in state general funds were required to pay for the cost of instruction.
- Six states (Florida, New Jersey, Montana, Washington, West Virginia and Wisconsin) are considering legislation to require students or high schools to pay the cost of remedial course work.
- In Maryland, one community college assesses special fees to students to offset a portion of the costs of remedial instruction.
- The Washington State Higher Education Coordinating Board's 1996 report to the legislature on remedial education recommended that the state should limit the number of times that it will fund the same remedial course for a student.

How effective are remedial programs?

- Of those university students who passed remedial math in fall 1994 and went on to take an entry-level course, six out of ten successfully completed their courses with a C or higher grade – a pass rate above that for all entry-level course takers (59.6 percent vs. 52.9 percent).
- At seven of the eight universities, the remediated students performed better than “all takers” in entry-level math courses.
- Of those university students who passed remedial English in fall 1994 and went on to take an entry-level course, more than three-quarters successfully completed their courses with a C or higher grade – a pass rate above that for all entry-level takers (76.1 percent vs. 73.0 percent).
- At four of the seven universities which offer remedial English, the remediated students performed better than “all takers” in entry-level English courses.
- Of those community college students who passed remedial math in fall 1994 and went on to take an entry-level course, two-thirds successfully completed their courses with a C or higher grade – a pass rate considerably above that for all entry-level course takers (66.3 percent vs. 53.5 percent).
- Of those community college students who passed remedial English in fall 1994 and went on to take an entry-level course, nearly seven out of ten students successfully completed their courses with a C or higher grade – a pass rate slightly above that for all entry-level course takers (67.1 percent vs. 65.3 percent).
- At the community college system level, the pass rates of remedial math and English takers surpassed those for all entry-level takers in each of the five years of accountability reporting.

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- Some students with low ACT scores have not mastered skills in a number of disciplines; others with “average” or “above average” ACT scores may have more limited gaps in preparation.
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- Non-traditional students in Kentucky were more likely than traditional students to pass remedial math at the universities and more likely to pass remedial math and English at the community colleges.
- Older adult remedial students out-performed remedial students of traditional age in entry-level math and English courses at both the universities and community colleges.
- Students of traditional age (under the age of 25) with Pre-College Curriculum (PCC) deficiencies are required to take remedial courses, but non-traditional students (25 years of age or older) who have PCC deficiencies are not required to take the prescribed courses.

HIGHLIGHTS OF FINDINGS FROM THE REMEDIAL EDUCATION POLICY STUDY

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M-50

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**A Policy Study by the
Council on Postsecondary Education**

***Remedial Education at
Kentucky's Public Colleges
and Universities***

January 12, 1998



Overview of Policy Study

- ❖ Demand for remedial instruction
- ❖ Historical perspectives
- ❖ Placement policies
- ❖ Delivery of remedial courses
- ❖ Profile of remedial students
- ❖ Evaluation efforts
- ❖ Costs of instruction
- ❖ Policy-related issues
- ❖ Access to higher education

Demand for Remedial Coursework

- ❖ Nationwide, 29% of first-time freshmen took at least one remedial course in fall 1995 (NCES, 1996)
- ❖ In Kentucky, 44% of first-time freshmen enrolled in one or more remedial courses during fall 1995

Demand for Remedial Coursework

- ❖ Nationwide, all public two-year institutions and eight out of ten public 4-year institutions offer at least 1 remedial course (NCES, 1991)
- ❖ In Kentucky, all community colleges and all public universities offer at least 1 remedial course

Growth in Remedial Enrollments

Between 1990 and 1994:

- ❖ University enrollments in remedial courses remained relatively constant (as a percentage of the lower division headcount)
- ❖ While UKCCS enrollments grew 11.8%,
 - ❖ remedial math enrollments: 23% ↑
 - ❖ remedial English enrollments: 49% ↑

What are university placement policies?

- ❖ Students with Pre-College Curriculum (PCC) deficiencies generally require remediation
- ❖ Each university uses the ACT for placement
- ❖ Some universities use additional exams for more precise placement

What are community college placement policies?

- ❖ Each CC maintains freedom to develop local remedial policies
- ❖ Students of traditional age with PCC deficiencies require remediation
- ❖ Only two CCs require remediation for students with tested deficiencies
- ❖ The remaining CCs simply recommend remediation for students lacking critical skills

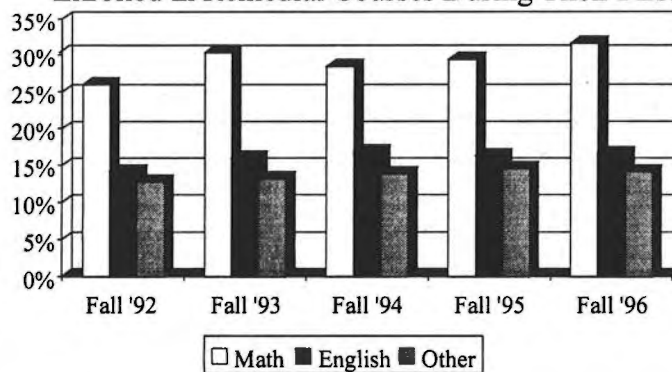
What are institutional placement policies?

Significant Finding:

Cut-off scores and policies for placing students vary considerably from institution to institution

Profile of Remedial Students

Percent of University Degree-Seeking Freshmen Enrolled in Remedial Courses During Their First Year



Source: CPE Data Base

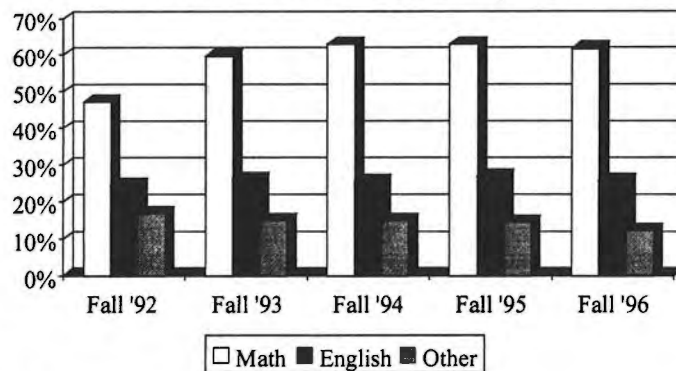
Profile of Remedial Students

University Freshmen (1996)

- ❖ Nearly two-thirds of the nontraditional students enrolled in at least one remedial course, compared to about one-third of the traditional students
- ❖ Females were somewhat more likely than males to enroll in remedial math and less likely to enroll in remedial English
- ❖ African-Americans enrolled in remedial courses at more than twice the rate of whites

Profile of Remedial Students

Percent of Community College Degree-Seeking Freshmen Enrolled in Remedial Courses During Their First Year



Source: CPE Data Base

Profile of Remedial Students

UKCCS Freshmen (1996)

- ❖ Students of traditional and nontraditional ages enrolled in remedial courses at about the same rate
- ❖ Females were more likely than males to enroll in remedial math and English
- ❖ African-Americans enrolled in remedial courses at somewhat higher rates than whites

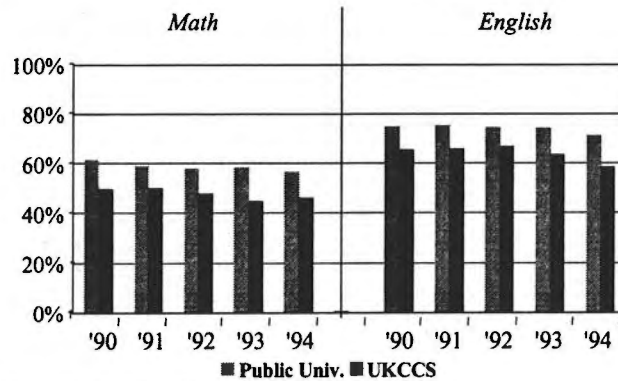
Evaluation and Accountability Efforts

Components of Analysis

- ❖ Pass rates in remedial courses
- ❖ Entry-level course participation rates
- ❖ Pass rates in entry-level courses
- ❖ Retention rates of remedial and non-remedial students

Evaluation and Accountability Efforts

Pass Rates in Remedial Math and English: 1990-1994

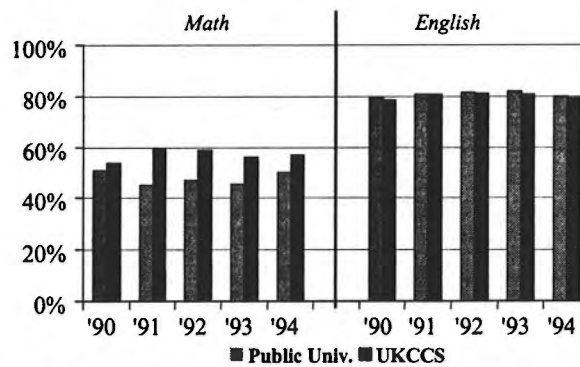


Note: A passing grade is a 'C' or better

Source: Annual Accountability Report Series

Evaluation and Accountability Efforts

Percentage of Students Who Successfully Completed Remedial Courses and Went on to Take an Entry-Level Course: 1990 - 1994



