

AGENDA
Council on Postsecondary Education
September 16, 2001, 12 noon
Ballrooms A & B, Louisville Marriott East

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Adjournment

Council on Postsecondary Education
September 16, 2001

Implications of a Rigorous High School Curriculum Presentation by Jan Somerville, The Education Trust

The Council on Postsecondary Education will be joined by the Committee on Equal Opportunities at noon Sunday to hear and discuss a presentation by Jan Somerville of The Education Trust. Ms. Somerville will present national data on the effect of a rigorous high school curriculum on student achievement and the economic and social implications of offering only some students a pre-college curriculum. Both the Prichard Committee on Academic Excellence and the P-16 Council heard the presentation earlier this year. Council members suggested that both the full council and the CEO would find the presentation interesting and helpful.

The Education Trust, headquartered in Washington, D.C., has taken a leadership role in advocating P-16 reform.

The Committee on Equal Opportunities advises the council on how to create a more diverse postsecondary system in Kentucky. A list of members is attached.

Staff preparation by Sherron Jackson

MINUTES
Council on Postsecondary Education
Executive Committee
August 27, 2001

The Executive Committee meeting commenced at 1:15 p.m. with Chairman Charles Whitehead calling the meeting to order.

ROLL CALL

Shirley Menendez and Steve Barger were present. Norma Adams and Walter Baker were absent. Guests included Gordon K. Davies, Angie Martin, Allen Norvell, and Dennis Taulbee.

COUNCIL AUDIT

Dennis Taulbee introduced Allen Norvell of the firm Potter & Co., Inc. They are to do the 2000-01 annual audit of the agency. Mr. Taulbee stated that the purpose of the meeting was to allow Executive Committee members an opportunity to discuss issues related to the audit and to discuss the relationship of the audit firm and the Executive Committee.

Mr. Davies, Mr. Taulbee, and Ms. Martin left the meeting.

The Executive Committee instructed Mr. Norvell to provide a draft copy of the findings directly to the committee. The Executive Committee also asked the audit firm to help determine their responsibilities in the management of the trust funds, to look at what employees, if any, actually work for another agency or entity, and to look at the legal responsibilities of the agency where employees are retired and working for the council.

No official actions were taken.

The meeting adjourned at 2:20 p.m.

ADJOURNMENT

Charles Whitehead
Chairman

MINUTES
Council on Postsecondary Education
July 30, 2001

The Council on Postsecondary Education met July 30, 2001, at 8:30 a.m. at the University of Kentucky W. T. Young Library in Lexington, Kentucky. Chair Whitehead presided.

Mr. Whitehead asked for a moment of silence of memory of Philip I. Huddleston.

Mr. Whitehead thanked President Lee Todd and the University of Kentucky for hosting the council.

OATH OF OFFICE

Fayette District Judge Kevin Horn administered the oath of office to Christopher J. Pace, appointed by Governor Patton July 25 as the student member to replace Amanda Coates Lich. Mr. Pace is a graduate of Eastern Kentucky University with a degree in political science and will begin studies at the Northern Kentucky University Chase College of Law this fall.

Richard D. Freed was appointed by Governor Patton July 25 as the new faculty member to replace Merl Hackbart. Dr. Freed is a professor of English at Eastern Kentucky University. Dr. Freed was unable to attend this meeting and will be sworn in at the September meeting.

Mr. Whitehead introduced Dr. Eugene Hughes, the interim president of Eastern Kentucky University.

ROLL CALL

The following members were present: Norma Adams, Walter Baker, Steve Barger, Peggy Bertelsman, Ron Greenberg, Hilda Legg, Shirley Menendez, Charlie Owen, Christopher Pace, Lois Combs Weinberg, and Charles Whitehead. Richard Freed, John Hall, Joan Taylor, and Gene Wilhoit did not attend.

REMARKS BY
PRESIDENT TODD

President Todd discussed his vision for the University of Kentucky. He said that the cornerstone of that vision has to do with the top 20 challenge issued by Governor Patton and the General Assembly. He said that some people think that reaching the top 20 challenge is to be a top 20 public research institution. UK could very likely meet that definition but would fail the state of Kentucky since UK has a landgrant mission and a responsibility to serve the entire population of the state. In order to meet this challenge, he will develop a set of analytical measures to show how UK compares with benchmarks and will develop a higher purpose list of measures to undertake. He added that in order to effectively bring about change in the state UK has to work closely with the other institutions. He

has been working with UofL President Shumaker and joint efforts by UK and UofL will be announced in the coming weeks. Dr. Todd has reorganized the university using a provost model. He has formed several task forces to look at such things as health care issues and has established a futures group, a Commission on the Status of Women, and a Commission on Diversity. UK will be involved in reopening a Washington, D.C., office to help attract research dollars to the state. He plans to use the cooperative extensive service to work through these county agents on various initiatives around the state.

The minutes of previous meetings were approved as distributed.

Mr. Davies said that the council met in early June and discussed its organization and agenda for the coming year. The council decided to operate without the academic affairs and finance committees because so many issues cut across both committees. The council also decided to reorganize its agenda book by integrating the agenda items into a coherent set of actions and discussions related to one another and to the work of reform. The former agenda book presented the items within committee reports but in no particular order. The “president’s report” had become the vehicle for general items dealt with by the council as a whole, but again in no particular order. The revised book consists of an extended narrative summary that presents the agenda items organized around the “five questions”:

APPROVAL OF
MINUTES

ORGANIZATION OF
COUNCIL AND AGENDA
BOOK

Question 1. Are more Kentuckians ready for postsecondary education?

Questions 2 & 3. Are more students enrolling?
Are more students advancing through the system?

Questions 4 & 5. Are we preparing Kentuckians for life and work?
Are Kentucky’s communities and economy benefiting?

RECOMMENDATION: The staff recommends that the council approve the program in early childhood education proposed by Lexington Community College.

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

Mr. Davies said that the Governor’s KIDS Now initiative recognizes the importance of a good pre-school educational foundation for all children, and teachers need to be prepared to work in early childhood programs. By 2003, Headstart will require that 50 percent of lead instructors have at least an associate degree. LCC’s program is designed to meet the increased demand for this credential and to provide for transfer to four-year education programs across the state.

NEW PROGRAM
PROPOSAL

Ms. Menendez said that normally early childhood educators receive very

low pay. She asked if personnel who receive this credential can expect additional compensation. She is concerned that a great deal of verbal support is given to the concept of early childhood education being a major investment in the future of the Commonwealth, but the financial support is not there.

Mr. Davies said that Governor Patton is very interested in salaries at every level of education, early childhood through adult, and is discussing ways in which a long-term strategy could be developed.

VOTE: The motion passed.

Mr. Davies said that the Kentucky Early Mathematics Testing Program, administered by Northern Kentucky University and the University of Kentucky, has completed its first semester. This spring, the test was taken on-line by more than 3,000 students from 29 high schools in 18 counties. The program directors anticipate testing between 20,000 and 40,000 students per year. The test assesses the preparation of high school sophomores and juniors to do college-level mathematics.

The P-16 Council recently heard a presentation by Kati Haycock, executive director of The Education Trust, about the importance of a rigorous high school curriculum. The presentation will be given September 16 at a joint session with the council and the council's Committee on Equal Opportunities.

EARLY MATHEMATICS
TESTING PROGRAM

RECOMMENDATION: The staff recommends that the council approve the Adult Education Professional Development Plan, authorizing the allocation of \$1,358,528 of the Adult Education and Literacy Trust Fund for 2001-02.

MOTION: Ms. Menendez moved that the recommendation be approved. Mr. Barger seconded the motion.