Note: Students are tracked for four semesters

Source: Annual Accountability Report Series

Evaluation and Accountability Efforts

Pass Rates in Entry-Level Math and English 1990 - 1994

At the UKCCS:

- ❖ Entry-level pass rates of remedial math and English takers surpassed those for "all takers" in all five years of reporting

Evaluation and Accountability Efforts

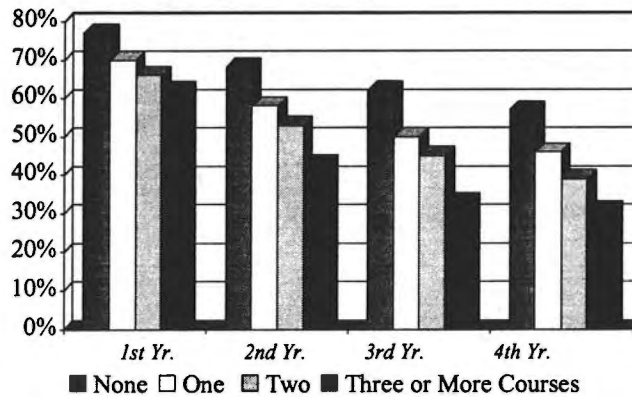
Pass Rates in Entry-Level Math and English 1990 - 1994

At the Universities:

- ❖ Entry-level pass rates of remedial math takers tended to be higher than those for "all takers"
- ❖ Entry-level pass rates of remedial English takers have tended to be slightly below those for "all takers"

Evaluation and Accountability Efforts

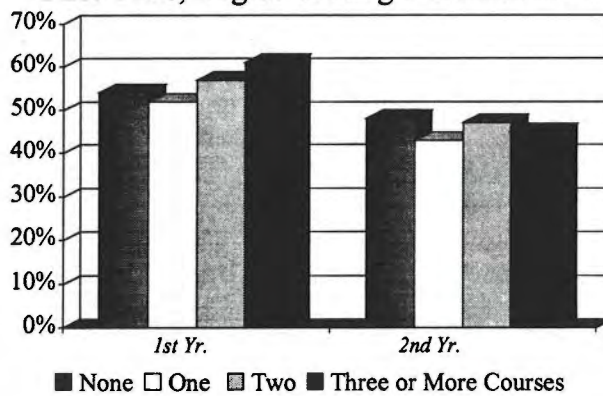
Four-Year Retention Rates for University Students
First-Time, Degree-seeking Freshmen in Fall 1992



Source: CPE Comprehensive Database

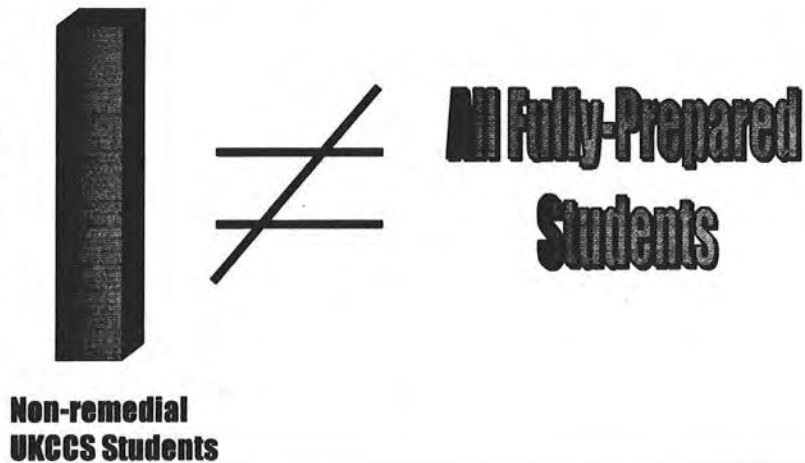
Evaluation and Accountability Efforts

Two-Year Retention Rates for UKCCS Students
First-Time, Degree-seeking Freshmen in Fall 1992



Source: CPE Comprehensive Database

Reasons for low retention rates of non-remedial UKCCS students



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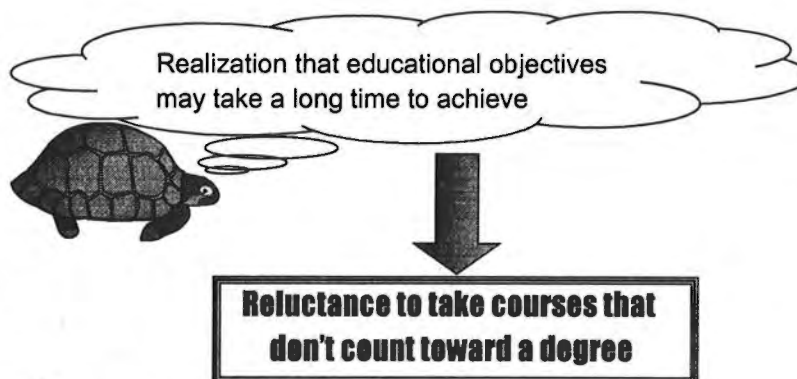
- ❖ Many non-remedial CC students attend on a part-time basis AND
- ❖ Part-time CC students are less likely than full-time students to enroll in remedial courses
- ❖ Part-time students who don't take remedial courses have lower retention rates than
 - ❖ their counterparts who take remedial courses
 - ❖ full-time students who take remedial courses

Possible reasons for low enrollment in remedial courses by part-time students

Questionable Policies:

- ❖ UKCCS students who have met PCC requirements--but who also have identifiable deficits--are generally not required to take remedial courses
- ❖ Older adult students at UKCCS are exempt from having to meet PCC requirements

Possible impact of policies on course-taking behavior of part-time students



Another possible reason:
Lack of available courses outside of work and family time

Funding for remedial education

Expenditures for Remedial Instruction 1994/95 (in millions)

Sector	Direct Cost of Instruction	Estimated Tuition Revenue	Excess Tuition Revenue	Net State Gen. Fund Expended
UNIV.	\$2.9	\$5.1	\$2.2	***
UKCCS	\$5.3	\$3.8	NA	\$1.4

Note: figures may not total properly due to rounding
NA: not applicable.
*** : \$49,000 were expended.
Source: the eight public universities

Future Directions

- ❖ Policy study on minimum admissions requirements approved by the CPE on November 3, 1997
 - ❖ Recommendation regarding the establishment of a statewide standard for remedial placement (pursuant to HJR 6)

Issues for MAR Study

- ❖ Does the PCC adequately prepare students for postsecondary education?
- ❖ Where is the proper entry point for under-prepared students?
- ❖ Should different placement policies be established for:
 - ❖ Students who are under-prepared in one subject vs. many subjects?
 - ❖ Students coming directly from high school vs. older adults?

Issues for MAR Study

- ❖ Who should help fund remedial education?
- ❖ How can remedial policies support equal opportunities?

Too many ill-prepared

State should rethink ways to help remedial students

Two great truths have driven reforms of Kentucky's schools and universities: Children are leaving elementary and secondary schools without sound, basic educations; and the state's university system is fractious, fragmented and fraught with overlapping missions.

Despite laws passed in 1990 and '97, Kentucky still suffers from damaged educational goods. Nearly half of the people entering Kentucky's community colleges and universities need to take remedial classes in either math or English.

In the fall of 1995, according to a recent study by the Council on Postsecondary Education, 44 percent of the students entering Kentucky's colleges and universities took at least one remedial course. And those numbers are growing, especially in community colleges, where nearly two-thirds of all students are sent to remedial classes.

(For comparison's sake, the average for the South is 36 percent of freshmen needing at least one remedial class; the average for the nation is 29 percent.)

Meanwhile, the standards that determine which students must take remedial classes vary wildly across the state. A student can avoid remedial classes in English at Western Kentucky University by scoring a 16 on the ACT; Northern Kentucky University demands a 20. Western, meanwhile, requires a 22 on the ACT math section to bypass remedial classes, while the University of Kentucky only demands an 18.

In a perverse way, the system is working. As the University of Louisville and UK reduce their remedial courses, community colleges are picking up the load. That's the way it should be. The community colleges are the places where students should turn to acquire basic skills.

But the load is far too large. Community colleges are not funded to take on this very important mission. The state is spending way too much money educating its people in basic math and English two and

three times when once ought to do. And the system for retrieving poorly educated students is haphazard and confusing.

We trust that as the full effects of the 1990 education reforms are realized, the number of ill-educated students leaving high school will decline. In the meantime, however, Kentucky should re-

think the way it determines which students are shunted into remedial classes — and which institutions are charged with providing this education.

The Council on Postsecondary Education will consider this report when it meets Jan. 12. At this point, the council does not appear ready to recommend to the legislature how to make rational a confused system of remedial education.

The General Assembly, however, which opens its regular session next Tuesday, might be ready to deal with this issue. We can think of no more worthy chore for the legislature to take on

Nearly half of the people entering Kentucky's community colleges and universities need to take remedial classes in either math or English.

Cover Journal
12-27-97

Remedial E

College as high school

REGARDLESS of whether you approach a new report about Kentucky's college freshmen as a student, parent, taxpayer or employer, you'll find it troubling, because it shows how wide the gap remains between what you expect from education and what it delivers.

Kentuckians should expect that most college-bound high school students will be prepared to work on the next level. However, the Council on

Postsecondary Education's report shows that a stunning 44 percent of the freshmen who entered Kentucky's public universities in 1995 had to enroll in at least one remedial course. (Nationally, only 29 percent of first-time freshmen took any remedial course in 1995.) Although the report doesn't distinguish between in-state and out-of-state students, it's a sure sign that high school diplomas still don't necessarily mean what they should.

Whenever colleges must provide remedial courses, taxpayers are being shortchanged, because revenue designated for higher learning goes for teaching material that students already should have mastered.

College students are shortchanged, too; every hour they spend catching up is time they

Every hour students "spend catching up is time they won't spend expanding their horizons."

won't spend expanding their horizons and developing a truly competitive edge.

The report also highlights a stifled truth about Kentucky's public universities — namely, stan-

dards vary rather markedly from school to school. At Western Kentucky University, students whose ACT math scores are lower than 22 qualify for a remedial course; but at the University of Kentucky, the cut-off is a score of 18.

The broader message is that the efforts Kentucky is making to strengthen public universities will continue to be undermined until high schools succeed at raising standards and overcoming persistent mediocrity.

A4

Colleges no place for high school classes

Now that Kentucky's reformed system of higher education is up and running, here's its first serious challenge: Universities and community colleges have absolutely no business being high schools and the high schools of Kentucky must be informed of that fact in no uncertain terms.

Right now, however, the universities and colleges are having to spend far too much time preparing their students for higher education, a job that should have been done before those students were handed high school diplomas.

A report prepared for the Council on Postsecondary Education released this week found that 44 percent of first-time freshmen enrolled in the fall semester of 1995 had to take at least one remedial course. That means that nearly half of the freshmen two years ago simply were not ready, in one course area or more, to study at the college or university level.

Thus, the higher education system had to spend valuable time and untold tax money doing what the state's high schools clearly failed to do, preparing

them for higher education.

That's not acceptable.

Indeed, the resources — faculty, staff, facilities and money — that must be used in postsecondary remedial classes are resources that are rendered unavailable for the 46 percent of freshmen who were ready for college when they enrolled. That's not fair, and we have a suggestion for solving that problem.

When a student enrolls at the University of Kentucky, for example, but must then take a remedial course in English, the school system that gave that student an academic-level diploma certifying preparation for college is then billed for UK's cost of doing what the local school system did not do.

That accomplishes two goals: UK recoups the cost of doing the school system's work and the school system receives a very loud message in return — do the job or pay a big price for someone else to do it for you. We suspect there would be a dramatic reduction in the remediation requirements of future freshmen.

Herald-Leader

12-24-97

A-1

Remedial Education

44% of freshmen need remedial class, study says

By Holly E. Stepp
HERALD-LEADER EDUCATION WRITER

Nearly half of the freshman entering Kentucky's public universities in 1995 didn't learn some basic skills well enough to begin college-level work, according to a study released this week by the Council of Postsecondary Education.

The report, which will be presented to the council next month, will probably begin a debate on how much remedial education the state's public universities should provide.

In Kentucky, 44 percent of first-time freshman enrolled in at least one remedial course during the fall 1995 semester, the report said. Remedial courses are generally designed to prepare students for college-level study and don't apply toward graduation requirements.

Kentucky's remedial education enrollment, while higher than the

national averages, are similar to enrollment figures in other Southern states.

A 1996 study by the National Center for Education Statistics, a part of the U.S. Department of Education, found that 29 percent of first-time freshmen across the nation took at least one remedial course in the fall 1995 semester.

In the South, 36 percent of first-time freshmen took at least one remedial course, according to a 1996 survey by the Southern Regional Education Board.

It's unclear whether the council will take any specific action on the report during its January meeting, said council spokeswoman Debbie McGuffey.

The council's study includes both in-state and out-of-state students. A breakdown of the figures for the groups separately was not available.

The largest growth in enrollment in remedial courses came at the community colleges, with an 11 percent increase over four years.

Math classes were the most common among remedial classes taken by freshmen. From 1992 to 1996, the percentage of university freshmen enrolled in remedial math fluctuated between 26 percent and 31.6 percent.

The study also found that what makes a remedial student varies among the universities.

At the University of Kentucky, a student with a math ACT score lower than 18 would probably be placed in a remedial math class. But at Western Kentucky University, a math ACT score lower than 22 will qualify for a remedial course.

The average combined ACT score is about 21 points.

The result, the study says, is: "One institution's remedial student may very likely be another institution's fully-prepared student."

M-54

Remedial-work standards vary at Kentucky colleges

Education council may not propose statewide rules soon

By MICHAEL JENNINGS
The Courier-Journal

Rules for remedial education at Kentucky's universities and community colleges vary widely from school to school, according to a new state study, and that may not change any time soon.

As a result of the differing standards, says the study by the Council on Postsecondary Education, it's hard to define college-level work since "one institution's remedial student may very likely be another institution's fully prepared student."

The study also found that remedial education is more common in Kentucky schools than elsewhere; in the fall of 1995, 44 percent of the first-time freshmen at Kentucky's state schools took at least one remedial course. That compares with 29 percent nationwide.

The size and diversity of Kentucky schools' remedial programs prompted the legislature earlier this year to ask the council to recommend statewide standards. But the report doesn't provide them, and they may not be forthcoming soon.

The council will discuss the findings on Jan. 12, but "I don't think anything will be done solely on the basis of this report," said Peggy Bertelsman, chairwoman of the council's quality and effectiveness committee.

She said council members instead want to consider remediation as part of minimum admissions standards that might take most of 1998 for them to devise.

Rep. Frank Rasche, D-Paducah, who sponsored the resolution calling for remedial placement standards, said he still wants to see recommendations for placement in remedial math and English in time for action during the 1998 legislative session, which begins next month. He said high schools need to know by what academic standards their college-go-



Rep. Frank Rasche sponsored a resolution asking the higher-education council to suggest statewide remedial placement standards.

ing students will be measured.

Remedial courses, while essential for some, can also take their toll. Students who need such work are delayed in starting their college-level courses, and at least two studies have shown that those who have to take remedial courses are less likely to stay in school or graduate.

Each state university in Kentucky uses the ACT to place students in remedial courses, and some use additional tests. The minimum ACT scores required for students to bypass remedial math range from 22 at Western Kentucky University to 18 at the University of Kentucky and East-

ern Kentucky, Morehead State and Northern Kentucky universities. A student can bypass remedial English with an ACT score of 16 at WKU; NKU requires a score of 20.

Two of the 14 state community colleges require some high school students with low test scores or grades to take remedial courses, but most two-year schools simply recommend them to underprepared students.

ACCORDING TO the study, legislators and council members have questioned "whether the state can afford to pay twice for the instruction of basic skills, once in high school and again in college."

But for most Kentucky universities, and especially the University of Louisville, remedial education has been a moneymaker. In 1994-95, remedial instruction at U of L cost \$851,000 while generating \$2.03 million in tuition revenue.

Bruce LaVant, director of transitional studies at U of L, said the surpluses in U of L's program are "definitely a good thing."

At the state's community colleges,

it's a different story. During 1994-95, remedial instruction cost \$5.27 million and generated \$3.84 million.

All Kentucky public universities and colleges offer some remediation, though the U of L is phasing out its remedial program and the UK offers only limited remediation in math.

BERTELSMAN said that after a decade of reliance on a state-required pre-college curriculum, "one would expect to see some decreases in remedial education." Instead, she said, the numbers are growing.

Remediation rates have held roughly constant at universities but surged at community colleges. While overall community college enrollments grew 12 percent between 1990 and 1994, remedial math enrollment rose 23 percent and remedial English enrollment rose 49 percent.

More students take remedial math than remedial English. In the fall of 1996, 32 percent of first-time freshmen at Kentucky universities and 62 percent of those at community colleges took remedial math. Enrollment rates for remedial English were 17

percent at the universities and 26 percent at the community colleges.

U of L has begun to refer students who need remedial education to Jefferson Community College. That reflects a national trend of shifting remedial education to two-year colleges. That trend has prompted concerns about university access, particularly for minority students. More than half of all minority students take remedial courses, and most students who start their college work at two-year schools never transfer to a four-year college, the council's report says.