P-16 COUNCIL

Mr. Davies said that significant progress is being made in adult education. The goal to serve 60,000 people this year, up from 50,000 last year, has been met and exceeded with 62,500 people participating. The goal for 2002 is 75,000 and 100,000 by 2004. To accomplish these goals, more adult educators and better-trained adult educators are needed. The proposed adult education professional plan will make this an integral component of Kentucky education reform.

ADULT EDUCATION
PROFESSIONAL
DEVELOPMENT PLAN

Ben Boggs of the council staff said that within the professional development plan there are four components: The Adult Education Academy for Professional Development to be located at Morehead State University, The Collaborative Center for Literacy Development located at the University of Kentucky, The Kentucky Institute for Family Literacy located with the National Center for Family Literacy in Louisville, and a resource database hosted by the Kentucky Virtual Library. Mr. Boggs said that this was a task force led plan representing nine agencies and

institutions. In designing the plan, there have not been major new hirings. Even though the goal is 100,000 new learners by 2004 and 300,000 by 2010, the adult education providers are trying to serve these students using technology, on-line learning, and existing resources.

Sandy Kesner with The Collaborative Center for Literacy Development and Dan Connell, Morehead State University Dean of Extended Campus and Continuing Education, discussed the planned activities of the Kentucky Adult Literacy Institute and the Adult Education Academy for Professional Development.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve the 2002-06 public institution goals for enrollment, retention, and graduation.

Mr. Davies said that a few years ago the staff asked the RAND Corporation how many more students are needed to enroll and graduate in order to raise Kentucky to the national averages. RAND reported that 80,000 more graduates are needed on a base of 160,000 public and private undergraduate enrollments. In the 2000 legislative session, the council approved institutional goals for enrollment and retention for fall 2000 through fall 2004. In preparation for the 2002 legislative session, the staff extends this effort to include graduate education because in creating a new economy in Kentucky more people are needed who have the benefits of graduate education and who can apply those benefits to begin and work in new businesses. Mr. Davies said that the staff also has requested enrollment projections from the independent institutions.

Mr. Greenberg said that the retention and graduation goals are not acceptable and are almost embarrassing. He said that the presidents should be asked to consult with their boards and reconsider their goals.

Mr. Davies said that the institutions are ahead of the goal for enrollment but these students need to be retained.

ENROLLMENT,
RETENTION, AND
GRADUATION GOALS

Dr. Ransdell said that the greatest concern for WKU relates to enrollment growth. He said that if money is not available to fund enrollment growth, his institution may have to consider capping enrollment rather than continue to grow.

Dr. Eaglin said that retention is not just a postsecondary education problem. Postsecondary education needs to work with P-16 to develop different strategies than just concentrating on what the institutions do with incoming freshmen.

Ms. Adams said she is concerned that the P-16 Council as it exists statewide is not getting the support from postsecondary education that it needs. She is concerned about the KEES program in that it does not

encourage students to take difficult high school classes because they may earn a lower grade and not be awarded as much money. She asked why more postsecondary education institutions are not recruiting the GED completers.

Mr. Davies said that of the high school completers in Kentucky 24.2 percent of them receive their high school diploma through the GED. He said that we tend to focus on the 75 percent who actually march across the stage.

Mr. Davies that the goals will be discussed with the university presidents and the chief academic officers and will be brought back to the council for consideration in September.

RECOMMENDATION: The staff recommends that the council approve distribution of the remaining Action Agenda trust funds.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve distribution of the remaining faculty development funds.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council accept the final university reports of the first biennial productivity review.

MOTION: Ms. Menendez moved that the recommendation be approved. Ms. Weinberg seconded the motion.

Mr. Davies said that the council directed this review in November 1999. University programs are reviewed in even-numbered years and community and technical college system programs in odd-numbered years. Because this was the first review, this process took about two years to complete. Of the 1,164 programs slated for review, 564 were identified as low productivity programs. Of these, the universities plan to close 143, significantly change 161, and retain 254. In July 2000, the council requested that statewide groups be formed to look at three areas of low degree producing programs – teacher education, foreign languages, and visual and performing arts. The next cycle of program productivity reviews will begin in 2002. Mr. Davies said it is important that this review become regular especially in a time of tight budgets, which means change by substitution rather than by growth.

FACULTY
DEVELOPMENT
PROGRAM FUNDS

Ms. Weinberg asked if we are working with the independent colleges and universities to efficiently deliver low enrollment courses.

Mr. Applegate said that the most discussion has been in the teacher education area. The provosts of the independent and public institutions have discussed the delivery of teachers and meeting teacher shortages. The provosts also discussed voluntarily involving the independent institutions in the Web-based program approval system. This will inform all institutions of new programs being proposed to help cut down on the number of duplicative programs.

UNIVERSITY
PROGRAM
PRODUCTIVITY
REPORT

Mr. Baker said that emphasis should be placed on offering courses through the Kentucky Virtual University. He said that the institutions must collaborate to offer courses in needed areas, such as foreign languages.

Mr. Greenberg said labor market shortages need to be identified.

Mr. Barger said that the best way to attract skilled workers is to improve salaries, working conditions, and fringe benefits.

Mr. Whitehead said that incentive programs may be needed to encourage students to enter these critical labor shortage areas.

Ms. Bertelsman encouraged the teacher educators to take into account the recommendations of the literacy and mathematics alignment teams. It was unanimously reported that there was no formal teaching of reading after the third grade yet numerous students cannot read by then. The alignment team recommendation was that teachers be prepared to educate students in literacy, particularly in basic reading, in every grade.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council accept the initial productivity reports of the Kentucky Community and Technical College System and Lexington Community College.

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

Mr. Davies said that this review began in fall 2000. Of the 146 programs offered at the KCTCS institutions and LCC, only 32 were reviewed. The KCTCS will close five programs, alter 18, retain five, and complete the review of one program next year.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council accept the

Committee on Equal Opportunities recommendation to grant Northern Kentucky Technical College a waiver of the requirements of KRS 164.020(18).

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

VOTE: The motion passed.

Mr. Barger said that the Committee on Equal Opportunities will meet August 20 and will reconsider the Morehead State University request for a waiver. The committee has concerns about the campus climate environment teams – how well publicized and involved they are on the campuses. These teams provide input from faculty, staff, and the student body. The teams are critical to the efforts toward diversity and are a critical part of the partnership agreement with the U.S. Office for Civil Rights.

RECOMMENDATION: The staff recommends that the council approve the University of Kentucky's request to renovate three classrooms to create smart teleconferencing classrooms with \$800,000 in federal and institutional money.

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

VOTE: The motion passed.

KCTCS AND LCC
PROGRAM
PRODUCTIVITY
REPORTS

Mr. Davies reported that good progress is being made toward establishing joint engineering programs under the council's statewide engineering strategy. Joint programs are being planned in mechanical engineering, WKU and UK; civil engineering, WKU and UK; electrical engineering, WKU and UofL; and electrical and telecommunications engineering, MuSU and UofL. The participating institutions are close to agreeing on the curricula for these programs. In May of this year, the institutions assured the council that they would share the cost of these programs in the future. The terms of the cost-sharing are being worked out. As part of the budget preparation, in November the staff will bring a proposal to include funding for the statewide engineering strategy as part of the new economy issue. Mr. Davies added that information technology may be the same type issue, and a statewide information technology strategy may be needed as well.

QUALITATIVE WAIVER
FOR NORTHERN KY
TECHNICAL COLLEGE

RECOMMENDATION: The staff recommends that the council approve the application criteria, the process for submission of an application, and the structure and type of outside expertise or peer review used in the application review process proposed by the Kentucky Science and Technology Corporation for awarding grants under three of the four programs administered by it on behalf of the council: Rural Innovation Program, Research and Development Voucher Program, and

Commercialization Fund Program.