Among first-time freshmen in the fall of 1996 at Kentucky universities, 77 percent of African-American students were placed in remedial courses, compared with 34 percent of whites. The disparity at community colleges was smaller — 75 percent for African Americans and 67 percent for whites.

LaVant recommends continuing to allow students who have problems in just one subject, such as math, to make up their deficiencies on a university campus.

11-56

MEDICAL RESEARCH TO GET MORE MONEY FROM GOVERNMENT

AN INVESTMENT IN HEALTH

Congress and President Are Ready to Reverse Impact of Managed Care Cuts

By ROBERT PEAR

WASHINGTON, Jan. 2 — In his new budget, President Clinton plans to seek a substantial increase in Federal spending on biomedical research, and members of Congress from both parties say they are virtually certain to approve an even bigger increase.

Science and politics point to the same conclusion. When Congress reconvenes this month, lawmakers will be seeking more money for the National Institutes of Health because they believe that researchers can exploit promising scientific opportunities like new advances in cancer treatment. They also believe that such investments will be popular with voters in an election year.

"We are in a golden age of discovery, one unique in human history," said Dr. Richard D. Klausner, director of the National Cancer Institute, expressing the view of many scientists and lawmakers.

Even before Mr. Clinton formally sends his budget request to Capitol Hill early next month, N.I.H. officials have told Congress that the Federal Government must increase its support of biomedical research because managed-care companies, with their emphasis on the bottom line, have reduced the amount of money available to conduct clinical trials of promising treatments. In the past, academic health centers used surplus revenue from patient care to supplement the money they received from the Government, but such surpluses are drying up.

The budget of the health institutes has doubled in the last decade, to \$13.6 billion this year. Nonetheless, lawmakers of both parties say they intend to accelerate the increases, and they talk seriously about trying to double the budget of the N.I.H. in five years. That would require annual increases averaging 15 percent, far more than the latest increase of 7.1 percent, from 1997 to 1998.

Anne Thomas, a spokeswoman for the National Institutes of Health, said N.I.H. officials had begun internal discussions so they could answer questions from Congress about how they would use a big infusion of Federal money. In setting priorities, Ms. Thomas said, the agency's director, Dr. Harold E. Varmus, is asking, "Where are the scientific opportunities, and what are the public health needs?"

The Senate voted 98 to 0 last year to endorse the goal of doubling the agency's budget in five years, but did not say where the money should come from.

Two influential Republicans, Representative John Edward Porter of

AGENDA

Investments and Incentives Committee

January 12, 1998

8:00 a.m. (ET), Department of Local Government Conference Room, Frankfort, KY

- A. Roll Call
- B. Approval of Minutes N-3
- C. Discussion: Workplan for Tuition Policy Review N-13
- D. Update: Uniform Financial Reporting..... N-15
- E. Action Item: University of Kentucky South Campus Locker Facility N-17
- F. Action Item: University of Louisville Rauch Planetarium / Speed
Museum Parking Garage..... N-25
- G. Other Business
- H. Next Meeting
- I. Adjournment

Agenda materials are available on the CPE web site at <http://www.cpe.state.ky.us>.

MINUTES¹
Finance Committee
January 12, 1998

The Finance Committee, formerly the Investments and Incentives Committee, met on January 12, 1998, at 8:15 a.m. in the Department of Local Government Conference Room, Frankfort. Finance Committee Chair Greenberg presided.

ROLL CALL

The following members were present: Mr. Baker, Ms. Edwards, Mr. Hackbart, Mr. Huddleston, Ms. Menendez, Mr. Whitehead, and Chair Greenberg. Mr. Hardin and Ms. Ridings were absent from the meeting.

**COMMITTEE
NAME CHANGE**

Mr. Greenberg welcomed everyone to the meeting and reported that the name of the committee was changed to "Finance Committee."

**APPROVAL OF
MINUTES**

A motion was made by Mr. Baker and seconded by Ms. Edwards to approve the November 3, 1997, minutes. The motion passed unanimously.

**INFORMATION:
RESEARCH
CHALLENGE
TRUST FUND**

Chair Greenberg distributed a January 3, 1998, *New York Times* article, "Medical Research to Get More Money From Government." The article was provided to generate thinking about the \$110 million state bond issue with private match. One potential project might be to approach the federal government with a new demonstration project involving a state and private initiative along with the federal government to leverage up to a \$330 million dollar fund. Whether or not the project is funded, attempting such an initiative would put Kentucky in a leadership position.

**DISCUSSION:
WORKPLAN FOR
TUITION
POLICY REVIEW**

Chair Greenberg stated that the tuition policy review will evaluate the current policy as it relates to the availability of student financial aid, implementation of the Commonwealth Virtual University, and the new CPE responsibility of setting tuition for the postsecondary technical schools. A thorough review of the financial aid policy will be done at the end of the legislative session. Also, benchmarks may be reviewed at this time. The Finance Committee will take the lead in the development of a revised tuition setting policy. The first review meeting will be April 16 at 8:30 in the CPE Conference Room. Notices will be sent to all interested parties, and Ms. Edwards will notify student groups. Prior to the April 16 meeting, a study group will be formed to conduct preliminary work. The Finance Committee would like input from the presidents and other interested parties as to what they believe the policy should be at respective institutions and the state as a whole.

¹ All attachments are kept with the original minutes in CPE offices. A verbatim transcript of the meeting is also available.

Chair Greenberg said that the tuition policy review workplan would be developed over the next two weeks. The study group will frame the study, and beginning on April 16, the meetings will be open to allow for input from all interested groups. Chair Greenberg asked for comments from the presidents and other guests.

*UPDATE:
UNIFORM FINANCIAL
REPORTING*

Chair Greenberg thanked the presidents for their selection of good representatives, both academic and administrative, to serve on the Uniform Financial Reporting Task Group. Pages N-15 and N-16 of the agenda materials highlight the areas that the group will explore. One goal will be to develop policies that will maximize revenues and create additional revenues. Each institution will be asked to identify their unique characteristics so that the differences in financial issues among the institutions can be addressed. Another goal is to obtain sufficient information so that CPE can develop relevant policies for financing postsecondary education.

The first meeting of this task group will be April 2 at 8 a.m. in the CPE Conference Room. Information will be sent to representatives listed in the agenda materials. A subgroup will be assembled to put together an outline for the task group. Chair Greenberg stated that each Finance Committee member is invited to serve on the task group. Mr. Hackbart suggested that representatives from the Finance and Administration Cabinet and the Governor's Office for Policy and Management (GOPM) be asked to serve on the task group. Mr. Walker suggested that the Legislative Research Commission (LRC) staff be invited to appoint a representative.

Chair Greenberg asked whether the presidents had any questions or comments. President Funderburk asked whether some problems have been identified already, and what data should be collected that is not being collected currently. Chair Greenberg stated that the goal was to simplify and standardize the process, not complicate reporting. The goal is to better understand financial issues in postsecondary education and to address philosophical issues such as the role of foundations. Mr. Walker added that House Bill 1 calls for the establishment of a uniform financial reporting system.

Mr. Hackbart suggested that advance conversations occur with the universities, Finance and Administration Cabinet, and GOPM to identify possible issues to be addressed. Chair Greenberg stated that a small work group would frame the issues. Mr. Whitehead asked whether there were other states that had uniform financial reporting systems in place. Mr. Walker stated that these states could be identified.

***ACTION ITEM:
UNIVERSITY OF
KENTUCKY SOUTH
CAMPUS LOCKER
FACILITY***

RECOMMENDATION: That CPE approve the University of Kentucky (UK) request for authorization of a \$1,000,000 capital project, South Campus Locker Facility, for the installation of locker and shower rooms on the existing Soccer/Softball Complex from private funds; and that there be no request for maintenance and operations support for the South Campus Locker Facility. UK will fund these costs. The full recommendation can be found in the agenda materials.

DISCUSSION: Mr. Walker presented the item and stated that the UK Board of Trustees approved the project. UK has indicated that there will be no further requests for state funds for maintenance and operations of the facility. The certification of private funds availability is found on page N-23 of the agenda materials. Ed Carter, Vice President for Management and Budget at UK, was available to answer questions. Chair Greenberg asked if there were any questions of Mr. Carter or any comments on the project.

MOTION: Mr. Baker moved the approval of the recommendation and Ms. Menendez seconded the motion.

VOTE: The motion passed unanimously.

***ACTION ITEM:
UNIVERSITY OF
LOUISVILLE RAUCH
PLANETARIUM / SPEED
MUSEUM PARKING
GARAGE***

RECOMMENDATION: That CPE approve the University of Louisville (UofL) request for authorization of \$1,875,000 from private, city, and county funds for a capital project, the New Rauch Planetarium, the relocation of the existing Rauch Memorial Planetarium; that CPE approve UofL's request for authorization of \$5,365,000 from private funds for a capital project, Speed Museum Parking Garage and Rauch Planetarium Demolition, for the construction of a 300-car parking facility; that there be no request for additional maintenance and operations support for the New Rauch Planetarium and the 300-car parking garage. UofL will fund these costs. The full recommendation can be found in the agenda materials.