MOTION: Mr. Barger moved that the recommendation be approved. Ms. Adams seconded the motion.

Mr. Davies said that funding for the three programs is appropriated to the council, which has policy leadership for the programs. As allowed by the Kentucky Innovation Act, the council has contracted with the Kentucky Science and Technology Corporation to administer these three programs.

Council staff member Daniel Rabuzzi said that these programs help link university research with local industry needs. If the application criteria are approved, the KSTC will issue RFP's in early August. He pointed out a revision to page 25 of the application criteria pertaining to the matching funds for the Research and Development Voucher Program. The matching that is required in accordance with the bill is that recipients of these grants – the small and medium sized businesses – must match the state's grant money with money or in-kind services of their own. He said that the grant recipients cannot use state-generated money for the match. Mr. Rabuzzi said that the Kentucky Innovation Act requires the KSTC to provide an annual report to the council, and the council must provide an annual report to the Kentucky Innovation Commission, the Governor's Office, and the General Assembly. He said that early next year the staff will recommend that the council discuss with the Kentucky Innovation Commission appropriate performance benchmarks and performance criteria for these programs.

UK COLLEGE OF LAW
CLASSROOM
RENOVATIONS

STATEWIDE
ENGINEERING
STRATEGY

Ms. Legg asked about the relationship between the four regional technology corporations administered by the council and the six innovation and commercialization centers introduced by Bill Brundage, Commissioner of the New Economy, subsequent to the passage of the Kentucky Innovation Act.

Mr. Rabuzzi said there have been discussions about this relationship and the council staff may propose legislative changes to merge the RTC's and ICC's.

AMENDMENT TO MOTION: Ms. Adams amended the motion that page 25 of the application criteria be amended to state that no funds which have been generated from any state source shall be used as matching funds. Mr. Barger seconded the motion.

VOTE ON AMENDED MOTION: The motion passed.

KIA PROGRAM
APPLICATION CRITERIA

VOTE ON ORIGINAL MOTION AS AMENDED: The motion passed.

Mr. Davies said that the council staff organized Governor Patton's trade mission to the Biotechnology Industry Organization International Tradeshaw in San Diego in June, working closely with UK, UofL, WKU, the Governor's Office for Agricultural Policy, the Office of the New Economy, Greater Louisville Inc., Lexington United, and the Kentucky

Life Sciences Organization. The group met with leading entrepreneurs, senior managers, scientists, and venture capitalists in the life science sector to promote Kentucky's life science research and industry to the world market. Mr. Davies said the event exceeded expectations and the payback will be very significant. He said that the Kentucky Innovation Commission will coordinate participation in the tradeshow in the coming years.

RECOMMENDATION: The staff recommends that the council approve the revised space planning guidelines for the research component of the Kentucky Space Needs Model and that the council use the revised Kentucky Space Needs Model to evaluate the need for new or renovated space at the public universities and colleges.

MOTION: Ms. Bertelsman moved that the recommendation be approved. Ms. Legg seconded the motion.

Mr. Davies said that increasing the research capacity of UK and UofL is critical to creating a new economy in Kentucky. Bill Brundage has said that the institutions need to double their current research. In order to do this, Mr. Davies said that a long-range plan for research space needs to be developed. In order to evaluate the need for research space at the two doctoral institutions more effectively, the council contracted with Dan Paulien of Paulien & Associates to review the Kentucky Space Needs Model. Mr. Paulien recommends that the research space component for the doctoral institutions be based on non-institutional research and development dollars as reported in the National Science Foundation reports.

VOTE: The motion passed.

A review of the Research Challenge Trust Fund Programs and the Programs of Distinction was included in the agenda book. A report on the Eastern Kentucky University program of distinction in justice and safety was distributed.

Ms. Bertelsman requested that time be available at a future meeting to hear updates from the institutions on their programs of distinction related to the criteria that were set up, the number of students recruited, how national in focus they have become, scholarships created, and what difference these programs have made on the campus. She requested that written material be provided in advance so council members are prepared to discuss.

Mr. Applegate said that at the September trusteeship conference the institutions will set up displays to provide information on the programs of distinction.

Mr. Davies said that the staff suggests that the institutions be asked to submit biennial progress reports on the programs and the staff will make site visits when warranted.

BIO 2001

Ms. Bertelsman suggested that the council decide about the future reporting needs after hearing the next reports from the institutions.

RESEARCH SPACE
GUIDELINES

Western Kentucky University plans to donate E. A. Diddle Arena and other athletic property to the City of Bowling Green for the purpose of securing financing to renovate the facility. WKU has stated that state general funds would not be sought for the renovation. The City of Bowling Green would issue general obligation bonds to finance the renovation of the arena. Debt service on the bonds would be funded using a combination of revenues from facility rentals, building naming rights, ticket sales surcharges, and concessions and event parking. The council staff and WKU representatives have participated in a series of discussions with representatives from the Finance and Administration Cabinet, the Legislative Research Commission, the Capital Projects and Bond Oversight Committee, and the Office of the Attorney General. Mr. Davies said that one issue is whether the state needs to approve the disposition of university property.

Dr. Ransdell distributed a report from Western about the proposed project, including the draft management agreement, financial pro forma, plat of the property to be conveyed, draft of the deed, and a draft of the reciprocal non-exclusive permit.

Ms. Weinberg asked who would be responsible for the maintenance and operation of the facility. Dr. Ransdell responded that this will be the responsibility of WKU.

Mr. Barger said that this project is similar to the creation a few years ago of the WKU Student Life Foundation. At that time there was discussion as to whether this type of financing takes the responsibility and obligation of the debt service off the state. That question has not been answered. The Finance Cabinet, the council, and the legislative committee were to work out a process for use by all institutions.

Mr. Owen complimented the creativity of Western's proposal but noted that this has serious implications throughout the state if other institutions choose to do something similar. He suggested that the legislation be examined that says that the council's approval is needed to construct new buildings but no approval is needed to give a building away. He said that the council members should have received this information earlier to allow opportunity to review the materials prior to this meeting.

REVIEW OF RESEARCH
CHALLENGE TRUST
FUND PROGRAMS AND
PROGRAMS OF
DISTINCTION

Mr. Davies said that there are three players in Frankfort – the Attorney General, the administration through the Finance Cabinet, and the council. He said that the legal issues belong to the Attorney General and the financial issues having to do with debt and the propriety of debt have to do with the Secretary of Finance. The council needs to deal with the questions of space for instruction, cost of maintenance and operation of the facility, and academic implications. He said that he has written the

WKU DIDDLE
ARENA PROJECT

Attorney General and the Secretary of Finance saying that a regular and predictable process is needed to ensure that these things are done creatively and responsibly. Both have responded that they would be happy to work with the council staff to develop that process. The council has no statutory authority but, because of its role in leading reform of postsecondary education, is being asked to give an opinion at the Capital Projects and Bond Oversight Committee August 21 meeting.

Mr. Baker said that the members of the General Assembly, who make up the public policymaking body of this Commonwealth, should develop a proper process to be followed. They should be aware of the ramifications for the future for whatever direction they choose to go. He complimented Dr. Ransdell for his creativity but said he is not sure this is the proper course to take.

Mr. Whitehead will appoint an ad hoc committee to review the materials and provide guidance to Mr. Davies prior to the August 21 meeting.

The council staff continues to work with the postsecondary institutions, other state agencies, and research firms to establish baseline data and set goals for the key indicators of progress toward postsecondary reform. A timeline for setting the goals was included in the agenda book. The key indicators Web site is being developed and will be available on the council's Web page this fall.

Information was provided on the development of the 2002-04 biennial budget and the plan to reduce the 2001-02 agency budget. Governor Patton announced a projected \$326 million budget shortfall for fiscal year 2002. At this time, postsecondary education is exempted from budget reductions in this fiscal year.

Mr. Davies said that the council will meet with the presidents of the independent colleges and universities October 9. Dennis Jones, president of the National Center for Higher Education Management Systems, will meet with the council October 10 to discuss budget issues.

RECOMMENDATION: The staff recommends that the council adopt the revised bylaws.

MOTION: Ms. Bertelsman moved that the bylaws be adopted. Mr. Barger seconded the motion.

Because of several questions relating to officer elections and terms, the bylaws were not acted upon and will be discussed at the September meeting.

MOTION: Mr. Barger moved that the council authorize the president to enter into a contract with Potter & Company to conduct an audit of the council's fiscal year ending June 30, 2001, in an amount of \$40,250. Ms.

Weinberg seconded the motion.

The council staff reissued the request for proposals for an external audit of the council's 2000-01 operating budget. In the second round of bidding, four proposals were received. The executive committee reviewed the proposals July 29.

VOTE: The motion passed.

MOTION: Mr. Barger moved that resolutions prepared for Mary Beth Susman, Lois Weinberg, Amanda Coates Lich, Merl Hackbart, and Philip Huddleston be approved. Mr. Baker seconded the motion.

VOTE: The motion passed.

The Governor's Conference on Postsecondary Education Trusteeship will be September 16-17 at the Louisville Marriott East. The council will meet at 12 noon Sunday, September 16.

The meeting adjourned at 12:50 p.m.

Gordon K. Davies
President

Phyllis L. Bailey
Secretary

KEY INDICATORS
UPDATE

DEVELOPMENT OF
2002-04 BUDGET
RECOMMENDATIONS

COUNCIL BYLAWS

COUNCIL AUDIT

RESOLUTIONS

NEXT MEETING

ADJOURNMENT

**Council on Postsecondary Education
September 16, 2001**

Executive Summary

Cross-Cutting Issues

Less than two months after the September meeting, the council will present its budget recommendations to Governor Patton and the General Assembly. The council will meet again October 10, both for a broad discussion of the revenue streams and expenditures of colleges and universities and to discuss some specific aspects of the 2002-04 budget. Then, at its meeting November 5, the council will formulate its recommendations. Later that month, Thursday, November 15, the council will present those recommendations to SCOPE, the Strategic Committee on Postsecondary Education.

The staff has received special funding requests from the institutions, which were due September 1. We are beginning to analyze these as part of preparing materials for your consideration.

In a broad sense, the postsecondary education budget consists of an operating budget and a capital budget. Within the operating budget are the institutions' current appropriations (the "base" budget), their special funding requests, and the trust funds. Within the capital budget are funds for debt that is retired by the state and debt that is retired by the institutions themselves, and requests for renovation, new construction, and equipment.

Adjustments to institutional base budgets are made by using an inflationary factor prescribed by the state or, if state revenues permit, by comparing institutional funding with that of similar institutions throughout the United States: the benchmark approach.

The lists of benchmark institutions were developed in 1999 and modified during this year, following the "points of consensus" endorsed by SCOPE and the council. Now we are dealing with how to establish the funding objective using each list. This is essential to measuring how

Kentucky's institutional funding compares to that of institutions Kentucky's are like or want to be like.

There are a number of ways to determine the objective. We could take the average of all the institutions in the list, or we could exclude the top and bottom institutions as outliers and average the rest. We could simply take the middle institution (the simplest way but one that was criticized in the 2000 session), or we could take the average of the middle three or middle five institutions.

We have tested these techniques and have asked colleagues in other agencies and institutions to do so as well. We do not find much difference among them. The recommendation we bring you has three significant characteristics:

- It is mathematically valid.
- It is fair.
- It can be explained in plain English to people who are not statisticians.

To set a goal slightly above the benchmark median for each Kentucky institution, the staff recommends that the council approve the average of the 50th, 55th, and 60th percentiles as the funding objective for the 2002-04 operating budget recommendation. (For details, see page 21.)

Development of 2002-04 Operating Budget Recommendation: Funding Objective

Action: To set a goal slightly above the benchmark median for each Kentucky institution, the staff recommends that the council approve the average of the 50th, 55th, and 60th percentiles as the funding objective for the 2002-04 operating budget recommendation.

The council, in cooperation with the institutions and the executive and legislative branches, developed a benchmark funding model for the 2000-02 operating budget recommendation. This model compared funding at Kentucky institutions to public funds of similar non-Kentucky institutions. A public funds amount (state appropriations and tuition and fees revenue) per full-time equivalent student (FTE) was calculated for each institution. A “measure of central tendency” was then used to set the 2000-02 funding objective for each Kentucky institution. A detailed description of the 2000-02 benchmark funding method was presented to the council July 30.

A "measure of central tendency" is simply a way to determine a midpoint of a group such as the benchmark institutions. A mean (average), median, or percentile are examples. For 2000-02, the 55th percentile was used to determine the funding objective. To determine the 55th percentile for a set of 20 institutions, public funds amounts per FTE are ranked in order of highest to lowest and the 11th number from the bottom of the list equals the 55th percentile (20 X 55% = 11).

For discussion purposes, the council staff calculated several measures of central tendency including the 55th percentile; mean; median; weighted average; the average of the 50th, 55th, and 60th percentiles; and the mean plus ½ the standard deviation as shown on page 23.

The council staff has discussed various measures with representatives from the institutions, the Governor's Office for Policy and Management, and the Legislative Research Commission. The most frequent argument against using the 55th percentile measure is that it often points to a single institution. The staff recommends using an average of the 50th, 55th, and 60th percentiles to calculate the funding objective. There are several reasons for the recommendation:

- It reflects an objective above the ‘average.’
- It uses at least three institutions to determine the funding objective rather than basing the objective on a single institution.
- It does not include the "outliers" - institutions funded at high or low levels.
- It is easy to understand and explain, while most of the other measures are complex.

The council contracted with MGT of America, Inc. to survey the Kentucky and benchmark institutions to identify state funding for mandated programs having no instructional purpose and debt service. These state funds will be excluded in calculating the amount of public funds per FTE student. MGT probably will not receive a response from every institution. Thus, it is important to select a measure of central tendency that does not use every benchmark institution (such as the mean [average] or weighted average).

As agreed to in the *Points of Consensus*, the 2002-04 budget recommendation for each institution will be based on the calculated benchmark funding need or an inflationary increase, whichever is larger. Given the economic outlook for the Commonwealth, it is reasonably certain that the benchmark funding need will have to be phased in over more than one biennium. For 2000-02, the benchmark funding need was phased in over three years.