DISCUSSION: Mr. Walker presented the item. The UofL Board of Trustees has approved this three-part recommendation for two related capital projects. There will be no additional requests for maintenance and operations funds for either the new planetarium or parking garage. Mr. Walker stated that Larry Owsley, Vice President for Finance and Administration, was available to answer questions.

Chair Greenberg asked whether there were any questions of Mr. Owsley or President Shumaker. One concern of the committee was whether planetarium services would be provided while the new planetarium is under construction. Mr. Owsley stated that arrangements are being made to provide programming using the Speed Museum Auditorium. The capacity of the planetarium will increase from 80 to 200.

Mr. Baker asked if the parking garage space was going to be designated primarily for visitors to the museum. Mr. Owsley stated that when the museum is open, the parking facility would be designated for Speed Museum visitors. When the museum is closed, all day Monday and each evening, the space will be designated for university parking. Mr. Walker stated that the university will pay a one-time fee of \$200,000 for access to the parking garage.

Chair Greenberg asked for additional questions and comments.

MOTION: Ms. Menendez moved the approval of the project and Ms. Edwards seconded the motion.

VOTE: The motion passed unanimously.

*POINT OF
INFORMATION*

Chair Greenberg asked Mr. Walker whether the projects approved at this meeting will be exempt from the proposed uniform maintenance requirement, and whether the proposed uniform maintenance program will be developed after the approval of the budget. Mr. Walker stated that the projects are exempt from proposed uniform maintenance and that the uniform maintenance program will be developed after the budget is approved.

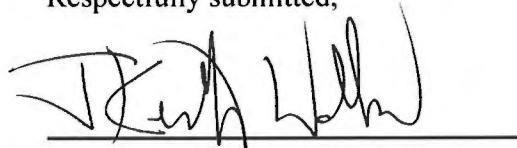
OTHER BUSINESS

Chair Greenberg asked whether any new business needed to be brought before the committee. He asked whether the presidents had any comments or suggestions. There was no further discussion.

ADJOURNMENT

The meeting adjourned at 8:45 a.m.

Respectfully submitted,



J. Kenneth Walker
Acting Chief Operating Officer



Billie D. Hardin
Secretary

Discussion:

At its November 3, 1997 meeting, the Council on Postsecondary Education (CPE) approved 1998/2000 tuition rates for the universities, community colleges, and postsecondary technical schools. This action included a provision to review the current tuition-setting policy; this review will be initiated in Spring 1998 to address the inclusion of the postsecondary technical schools within CPE's tuition-setting responsibility as well as to consider the implications of the anticipated Commonwealth Virtual University (CVU).

Statutory Authority

CPE has statutory responsibility (KRS 164.020(8)) to set tuition rates for all public postsecondary institutions. With the passage of the Kentucky Postsecondary Education Improvement Act of 1997, this responsibility includes the postsecondary technical schools.

Scope of Study

The study will be comprehensive and will contain the following major components:

- The role of tuition as a revenue source for postsecondary education by type of institution.
- Evaluation of the current Kentucky tuition-setting policy, in relation to availability of student financial aid, anticipated implementation of the Commonwealth Virtual University (CVU), and the new CPE responsibility of determining tuition rates for postsecondary technical schools.
- Review of tuition-setting policies and methodologies used in other states (including tuition for electronic delivery courses, e.g., via the Internet).
- Evaluation of current benchmark institutions and identification of benchmark institutions for postsecondary technical schools for tuition-setting purposes.

Desired Outcomes

Following investigation of these issues, CPE will develop a tuition policy that achieves these goals:

- More accurately reflects and addresses the make-up of Kentucky's postsecondary system since passage of the Kentucky Postsecondary Education Improvement Act of 1997; i.e., a system that includes postsecondary technical schools and the CVU;
- Provides and addresses economic access to postsecondary education for Kentucky residents while providing institutions with needed revenue; and
- Reflects the shared responsibility of the student and the state to support the cost of postsecondary education in Kentucky.

Process and Timetable (preliminary)

Organization and Start-up (January 1998)

- Discuss workplan at January Investments and Incentives Committee (IIC) meeting.
- Form a study group. IIC Chair will appoint a study group composed of CPE members, institutional presidents (selected in consultation with the convener of the Conference of Presidents), and other constituents (including student government association presidents). CPE staff will work with the study group to refine the staff's workplan, determine appropriate timeframes for completing the report, and provide overall guidance at critical junctures throughout the process. The initial meeting of the study group will occur in March 1998.

Information Gathering (March – June 1998)

- Conduct benchmark institution review, including benchmark institutions for postsecondary technical schools.
- Conduct national survey of states' tuition policies/methodologies.
- Provide status report at the May IIC meeting.

Analysis and Dissemination of Results (July – November 1998)

- Share initial results with study group and institutions.
- Present a discussion item at the November IIC meeting with options on the selection of benchmark institutions (for all institutional classifications).
- Present a review of states' tuition policies/methodologies at the November IIC meeting.
- Present a discussion item at the November IIC meeting including possible options on a tuition-setting policy.

Policy Development (December 1998 – March 1999)

- Conduct regional hearings on possible tuition-setting options.
- Present a status report on policy review at the January IIC meeting.
- Share draft recommendations with study group and institutions.
- Present a recommendation on a revised tuition policy at the March 1999 IIC and CPE meetings.

Update:

At the October 7 CPE meeting, a preliminary work plan for the development of Uniform Financial Reporting was presented. The approach included in the preliminary work plan was to form a task force to address the issue. The chair of the task force will be the chair of the CPE Investments and Incentives Committee with institutional representatives as the task group members. One of the first steps in the work plan was to request that each president identify representatives to serve on the task force charged with proposing a uniform financial reporting system. To date, all of the institutional representatives have been identified to serve on the task force. The institutional representatives are:

<i>Institution</i>	<i>Name</i>	<i>Title</i>
Eastern Kentucky University	James Clark	Director of Planning and Budget
Kentucky Community and Technical College System	Jack Jordan	Vice Chancellor of Business Affairs, University of Kentucky Community College System
Kentucky State University	Carson Smith	Executive Director, Office of Policy and Management
Morehead State University	Porter Dailey	Vice President for Administration and Fiscal Services
Murray State University	Carl Prestfeldt	University Budget Director
Northern Kentucky University	Michael Baker	Assistant Vice President for Business Affairs
	Elzie Barker	Director of Budget
	Linda Marquis	Chair, Department of Accountancy
University of Kentucky	Edward Carter	Vice President for Management and Budget
University of Louisville	Michael Curtin	Acting Director, Planning and Budget
	Alan Attaway	Professor of Accountancy
Western Kentucky University	Tom Harmon	Director of Accounts and Fiscal Services

The task force will review current reporting with the objective of ensuring complete comprehensive financial information in a format that allows CPE to develop policies for the advancement of postsecondary education and the citizens of the Commonwealth. The financial information should include, but not necessarily be limited to:

- Revenue identification by category, amount, and source, including:
 - Direct and indirect sources of revenue
 - Government funding by source
 - Tuition and fees
 - Research funding (direct and indirect sources)
 - Funding from foundations and other similar entities
 - Investment income
 - Athletics
 - Income from licensing fees

- Expenditure identification by category, amount, and percentage of total university expenditures, including:
 - Direct and indirect expenditures
 - Expenditures by university organizational unit
- Revenue and expenditure information for both budgeted (year-beginning) and actual (year-ending) data
- Financial policies and investment policies
- Information on all affiliated and nonaffiliated corporations

The task force will also need to address these questions:

- What other information should be reported?
- How much detail needs to be reported?
- Are there simple indicators that can be used to assess institutional financial performance, such as reserve ratios or support per FTE faculty?
- Are there special areas of interest that may require more in-depth reporting, such as athletics, foundations or intellectual properties?
- Are there changes in funding that the institutions would like to see?
- What role should each funding source play at each institution?
- What role does the foundation (or other similar entities) play at each institution?

Other components of the current CPE database (including faculty and staff data and facilities data) will be made available to the task force as it considers these and possibly other questions.

CPE staff will arrange for the task force to hold its first meeting by February 1. The task force will proceed as quickly as possible to develop its recommendations and report back to the IIC and then the full CPE.

**UNIVERSITY OF KENTUCKY
SOUTH CAMPUS LOCKER FACILITY**

**ACTION ITEM
CPE (N-3) IIC (E)
January 12, 1998**

Recommendation:

- That CPE approve the University of Kentucky request for authorization of a \$1,000,000 capital project, South Campus Locker Facility, for the installation of locker and shower rooms on the existing Soccer/Softball Complex from private funds.
- That there be no request for maintenance and operations support for the South Campus Locker Facility. The University of Kentucky will fund these costs.