Staff preparation by Angela S. Martin and Linda Jacobs

FOR DISCUSSION PURPOSES ONLY

**PRELIMINARY BENCHMARK FINANCIAL ANALYSIS - PUBLIC FUNDS PER FTE STUDENT- 1998-99 IPEDS DATA
CENTRAL TENDENCY CALCULATIONS**

<u>Number of Institutions</u>	<u>EKU</u>	<u>KCTCS</u>	<u>KSU</u>	<u>Morehead</u>	<u>Murray</u>	<u>NKU</u>	<u>UK</u>	<u>LCC</u>	<u>UofL</u>	<u>WKU</u>
1	\$ 12,114	\$ 9,496	\$ 14,467	\$ 11,559	\$ 12,715	\$ 14,267	\$ 23,041	\$ 13,330	\$ 19,410	\$ 12,114
2	12,100	8,366	13,332	10,948	12,114	12,326	22,632	9,832	19,210	12,100
3	11,069	7,888	12,509	10,827	12,100	12,100	21,545	8,266	18,224	11,069
4	10,994	7,721	11,805	10,699	11,638	11,201	20,839	7,908	18,163	10,994
5	10,966	7,083	11,569	10,693	11,161	11,123	18,926	7,595	17,849	10,966
6	10,948	7,036	11,371	10,458	10,966	10,827	18,412	7,476	17,757	10,948
7	10,693	6,766	11,369	10,353	10,948	10,699	18,241	7,169	17,443	10,693
8	10,659	6,232	11,122	10,203	10,827	10,054	16,775	6,814	16,468	10,659
9	10,203	5,365	10,693	10,051	10,458	10,022	16,223	6,604	16,062	10,203
10	9,793	5,298	10,658	9,876	10,203	9,889	16,081	6,252	15,672	9,793
11	9,781		10,560	9,726	9,876	9,775	16,006	6,139	15,247	9,781
12	9,648		10,248	9,514	9,869	9,648	15,936	6,137	14,962	9,648
13	9,514		10,212	9,417	9,751	9,417	15,836	6,067	14,205	9,514
14	9,417		10,133	9,202	9,699	9,343	15,469	5,997	14,103	9,417
15	9,307		9,768	8,882	9,666	9,319	15,458	5,724	13,667	9,307
16	9,202		9,658	8,859	9,514	9,210	14,371	5,525	13,206	9,202
17	9,089		9,527	8,485	9,302	9,177	13,972	5,503		9,089
18	8,260		8,752	8,068	8,919	9,089	13,936	5,381		8,260
19	7,869		6,823	7,425	8,521	7,885	13,291	4,967		7,813
20			6,736	6,849	8,260	7,875	10,586	3,679		
Mean	\$ 10,086	\$ 7,125	\$ 10,566	\$ 9,605	\$ 10,325	\$ 10,162	\$ 16,879	\$ 6,818	\$ 16,353	\$ 10,083
Weighted Average	10,122	7,104	10,528	9,595	10,476	10,166	16,586	6,630	16,148	10,124
Median	9,793	7,060	10,609	9,801	10,040	9,832	16,044	6,196	16,265	9,793
50th Percentile	9,787	7,036	10,560	9,726	9,876	9,775	16,006	6,139	16,062	9,787
55th Percentile	9,978	7,060	10,658	9,876	10,203	9,889	16,081	6,252	16,387	9,978
60th Percentile	10,385	7,083	10,693	10,051	10,458	10,022	16,223	6,604	17,053	10,385
Average 50th, 55th, and 60th Percentile	10,050	7,060	10,637	9,884	10,179	9,895	16,103	6,332	16,501	10,050
Standard Deviation	1,154	1,311	1,860	1,229	1,221	1,520	3,249	2,031	2,003	1,160
Mean + 1/2 SD	10,663	7,781	11,496	10,219	10,936	10,923	18,504	7,834	17,355	10,663
50th Percentile		7,060								

Note: The public funds per FTE student for the Kentucky institution is bolded.

**Council on Postsecondary Education
September 16, 2001**

Executive Summary

The Council Business

You considered proposed revisions to the bylaws briefly at your July meeting and suggested a few changes in dates. We bring them back to you for approval at this meeting.

The staff recommends that the council adopt the revised bylaws.
(For details, see page 27.)

After consulting with council members and reviewing the calendar with council chair Charles Whitehead, the 2002 council meeting dates are offered for approval. The formal meetings are Mondays, with study sessions and dinners Sundays.

The staff recommends that the council approve the 2002 meeting dates. (For details, see page 45.)

Council chair Charles Whitehead has asked several council members to sit on committees: SCOPE, John Hall; DLAC (Distance Learning Advisory Committee), Joan Taylor and Charlie Owen (chair); P-16 Council, Peggy Bertelsman.

We are very pleased that Dr. William H. Payne has joined the staff as senior associate, finance. Bill comes most immediately from doctoral work in higher education administration at the University of Virginia, from which he also earned a master's degree in public administration, and from work in institutional research at Piedmont Community College. A native of Tennessee, Bill spent several years in banking before beginning his studies at the University of Virginia.

Council on Postsecondary Education
September 16, 2001

Council Bylaws

Action: The staff recommends that the council adopt the revised bylaws.

The council bylaws have been revised to include the following:

- All references to committees except for the Executive Committee are deleted.
- SCOPE is removed because it is included in the statutes.
- Two sub-sections, Terms of Officers and Selection of Officers, are merged.
- Terms for officers start on July 1.
- Nominating committee is to be created by April 30; the old date was March 31.
- The provision that all council and committee meetings must conform to the open meetings act is added.
- Minor editorial changes are made throughout the document.

Staff preparation by Dennis L. Taulbee

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 establish rules for notification and conduct of meetings and the selection of officers.

II. Statutory Authority

Authority for council actions comes from *KRS Chapter 164* encompassing public, private nonprofit, and proprietary degree-granting postsecondary institutions as well as postsecondary technical institutions. The council bylaws 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 adopt additional 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. 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 available to the public on the council Website.

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 April 30 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.

B. Selection of Officers

- B.1 A chair and vice chair shall be elected annually at a regularly scheduled or special meeting and shall each serve a one year term commencing July 1.
- 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.
- B.5 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 prior to 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. of the council Bylaws. Meetings held by video teleconference also shall 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 council committees shall be recorded on audio tape, and the tape shall be permanently maintained.
- 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 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.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 committees.
- A.5 The chair of the council shall be an ex officio, voting member of all committees.
- A.6 All committees shall conform to the requirements of the Open Meetings Act.

B. Executive Committee

B.1 Membership

The Executive Committee shall consist of the chair, vice chair, and three other council members appointed by the chair.

B.2. Purpose

Review all agency budget and personnel matters, provide for an annual audit of the agency, evaluate the president, and recommend annual compensation for the president.

B.3. Terms

The three appointed members shall serve one-year terms.

Section 5: 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 5A.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 6: President and Staff

A. President

A.1 The council shall set the qualifications for the position of president. *KRS 164.013(1) and (3)*.

A.2 The council shall, when selecting a president, employ a search firm and conduct a national search. *KRS 164.013*.

- 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.*
- 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 on a basis in excess of the base salary of any president of a Kentucky public university. The council annually shall review the salaries of the presidents of the public universities to assist in satisfying this requirement. *KRS 164.013(6).*
- 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: _____
Gordon K. Davies

Previous Actions:

Original Approval: August 27, 1997

Amended: January 12, 1998

Amended: September 16, 2001

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 establish rules for notification and conduct of meetings; and 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 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.~~

II. Statutory Authority

~~The primary~~ Authority for council actions comes from *KRS Chapter 164* ~~and encompasses~~ encompassing 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 adopt 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 [available to the public on the council Website](#) ~~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 [April 30](#) ~~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 [each](#) serve a one year [term commencing July 1.](#) ~~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.

B.5

~~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 prior to ~~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. [of the council Bylaws](#), ~~as appropriate~~. Meetings held by video teleconference [also](#) 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 council committees shall be recorded on audio tape, and the tape shall be [permanently](#) 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 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.

~~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.~~
- ~~e. 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 committees ~~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.56 The chair of the council shall be an ex officio, voting member of all committees
~~Operating and Standing Advisory Committees.~~

A.6 All committees shall conform to the requirements of the Open Meetings Act.

~~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. Executive Committee~~Operating~~

B.1 Membership

The Executive Committee shall consist of the chair, vice chair, and three other council
members appointed by the chair.

B.2. Purpose

Review all agency budget and personnel matters, provide for an annual audit of the
agency, evaluate the president, and recommend annual compensation for the president.

B.3. Terms

The three appointed members shall serve one-year terms.