Rationale:

- The University of Kentucky Board of Trustees authorized the project and the request conforms to CPE Capital Construction Procedures.
- The project meets the requirements under the provisions of KRS 45.760(14) which states that "A capital construction project ... may be authorized even though it is not specifically listed in the biennial budget report and appropriations act or acts, subject to the following conditions and procedures: a) fifty percent (50%) or more of the actual cost shall be funded by federal or private funds; b) moneys specifically budgeted and appropriated by the General Assembly for another purpose shall not be allotted or re-allotted for expenditure on the project;"
- CPE is authorized to take this action according to KRS 164.020(5) which requires CPE to "review and approve all capital construction projects the cost of which exceeds four hundred thousand dollars (\$400,000) approved by the governing boards of state-supported institutions of postsecondary education" and KRS 45.760(14): "A capital construction project ... may be authorized even though it is not specifically listed in the biennial budget report and appropriations act or acts"
- Completion of the project will not create a need for additional state funds for operations and maintenance. The university will fund these costs.
- The total project scope is \$1,000,000 and the source of funding is private. The university certifies that the private funds to complete the construction of the South Campus Locker Facility will be received over a four-year period.

Background:

Kentucky Revised Statute 164.020(5) requires CPE to “review and approve all capital construction projects the cost of which exceeds four hundred thousand dollars (\$400,000) approved by the governing boards of the state-supported institutions of higher education.” To exercise this legal mandate, CPE reviews and approves capital construction projects, regardless of the source of funds, as outlined in its “Capital Construction Procedures” policy. The policy and procedures apply to all projects submitted by institutions during the biennial budget process and to any new projects requiring approval (i.e., projects with a scope of at least \$400,000) during the interim.

During the interim, capital projects may be authorized under the provisions of KRS 45.760(14): “A capital construction project . . . may be authorized even though it is not specifically listed in the biennial budget report and appropriations act or acts, subject to the following conditions and procedures: (a) fifty percent or more of the actual cost shall be funded by federal or private funds; and (b) moneys specifically budgeted and appropriated by the General Assembly for another purpose shall not be allotted or re-allotted for expenditure on the project;...” Additionally, the Capital Projects and Bond Oversight Committee and the Secretary of the Finance and Administration Cabinet agreed that when the source of funds for a project is private, the agency or institution of higher education must provide certification that the funds are available for project completion.

The project will provide four separate locker and shower room athletic facilities for the women and men softball teams, women soccer team and visitor teams in accordance with guidelines to provide equally equipped male and female athletic facilities. The building will be located on the south campus off Alumni Drive adjacent to the new Soccer/Softball field complex.

The University of Kentucky Board of Trustees has approved the project. The project supports the mission of the university. Given that the project supports the mission of the university, the availability of private funds has been certified as available for project completion, and the project does not create a need for additional state funds for operations and maintenance, CPE staff recommends approval.

Following CPE action at the January 12 meeting, staff will forward the CPE recommendation to the Secretary of the Finance and Administration Cabinet for necessary action.



Office of the Vice President

Fiscal Affairs
110 Administration Building
University of Kentucky
Lexington, KY 40506-0032
606-257-8200 FAX: 606-257-5555

December 5, 1997

Mr. Sherron Jackson
Council on Postsecondary Education
1024 Capital Center Drive Suite 320
Frankfort, Kentucky 40601

Dear Sherron:

Please find attached a Capital Construction Project Record form (CBR-02) which describes a new construction project for the installation of locker and shower rooms on the existing University of Kentucky Soccer/Softball Complex. This project will be funded by a private donation from a single donor. In accordance with the policy of the Capital Projects and Bond Oversight Committee the University certifies that the donor has confirmed in writing both the donation and a schedule for receipt of the donation.

The Committee has been advised by letter of our intent to proceed with this project pending approval of both the Council on Postsecondary Education and the Committee. Your assistance in placing this request on the agenda for the next Council meeting would be greatly appreciated.

Should you have any questions, or require additional information, please contact Ken Clevidence at 606-257-5911 or myself.

Sincerely,

A handwritten signature in black ink, appearing to read 'George J. DeBin'.

George J. DeBin
Vice President for Fiscal Affairs

cc: Ken Clevidence
Joan McCauley

12/05/1997

Page: 1

**COMMONWEALTH OF KENTUCKY
1998-2000 CAPITAL BUDGET REQUEST
FORM CBR-02. CAPITAL CONSTRUCTION PROJECT RECORD**

Branch: 3 Executive Branch
 Cabinet/Function: 45 Cabinet for Universities
 Agency/Institution: 455 University of Kentucky-University System
 Service Unit: 1000 Central Administration
 Sub Unit: 0002 Athletics

PRIORITY	Budget Request	Six Year Plan	
		1998-2000	2000-2002
Cabinet:	9998		
Agency:	9998		

PROJECT DOCUMENTATION

Project Title: South Campus Locker Facility
 Item Number:
 Location (County): 034 Fayette

Reauthorization - Is this a currently authorized project which is being requested for reauthorization and/or additional funding?

Capital Project Type: NC New Construction
 Primary Need Addressed: ES Expanding Current Service Level

Type of Space to be Addressed by this Project

EG Educational and General

Project Description

This project will provide four separate locker and shower room athletic facilities for the womens and mens softball teams, womens soccer team and visitor teams in accordance with guidelines to provide equally equipped male and female athletic facilities. The building will be located on south campus off Alumni Drive adjacent to the new Soccer/Softball field complex.

Project Purpose/Operating Budget Relationship

The purpose of this project is to provide additional capacity for increased participation in womens and mens athletics.

Basis In/Reference to Campus Master Plan

Project is consistent with the University of Kentucky Physical Development Plan.

Basis In/Reference to Institution Plan

This project is consistent with the University goal to have competitive intercollegiate athletic teams which are in compliance with NCAA and SEC rules and regulations and to ensure that the intercollegiate athletics program is compatible with and supportive of the mission of the University.

Basis In/Reference to Statewide Strategic Plan

Quality Programs -- To ensure self-supporting, quality athletic programs for the student athlete.

Has this item been requested in a prior biennial budget request? No

South Campus Locker Facility

PROJECT BUDGET

Has this project been reviewed by the Department for Facilities Management?:

Fund Source	Current Authorization	Requested FY 1997-1998	Requested FY 1998-1999	Requested FY 1999-2000	Total Requested
Other (Gift)		1,000,000			1,000,000
Total Funds		1,000,000			1,000,000
Cost Elements					
Project Design		84,000			84,000
Construction Costs		897,000			897,000
Comm./Network Infra.		9,000			9,000
Contingency Expense		10,000			10,000
Total Costs		1,000,000			1,000,000

Methodology for Cost Determination:

AE Agency Estimate

PROJECT FEATURES

Timetable (Mo/Yr)

Design Date: 01/1998 Construction Date: 04/1998 Completion Date: 12/1998

Space Summary

Use	Current	New	Exp/Add/Alter	Renov
Nonassignable		1,050		
Other-Athletic		8,000		
Total Gross Square Footage		9,050		

Is the site presently owned or must it be acquired?

OW Own

Proposed Site Location and/or Site Development

Facility will be located adjacent to the new Soccer/Softball Field Complex off of Alumni Drive.

Proposed Heat/Air Conditioning Fuel Type

Electric heating, no cooling.

Specialized Project Requirements

N/A

Relationship to Existing Space

Access to the facility will be from the soccer field and the womens softball field.

IMPACT ON OPERATING BUDGET

Completion Date:	1st Full Year of Operations FY 1999-2000	2nd Full Year of Operations FY 2000-2001	3rd Full Year of Operations FY 2001-2002	4th Full Year of Operations FY 2002-2003
12/1998				
Fund Source				
Other-Athletics	6,000	6,000	6,000	6,000
Total Funds	6,000	6,000	6,000	6,000
Cost Elements				
Operating Expenses	6,000	6,000	6,000	6,000
Total Costs	6,000	6,000	6,000	6,000

South Campus Locker Facility

Other

Operating costs will be supported by athletics budget.

OPERATING BUDGET PRIORITY

Agency Priority Rank Number, Additional Budget Request (Form B-1): 0

Cabinet/Branch Priority Rank Number, Operating Budget Request (Form P): 0

Capital Construction Projects/Major Item of Equipment
Not Authorized During Biennial Budget Process
Reporting Requirements--KRS 45.760(14)

I. Compliance with KRS 45.760(14)

Fifty percent (50%) of the actual project cost is funded from federal or private funds? Yes No

Fifty percent (50%) or less of the actual project cost is funded by moneys appropriated to the capital construction and equipment purchase contingency account. Yes No

Moneys specifically budgeted and appropriated by the General Assembly for another purpose is not allotted or reallocated for expenditure on this project. Yes No (answered in the Negative)

Moneys utilized do not jeopardize any existing program. Yes No (answered in the Negative)

Moneys utilized on this capital project do not require the use of any current general funds specifically dedicated to existing programs. Yes No (answered in the Negative)

II. Financial Information

Project Scope	1,000,000
Source of Funds	
Federal	
Private	1,000,000
Other (Specify)	
Total	

Note: Source of Funds detail must equal project scope.

III. Private Funds Information (If funds already have been received, skip to Section IV)

Donors (list by Name, City, State and Amount)

Note: If donor requests anonymity, list name of official receiving pledge, address and amount of pledge.

\$1,000,000

Note: CHE and Capital Construction Bond Oversight Committee are to be notified at the time funds are deposited.

Larry Ivy, Senior Associate Athletic Director

IV. Certification (Please check one)

I certify that all information in Section III is correct. Yes No

I certify that all private funds have been received and will be deposited into the project account upon receiving project approval by the Capital Projects and Bond Oversight Committee. Yes No

Funds are to be received over a four year period.

I, George J. DeBin, representing University of Kentucky do certify that the information contained herein is complete and accurate and that the funds reported are deposited and available for use.

[Signature] 12/14/97
University Official Date

N-24

Recommendation:

- That CPE approve the University of Louisville request for authorization of \$1,875,000 from private, city, and county funds for a capital project, the New Rauch Planetarium, the relocation of the existing Rauch Memorial Planetarium.
- That CPE approve the University of Louisville request for authorization of \$5,365,000 from private funds for a capital project, Speed Museum Parking Garage and Rauch Planetarium Demolition, for the construction of a 300-car parking facility.
- That there be no request for additional maintenance and operations support for the New Rauch planetarium and the 300-car parking garage. The University of Louisville will fund these costs.

Rationale:

- The University of Louisville Board of Trustees authorized the projects and the requests conform to CPE Capital Construction Procedures.
- The projects meet the requirements under the provisions of KRS 45.760(14) which states that "A capital construction project ... may be authorized even though it is not specifically listed in the biennial budget report and appropriations act or acts, subject to the following conditions and procedures: a) fifty percent (50%) or more of the actual cost shall be funded by federal or private funds; b) moneys specifically budgeted and appropriated by the General Assembly for another purpose shall not be allotted or re-allotted for expenditure on the project;"
- CPE is authorized to take this action according to KRS 164.020(5) which requires CPE to "review and approve all capital construction projects the cost of which exceeds four hundred thousand dollars (\$400,000) approved by the governing boards of state-supported institutions of postsecondary education" and KRS 45.760(14): "A capital construction project ... may be authorized even though it is not specifically listed in the biennial budget report and appropriations act or acts. . . ."
- Completion of the garage will not create a need for additional state funds for operations and maintenance. The university will fund these costs. The state currently provides funds for operations and maintenance of the Rauch Planetarium.
- The total scope of these projects is \$7,240,000 and the source of funding is private, city, and county funds. The university certifies that the private funds to complete the construction of the New Rauch Planetarium and construction of a new Speed Museum Parking Garage and demolition of the current planetarium will be available at the time of project completion.

Background:

Kentucky Revised Statute 164.020(5) requires CPE to “review and approve all capital construction projects the cost of which exceeds four hundred thousand dollars (\$400,000) approved by the governing boards of the state-supported institutions of higher education.” To exercise this legal mandate, CPE reviews and approves capital construction projects, regardless of the source of funds, as outlined in its “Capital Construction Procedures” policy. The policy and procedures apply to all projects submitted by institutions during the biennial budget process and to any new projects requiring approval (i.e., projects with a scope of at least \$400,000) during the interim.

During the interim, capital projects may be authorized under the provisions of KRS 45.760(14): “A capital construction project . . . may be authorized even though it is not specifically listed in the biennial budget report and appropriations act or acts, subject to the following conditions and procedures: (a) fifty percent or more of the actual cost shall be funded by federal or private funds; and (b) moneys specifically budgeted and appropriated by the General Assembly for another purpose shall not be allotted or re-allotted for expenditure on the project;....” Additionally, the Capital Projects and Bond Oversight Committee and the Secretary of the Finance and Administration Cabinet agreed that when the source of funds for a project is private, the agency or institution of higher education must provide certification that the funds are available for project completion.

The Rauch Planetarium project will construct a new facility of approximately 6,500 square feet including presentation auditorium, lobby, restrooms, gift shop, storage and mechanical space. The new facility will replace the existing Rauch Memorial Planetarium, which is to be demolished to provide space to locate a new parking garage for the J.B. Speed Museum. Construction of the new Rauch Planetarium will require the demolition of the existing Robbins Hall, which contains 10,074 square feet of education and general space. All education and general functions currently located in Robbins Hall must be relocated. The university has not yet identified the new locations to house the affected functions. The need for the current level of state support for operations and maintenance of space associated with the Rauch Planetarium is expected to continue. The university will also use proceeds from admissions fees and income from an existing endowment to help cover operating expenses.

The Parking Garage & Rauch Memorial Planetarium demolition project will construct a new 300-space facility of five levels totaling 100,000 square feet. This facility will provide visitors, staff, faculty and student parking for the adjacent Speed Art Museum and the University of Louisville. The university is expected to make a one-time payment of up to \$200,000 to use the parking structure at such times not needed by the museum. The J. B. Speed Art Museum will pay all operating expenses.

The University of Louisville Board of Trustees has approved the projects. The projects support the mission of the university. Given that the projects support the mission of the university, the availability of private funds has been certified as available for project completion, and the projects do not create a need for additional state funds for operations and maintenance, CPE staff recommends approval.

Following CPE action at the January 12 meeting, staff will forward the CPE recommendation to the Secretary of the Finance and Administration Cabinet for necessary action.

Vice President for Administration

University of Louisville
Louisville, Kentucky 40292
(502) 588-6163**UNIVERSITY of LOUISVILLE**

December 17, 1997

Mr. Sherron Jackson
Director
Equal Opportunity and Facilities
Council on Higher Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601

Dear Sherron:

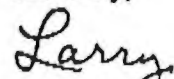
I am enclosing forms relating two capital projects:

- (1) J. B. Speed Art Museum Parking Garage
- (2) Rauch Memorial Planetarium

J. B. Speed Art Museum will be using private funds to build a 300-car garage on land own by the University of Louisville. A portion of the land is now occupied by the Rauch Memorial Planetarium. The second project will build a replacement planetarium using private and City/County funding.

The forms contain all the pertinent information. Please let me know if you have any questions. We plan to present this item at the January meeting of the Capital Projects and Board Oversight Committee.

Sincerely,



Larry L. Owsley

Vice President for Finance and Administration

LLO/pm

Attachment

cc: President Shumaker
Provost Garrison

Basis In/Reference to Campus Master Plan

The master plan identifies opportunities for accommodating growth over the long-term and provides a degree of flexibility in meeting future needs.

Basis In/Reference to Institutional Plan

Not Applicable

Basis In/Reference to Statewide Strategic Plan Plan

This project links to the CPE goal on advocacy to seek adequate and stable long-term resources necessary to provide affordable, high quality programs and physical resources.

Has this item been submitted in a prior agency capital plan? No
 If yes, identify the plan and project name(s).

Has this item been requested in a prior biennial budget request? No
 If yes, identify the biennium/biennia; the project name(s); and the cabinet/agency.

PROJECT BUDGET

Has this project been reviewed by the Dept. Of Facilities Management? N/A

	Requested Current Authorization	Requested FY 1995-1996	Requested FY 1996-1997	Requested FY 1997-1998	Total Requested
--	---------------------------------------	------------------------------	------------------------------	------------------------------	--------------------

Fund Source (Round each to the nearest \$100 based on a total cost rounded to nearest \$1,000.)

General Fund					
General Fund Surplus					
Restricted Funds					
Federal Funds					
Bond Funds					
Road Funds					
Agency Bonds					
Private Funds				1,875,000	
Total Funds				<u>1,875,000</u>	

Cost Elements (Round each to the nearest \$100 based on a total cost rounded to the nearest \$1,000.)

Land Acquisition	
Site Survey/Preparation	20,000
Project Design	132,000
Construction Cost	975,000
Utilities	
Roadway	
Movable Equipment	635,000
Contingency Expenses	<u>113,000</u>
Other (specify)	
Total Cost Elements	<u>1,875,000</u>

Method of Procurement: (Acquisitions Only): N/A

Methodology of Cost Determination: AE Agency Estimates

PROJECT FEATURES

Timetable (Mo/Yr)

Design Date: 01 /1998

Construction Date: 04 /1998

Completion Date: 05 /1999

Space Summary

Use	Current	New	Exp/Add/Alter	Renov.
Classroom (100)				
Class Lab (200-229)				
Research (230-299)				
Office Fac/Admin (300)		300		
Study (400)				
Special Use (500)				
General Use (600)		5,200		
Support Facilities (700)				
Hospital/Medical Center (800)				
Residential (900)				
Nonassignable (W/X/Y/Z)		1,000		
Total Gross Square Footage		<u>6,500</u>		

Acres (Land Acquisition): N/A

Is the site presented owned or must it be acquired? Owned

Necessary Land Acquisition and/or site Development

A routine survey and soil investigation test will be done.