~~B.4 Purpose~~

~~The purpose of the Executive 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.
- e. 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 Academic Affairs and Finance Committees.
- 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 Executive Committee shall consist of seven members:

- a. The chair of the Council;
- b. Vice chair of the Council;
- c. The chairs of the Academic Affairs and Finance Committees;
- 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 Executive 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. When the Executive Committee acts relative to B.1. d. above, the Council shall specifically state the authority of the committee.
- c. The Executive Committee shall report any actions taken to the Council at the next regular meeting. Committee actions are advisory only.

B.4 Meetings

~~The Executive Committee shall meet at the call of the chair.~~

C. Academic Affairs--Operating

C.1 Purpose

~~The purpose of the Academic Affairs 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 Academic Affairs 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 Academic Affairs Committee shall report any actions taken to the Council at the next regular meeting. Committee actions are advisory only.~~

C.4 Meetings

~~The Academic Affairs Committee shall meet at the call of the chair.~~

D. Finance Committee--Operating

D.1 Purpose

~~The purpose of the Finance 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;~~
 - (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);~~

- ~~e. 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 Finance 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 Finance Committee shall report to the Council any actions taken at the next regular meeting. Committee actions are advisory only.~~

~~D.4 Meetings~~

~~The Finance 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)~~

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~~

~~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).~~

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 Academic Affairs Committee and the Finance 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 5 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 5 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 6 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)*.
- A.2 ~~The president shall be selected by the council.~~ The council shall, when selecting a president, employ a search firm and conduct a national search. *KRS 164.013 (1)*
 - a. ~~The council shall employ a search firm and conduct a national search when it seeks to employ a president. *KRS 164.013(1)*.~~

~~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).~~

- 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.*
- 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 on a basis in excess of the base salary of any president of a Kentucky public university. The council annually shall ~~annually~~ review the salaries of the presidents of the public universities to assist in satisfying this requirement. *KRS 164.013(6).*
- 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: _____
Gordon K. Davies

Previous Actions:

Original Approval: August 27, 1997

Amended: January 12, 1998

Amended: September 16, 2001

Council on Postsecondary Education
September 16, 2001

2002 Meeting Dates

Action: The staff recommends that the council approve the 2002 meeting dates.

After consulting with council members and reviewing the calendar with council chair Charles Whitehead, the following 2002 council meeting dates are offered for approval. The formal meetings are Mondays, with study sessions and dinners Sundays.

February 3-4

March 24-25

May 19-20

July 28-29

September 22-23 (trusteeship conference)

November 3-4

Staff preparation by Phyllis Bailey

**Council on Postsecondary Education
September 16, 2001**

Executive Summary

1. Are more Kentuckians ready for postsecondary education?

The P-16 Council has completed its second year, continuing its three-part agenda focused on teacher education, alignment of P-12 and postsecondary curricula, and increased college-going. Current membership on the P-16 Council includes representation from the council, the State Board of Education, and the Education Professional Standards Board. Increasingly, the P-16 Council finds its work connected to issues pertaining to early childhood and workforce development. The quality of early childhood education affects subsequent educational success, and postsecondary institutions play a primary role in preparing early childhood educators. And the demands of an educated workforce require collaboration among schools, colleges, and workforce development policymakers.

The staff recommends that the council extend the membership of the P-16 Council to include Kim Townley, executive director of the Governor's Office of Early Childhood Development, and Allen Rose, secretary of the Cabinet for Workforce Development. (For details, see page 51.) **Need motion to approve. Dianne Bazell is available for questions.**

The ACT scores of Kentucky high school students went up one-tenth of a percentage point last year but remain below the national average (21.0 compared to 20.1). The percentage of high school students taking the ACT increased slightly, from 47 to 48 percent.

For the first time, Kentucky students reached national average scores on the Comprehensive Tests of Basic Skills, which is given to students in grades 3, 6, and 9. The Kentucky college-going rate of recent high school graduates remains lower than the national average (56 percent

compared to 65 percent) and the percentage of students leaving high school before receiving their diploma increased last year. At the same time, more Kentuckians are completing their GED examinations, and there is a significant surge in the number of persons taking the exam. This may be attributed to the communication campaign being conducted by the council and the Department of Adult Education and Literacy. Now that they are aware that almost one-fourth of Kentucky's high school completers are GED recipients, several universities have followed the lead of the Kentucky Community and Technical College System in targeting these persons as potential college-goers.

The initial phase of the public communication campaign, designed to raise awareness of upcoming changes in the GED exam, appears to have been a success. The campaign is augmented by initiatives from the Governor's Office, the Kentucky Pre-Paid Tuition Program, and the Kentucky Virtual University.

At last count, postcards, posters, and radio advertisements in June and July had generated 6,000 referrals to adult education programs in 47 counties. A total of 3,825 GED examinations were given in June, up from 2,229 the same time last year, which prompted the Department for Adult Education and Literacy to add six new GED test centers across the state. The KYVU call center has provided an adult education hotline, a partnership which will continue at least through the campaign. The next phase of the campaign, targeting adults and teens, will be launched October 5 with a press conference at KET. Governor Patton is scheduled to attend. I hope you will have a chance to visit the display at the trusteeship conference that highlights the campaign's creative materials and results.

When we think about Question 1 and college readiness, it's important that we consider not only the academic preparation of students but also whether college in Kentucky is affordable to all who can and want to attend. **We bring you tables showing 2002-04 tuition rates and estimated tuition and fees revenue. These can be found beginning on page 53.**

Additional Membership to the P-16 Council

Action: The staff recommends that the council extend the membership of the P-16 Council to include Kim Townley, executive director of the Governor's Office of Early Childhood Development, and Allen Rose, secretary of the Cabinet for Workforce Development.

The state P-16 Council was formed in 1999 by agreement of the State Board of Education and the Council on Postsecondary Education to advise both agencies on policy matters affecting the movement of students from pre-kindergarten through the baccalaureate. Initially, P-16 Council membership included board and council members, as well as the President of the Council on Postsecondary Education and the Commissioner of Education.

Because the preparation and professional development of teachers has such direct bearing on student achievement, membership on the P-16 Council was extended last year to include the Executive Director and Chair of the Education Professional Standards Board.

The quality of early childhood education affects later educational success. Linking education and workforce development is important to realize the economic benefits of education for individuals and society. Representatives from these two entities will provide the P-16 Council with a fuller perspective to address the education policy needs of the Commonwealth.

Council on Postsecondary Education
September 16, 2001

2002-04 Tuition Rates and Revenue

The Council on Postsecondary Education approved tuition-setting guidelines for the 2002-04 biennium May 21, 2001. The guidelines continue to delegate tuition-setting responsibility to the institutions. The institutions were to report planned tuition rates and projected tuition and fees revenue for each year of the 2002-04 biennium by September 1, 2001. Eight institutions have reported their planned rates. Northern Kentucky University and Murray State University chose to report ranges for tuition rates and increases at this time. Some of the reported rates have not yet been approved by the institutions' boards. Final rates will be reported when the respective boards take action.

The tuition-setting guidelines are shown on page 54. The tuition rates for undergraduate resident students for each year of the biennium are shown on page 55. A more detailed table showing the rates for all levels and residency status begins on page 56. Budgeted 2001-02 and estimated 2002-04 tuition and fees revenue are presented on page 64.

Tuition rates and related revenue estimates are subject to revision. The institutions are requested to notify the council of any rate changes.

Staff preparation by Linda Jacobs

Tuition-Setting Guidelines
Effective Fall 2002

May 21, 2001

Each institution will establish its own tuition rates consistent with the following guidelines. The council's biennial budget request for state general operating funds will consider tuition and fees revenue based on these guidelines.