Proposed Heat/Air Conditioning Fuel Type

This facility will be connected to the Belknap Campus central steam and chilled water plant which uses gas/coal and electricity.

Specialized Project Requirements

None

Information Technology Assessment

None

Relationship to Existing Space

The staff in Robbins Hall will be relocated to existing space on Belknap Campus.

IMPACT ON OPERATING BUDGET

	FY 1996-1997	FY 1997-1998	FY 1998-1999	FY 1999-2000
--	--------------	--------------	--------------	--------------

Completion Date: 05 /1999

- Personnel Expenses
- Operating Expenses
- Moving Expenses
- Maintenance Expenses
- New Debt Service Costs
- Transfer Restricted to Cap Const Fund
- Transfer Federal to Cap Const Fund

Total Costs

Other (narrate, if appropriate)

Admission fees will be help cover operating expenses for this facility in addition to income from an existing endowment.

OPERATING BUDGET PRIORITY

Agency Priority Rank Number, Additional Budget Request (Form B-1)
 Cabinet/Branch Priority Rank Number, Operating Budget Request (Form P)

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Basis In/Reference to Campus Master Plan

The master plan identifies opportunities for accommodating growth over the long-term and provides a degree of flexibility in meeting future needs.

Basis In/Reference to Institutional Plan

Not Applicable

Basis In/Reference to Statewide Strategic Plan Plan

This project links to the CPE goal on advocacy to seek adequate and stable long-term resources necessary to provide affordable, high quality programs and physical resources.

Has this item been submitted in a prior agency capital plan? **No**
 If yes, identify the plan and project name(s).

Has this item been requested in a prior biennial budget request? **No**
 If yes, identify the biennium/biennia; the project name(s); and the cabinet/agency.

PROJECT BUDGET

Has this project been reviewed by the Dept. Of Facilities Management? **N/A**

	Requested Current Authorization	Requested FY 1995-1996	Requested FY 1996-1997	Requested FY 1997-1998	Total Requested
--	---------------------------------------	------------------------------	------------------------------	------------------------------	--------------------

Fund Source (Round each to the nearest \$100 based on a total cost rounded to nearest \$1,000.)

General Fund	
General Fund Surplus	
Restricted Funds	
Federal Funds	
Bond Funds	
Road Funds	
Agency Bonds	
Private Funds	<u>5,365,000</u>
Total Funds	<u>5,365,000</u>

Cost Elements (Round each to the nearest \$100 based on a total cost rounded to the nearest \$1,000.)

Land Acquisition

Site Survey/Preparation	152,000
Project Design	407,000
Construction Cost	4,233,000
Utilities	88,000
Roadway	78,000
Movable Equipment	125,000
Contingency Expenses	63,000
Other (Plaza and Walkways)	219,000
Total Cost Elements	<u>5,365,000</u>

Method of Procurement: (Acquisitions Only): N/A

Methodology of Cost Determination: AE Agency Estimates

PROJECT FEATURES

Timetable (Mo/Yr)

Design Date: 06 /1997

Construction Date: 02 / 1998

Completion Date: 11 /1998

Space Summary

Use	Current	New	Exp/Add/Alter	Renov.
Classroom (100)				
Class Lab (200-229)				
Research (230-299)				
Office Fac/Admin (300)				
Study (400)				
Special Use (500)				
General Use (600)				
Support Facilities (700)				
Hospital/Medical Center (800)				
Residential (900)				
Nonassignable (W/X/Y/Z)				
Parking Garage		100,000		
Total Gross Square Footage		<u>100,000</u>		

Acres (Land Acquisition): N/A

Is the site presented owned or must it be acquired? Owned

Necessary Land Acquisition and/or site Development

A routine survey and soil investigation test will be done.

Proposed Heat/Air Conditioning Fuel Type

Not Applicable

Specialized Project Requirements

None

Information Technology Assessment

None

Relationship to Existing Space

The Rauch Planetarium will be demolished. The Planetarium contains approximately 1,879 gross square feet.

IMPACT ON OPERATING BUDGET

FY 1996-1997 FY 1997-1998 FY 1998-1999 FY 1999-2000

Completion Date: 11 /1998

- Personnel Expenses
- Operating Expenses
- Moving Expenses
- Maintenance Expenses
- New Debt Service Costs
- Transfer Restricted to Cap Const Fund
- Transfer Federal to Cap Const Fund

Total Costs

Other (narrate, if appropriate)

All operating expenses will be paid by the J.B. Speed Art Museum. No budgeted funds will be required from the University of Louisville.

OPERATING BUDGET PRIORITY

Agency Priority Rank Number, Additional Budget Request (Form B-1)
Cabinet/Branch Priority Rank Number, Operating Budget Request (Form P)

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**Capital Construction Projects/Major Item of Equipment
Not Authorized During Biennial Budget Process
Reporting Requirements--KRS 45.760(14)**

I. Compliance with KRS 45.760(14) J.B. Speed Museum Parking Garage

Fifty percent (50%) of the actual project cost is funded from federal or private funds? Yes No

Fifty percent (50%) or less of the actual project cost is funded by moneys appropriated to the capital construction and equipment purchase contingency account. Yes No NA

Moneys specifically budgeted and appropriated by the General Assembly for another purpose is allotted or reallocated for expenditure on this project. Yes No

Will moneys utilized for the project jeopardize any existing program. Yes No

Will moneys utilized on this capital project require the use of any current general funds specifically dedicated to existing programs. Yes No

II. Financial Information

Project Scope	\$5,365,000
Source of Funds	
Federal	
Private	
Other (Specify)	\$5,365,000
Total	\$5,365,000

Note: Source of Funds detail must equal project scope.

III. Private Funds Information (If funds already have been received, skip to Section IV)

Donors (list by Name, City, State and Amount) The J.B. Speed Museum will pay the total cost of construction

Note: If donor requests anonymity, list name of official receiving pledge, address and amount of pledge.

Note: CPE and Capital Construction Bond Oversight Committee are to be notified at the time funds are deposited.

IV. Certification (Please check one)

I certify that all information in Section III is correct. Yes No

I certify that all private funds have been received and will be deposited into the project account upon receiving project approval by the Capital Projects and Bond Oversight Committee. Yes No Other*

I, Larry L. Owsley, representing University of Louisville, do certify that the information contained herein is complete and accurate and that the funds reported are deposited and available for use.

Larry L. Owsley 12-19-97
University Official Date

* J.B. Speed Art Museum will finance and construct the entire project.

**Capital Construction Projects/Major Item of Equipment
 Not Authorized During Biennial Budget Process
 Reporting Requirements—KRS 45.760(14)**

I. Compliance with KRS 45.760(14) Rauch Planetarium

Fifty percent (50%) of the actual project cost is funded from federal or private funds? Yes No

Fifty percent (50%) or less of the actual project cost is funded by moneys appropriated to the capital construction and equipment purchase contingency account. Yes No NA

Moneys specifically budgeted and appropriated by the General Assembly for another purpose is allotted or reallocated for expenditure on this project. Yes No

Will moneys utilized for the project jeopardize any existing program. Yes No

Will moneys utilized on this capital project require the use of any current general funds specifically dedicated to existing programs. Yes No

II. Financial Information

Project Scope	\$1,875,000
Source of Funds	
Federal	
Private	1,375,000
Other (Specify) City/County	500,000
Total	\$1,875,000

Note: Source of Funds detail must equal project scope.

III. Private Funds Information (If funds already have been received, skip to Section IV)

Donors (list by Name, City, State and Amount) Gheens Foundation, Louisville, KY, \$1.1 million
 City/County .5 million
 Anonymous .275 million

Note: If donor requests anonymity, list name of official receiving pledge, address and amount of pledge.

President Shumaker \$.275 million
 Note: CPE and Capital Construction Bond Oversight Committee are to be notified at the time funds are deposited.

IV. Certification (Please check one)

I certify that all information in Section III is correct. Yes No

I certify that all private funds have been received and will be deposited into the project account upon receiving project approval by the Capital Projects and Bond Oversight Committee. Yes No Other*

I, Larry L. Owsley, representing University of Louisville do certify that the information contained herein is complete and accurate and that the funds reported are deposited and available for use.

Larry L. Owsley 12-19-97
 University Official Date

* The funds have been pledged and will be received before and/or during the construction period.