- Undergraduate rates must be higher for non-Kentuckians than Kentuckians, excluding reciprocity agreements.
- As part of the key indicators of progress toward postsecondary reform, the staff will continue to monitor and report to the council on an annual basis the percentage of income (per capita personal income) needed to pay for college expenses to ensure that postsecondary education remains affordable to Kentuckians.
- The rates should move institutions toward producing tuition and fees revenue at consistent levels across institutions. KCTCS, LCC, and KSU's tuition and fees policies should move the institutions toward producing revenue that is at least 30 percent of the total public funding for each institution. The tuition and fees policies for the remaining institutions should move these institutions toward producing revenue that is at least 37 percent of the total public funding for each institution. Institutions with tuition and fees revenue below these recommended standards should act to increase that percentage over the biennium. These institutions must at least maintain the current percentage of tuition and fees revenue in public funding during the 2002-04 biennium.
- Each institution will submit planned biennial tuition rates and projected tuition and fees revenue for 2002-03 and 2003-04 to the council by September 1, 2001, for developing the council's 2002-04 biennial budget request.

**2002-04 UNDERGRADUATE RESIDENT TUITION RATES
(Per Semester)**

<u>Institution</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Eastern Kentucky University	1,168	1,279	111	9.5%	1,399	120	9.4%
Kentucky State University	1,139	1,224	85	7.5%	1,316	92	7.5%
Morehead State University	1,123	1,213	90	8.0%	1,310	97	8.0%
Murray State University	1,167	1,257 - 1,280	90 - 113	7.7% - 9.7%	1,354 - 1,404	97 - 124	7.7% - 9.7%
Northern Kentucky University	1,140	1,203 - 1,248	63 - 108	5.5% - 9.5%	1,269 - 1,367	66 - 119	5.5% - 9.5%
University of Kentucky	1,635	1,740	105	6.4%	1,836	96	5.5%
Lexington Community College	810	876	66	8.1%	948	72	8.2%
University of Louisville	1,897	2,016	119	6.3%	2,136	120	6.0%
Western Kentucky University	1,145	1,560	415	36.2%	1,680	120	7.7%
Kentucky Community and Technical College System	725	768	43	5.9%	816	48	6.3%

Notes:

- 1) The 2002-03 and 2003-04 rates are subject to change.
- 2) Beginning in 2002-03, the WKU Board of Regents approved eliminating mandatory student fees.

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Eastern Kentucky University							
<i>Undergraduate</i>							
Resident							
Full-time	1,168	1,279	111	9.5%	1,399	120	9.4%
Per Credit Hour	114	122	8	7.0%	132	10	8.2%
Nonresident							
Full-time - Non-discount students	3,502	3,835	333	9.5%	4,195	360	9.4%
Per Credit Hour - Non-discount Students	309	335	26	8.4%	365	30	9.0%
Full-time - Incentive Grant Counties	1,927	2,107	180	9.3%	2,311	204	9.7%
Per Credit Hour - Incentive Grant Counties	170	191	21	12.4%	208	17	8.9%
<i>Graduate</i>							
Resident							
Full-time	1,283	1,399	116	9.0%	1,525	126	9.0%
Per Credit Hour	165	176	11	6.7%	190	14	8.0%
Nonresident							
Full-time	3,849	4,198	349	9.1%	4,576	378	9.0%
Per Credit Hour	450	487	37	8.2%	529	42	8.6%
Kentucky State University							
<i>Undergraduate</i>							
Resident							
Full-time	1,139	1,224	85	7.5%	1,316	92	7.5%
Per Credit Hour	96	102	6	6.3%	109	7	6.9%
Nonresident							
Full-time	3,419	3,675	256	7.5%	3,951	276	7.5%
Per Credit Hour	285	306	21	7.4%	329	23	7.5%
<i>Graduate</i>							
Resident							
Full-time	1,248	1,342	94	7.5%	1,442	100	7.5%
Per Credit Hour	139	149	10	7.2%	160	11	7.4%

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Kentucky State University							
<i>Graduate</i>							
Nonresident							
Full-time	3,757	4,039	282	7.5%	4,342	303	7.5%
Per Credit Hour	417	448	31	7.4%	481	33	7.4%
Morehead State University							
<i>Undergraduate</i>							
Resident							
Full-time	1,123	1,213	90	8.0%	1,310	97	8.0%
Per Credit Hour	94	102	8	8.5%	110	8	7.8%
Nonresident - Contiguous Tier Counties							
Full-time	1,123	1,313	190	16.9%	1,410	97	7.4%
Per Credit Hour	94	110	16	17.0%	118	8	7.3%
Nonresident							
Full-time	3,370	3,640	270	8.0%	3,931	291	8.0%
Per Credit Hour	281	304	23	8.2%	328	24	7.9%
<i>Graduate</i>							
Resident							
Full-time	1,235	1,334	99	8.0%	1,441	107	8.0%
Per Credit Hour	138	149	11	8.0%	161	12	8.1%
Nonresident							
Full-time	3,700	3,996	296	8.0%	4,316	320	8.0%
Per Credit Hour	412	445	33	8.0%	481	36	8.1%
Murray State University							
<i>Undergraduate</i>							
Resident							
Full-time	1,167	1,257 - 1,280	90 - 113	7.7% - 9.7%	1,354 - 1,404	97 - 124	7.7% - 9.7%
Per Credit Hour	97	105 - 107	8 - 10	7.7% - 9.7%	113 - 117	8 - 10	7.7% - 9.7%
Nonresident							
Full-time	3,501	3,770 - 3,840	269 - 339	7.7% - 9.7%	4,060 - 4,212	290 - 372	7.7% - 9.7%
Per Credit Hour	292	314 - 320	22 - 28	7.7% - 9.7%	338 - 351	24 - 31	7.7% - 9.7%

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Murray State University (continued)							
<i>Graduate</i>							
Resident							
Full-time	1,282	1,380 - 1,406	98 - 124	7.7% - 9.7%	1,487 - 1,543	107 - 137	7.7% - 9.7%
Per Credit Hour	142	153 - 156	11 - 14	7.7% - 9.7%	165 - 171	12 - 15	7.7% - 9.7%
Nonresident							
Full-time	3,846	4,142 - 4,219	296 - 373	7.7% - 9.7%	4,461 - 4,628	319 - 409	7.7% - 9.7%
Per Credit Hour	427	460 - 468	33 - 41	7.7% - 9.7%	495 - 514	35 - 46	7.7% - 9.7%
Northern Kentucky University							
<i>Undergraduate</i>							
Resident							
Full-time	1,140	1,203 - 1,248	63 - 108	5.5% - 9.5%	1,269 - 1,367	66 - 119	5.5% - 9.5%
Per Credit Hour	95	100 - 104	5 - 9	5.3% - 9.5%	106 - 114	6 - 10	6.0% - 9.6%
Nonresident							
Full-time	3,264	3,327 - 3,372	63 - 108	1.9% - 3.3%	3,393 - 3,491	66 - 119	2.0% - 3.5%
Per Credit Hour	272	277 - 281	5 - 9	1.8% - 3.3%	283 - 291	6 - 10	2.2% - 3.6%
<i>Graduate</i>							
Resident							
Full-time	1,251	1,320 - 1,370	69 - 119	5.5% - 9.5%	1,392 - 1,500	72 - 130	5.5% - 9.5%
Per Credit Hour	139	147 - 152	8 - 13	5.8% - 9.4%	155 - 167	8 - 15	5.4% - 9.9%
Nonresident							
Full-time	3,708	3,429 - 3,827 (279)	- 119	-7.5% - 3.2%	3,849 - 3,957	420 - 130	12.2% - 3.4%
Per Credit Hour	412	420 - 425	8 - 13	1.9% - 3.2%	428 - 440	8 - 15	1.9% - 3.5%
<i>Business</i>							
Resident							
Full-time	1,485	1,567 - 1,626	82 - 141	5.5% - 9.5%	1,653 - 1,781	86 - 155	5.5% - 9.5%
Per Credit Hour	165	174 - 181	9 - 16	5.5% - 9.7%	184 - 198	10 - 17	5.7% - 9.4%
Nonresident							
Full-time	4,401	4,401	-	0.0%	4,401	-	0.0%
Per Credit Hour	489	489	-	0.0%	489	-	0.0%

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Northern Kentucky University (continued)							
<i>Law</i>							
Resident							
Full-time	3,108	3,279 - 3,403	171 - 295	5.5% - 9.5%	3,459 - 3,727	180 - 324	5.5% - 9.5%
Per Credit Hour	259	273 - 284	14 - 25	5.4% - 9.7%	288 - 311	15 - 24	5.5% - 9.5%
Nonresident							
Full-time	6,912	6,912	-	0.0%	6,912	-	0.0%
Per Credit Hour	576	576	-	0.0%	576	-	0.0%
University of Kentucky							
<i>Undergraduate</i>							
Resident							
Full-time	1,635	1,740	105	6.4%	1,836	96	5.5%
Per Credit Hour	136	145	9	6.6%	153	8	5.5%
Nonresident							
Full-time	4,905	5,016	111	2.3%	5,112	96	1.9%
Per Credit Hour	409	418	9	2.2%	426	8	1.9%
<i>Graduate</i>							
Resident							
Full-time	1,805	1,926	121	6.7%	2,034	108	5.6%
Per Credit Hour	201	214	13	6.5%	226	12	5.6%
Nonresident							
Full-time	5,415	5,535	120	2.2%	5,643	108	2.0%
Per Credit Hour	602	615	13	2.2%	627	12	2.0%
<i>MBA</i>							
Resident							
Full-time	1,805	2,079	274	15.2%	2,394	315	15.2%
Per Credit Hour	201	231	30	14.9%	266	35	15.2%
Nonresident							
Full-time	5,415	5,697	282	5.2%	6,012	315	5.5%
Per Credit Hour	602	633	31	5.1%	668	35	5.5%

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
University of Kentucky (continued)							
<i>Law</i>							
Resident							
Full-time	3,125	3,290	165	5.3%	3,460	170	5.2%
Per Credit Hour	313	329	16	5.1%	346	17	5.2%
Nonresident							
Full-time	8,032	8,040	8	0.1%	8,040	-	0.0%
Per Credit Hour	803	804	1	0.1%	804	-	0.0%
<i>Medicine</i>							
Resident	5,283	5,441	158	3.0%	5,604	163	3.0%
Nonresident	12,640	12,798	158	1.3%	12,961	163	1.3%
<i>Dentistry</i>							
Resident	4,489	4,758	269	6.0%	5,043	285	6.0%
Nonresident	11,136	11,405	269	2.4%	11,690	285	2.5%
<i>Pharmacy</i>							
Resident	2,670	2,857	187	7.0%	3,057	200	7.0%
Nonresident	7,887	8,074	187	2.4%	8,274	200	2.5%
<i>Professional Doctorate</i>							
Resident							
Full-time	2,500	2,655	155	6.2%	2,808	153	5.8%
Per Credit Hour	278	295	17	6.1%	312	17	5.8%
Nonresident							
Full-time	7,500	7,659	159	2.1%	7,812	153	2.0%
Per Credit Hour	834	851	17	2.0%	868	17	2.0%
Lexington Community College							
<i>Undergraduate</i>							
Resident							
Full-time	810	876	66	8.1%	948	72	8.2%
Per Credit Hour	68	73	5	7.4%	79	6	8.2%

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Lexington Community College (continued)							
<i>Undergraduate</i>							
Nonresident							
Full-time	2,685	2,904	219	8.2%	3,144	240	8.3%
Per Credit Hour	224	242	18	8.0%	262	20	8.3%
University of Louisville							
<i>Undergraduate</i>							
Resident							
Full-time	1,897	2,016	119	6.3%	2,136	120	6.0%
Per Credit Hour	162	168	6	3.7%	178	10	6.0%
Nonresident							
Full-time	5,236	5,556	320	6.1%	5,892	336	6.0%
Per Credit Hour	442	463	21	4.8%	491	28	6.0%
<i>Graduate</i>							
Resident							
Full-time	2,067	2,196	129	6.2%	2,331	135	6.1%
Per Credit Hour	235	244	9	3.8%	259	15	6.1%
Nonresident							
Full-time	5,743	6,093	350	6.1%	6,462	369	6.1%
Per Credit Hour	642	677	35	5.5%	718	41	6.1%
<i>Law</i>							
Resident							
Full-time	3,441	3,650	209	6.1%	3,870	220	6.0%
Per Credit Hour	350	365	15	4.3%	387	22	6.0%
Nonresident							
Full-time	8,855	9,130	275	3.1%	9,400	270	3.0%
Per Credit Hour	890	913	23	2.6%	940	27	3.0%
<i>Medicine</i>							
Resident	6,212	6,647	435	7.0%	7,112	465	7.0%
Nonresident	15,523	15,988	465	3.0%	16,468	480	3.0%

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
University of Louisville (continued)							
<i>Dentistry</i>							
Resident	5,346	5,720	374	7.0%	6,121	401	7.0%
Nonresident	13,174	13,569	395	3.0%	13,976	407	3.0%
Western Kentucky University							
<i>Undergraduate</i>							
Resident							
Full-Time - Main Campus	1,145	1,560	415	36.2%	1,680	120	7.7%
Full-Time - Community College	1,010	1,404	394	39.0%	1,512	108	7.7%
Part-Time - Main Campus (per credit hour)	95	130	35	36.8%	140	10	7.7%
Part-Time - Community College (per credit hour)	84	117	33	39.3%	126	9	7.7%
Nonresident							
Full-Time - Main Campus	3,435	3,996	561	16.3%	4,200	204	5.1%
Full-Time - Community College	3,030	3,600	570	18.8%	3,780	180	5.0%
Full-Time - Incentive Grant Counties - Main Campus	1,445	1,956	511	35.4%	2,100	144	7.4%
Full-Time - Incentive Grant Counties - Community College	1,375	1,752	377	27.4%	1,896	144	8.2%
Part-Time - Main Campus (per credit hour)	286	333	47	16.4%	350	17	5.1%
Part-Time - Community College (per credit hour)	253	300	47	18.6%	315	15	5.0%
Part-Time - Incentive Grant Counties - Main Campus	120	163	43	35.8%	175	12	7.4%
Part-Time - Incentive Grant Counties - Community College	115	146	31	27.0%	158	12	8.2%
<i>Graduate</i>							
Resident							
Full-Time	1,245	1,719	474	38.1%	1,845	126	7.3%
Part-Time (per credit hour)	138	191	53	38.4%	205	14	7.3%
Nonresident							
Full-Time	3,330	1,890	(1,440)	-43.2%	2,214	324	17.1%
Part-Time (per credit hour)	370	210	(160)	-43.2%	246	36	17.1%

2001-02 TUITION RATES

<u>Institution/Level/Residency Status</u>	<u>2001-02</u>	<u>2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Kentucky Community and Technical College System							
Resident							
Full-time	725	768	43	5.9%	816	48	6.3%
Per Credit Hour	61	64	3	4.9%	68	4	6.3%
Nonresident							
Full-time	2,175	2,304	129	5.9%	2,448	144	6.3%
Per Credit Hour	183	192	9	4.9%	204	12	6.3%

Notes:

- 1) The 2002-03 and 2003-04 rates are subject to change.
- 2) Beginning in 2002-03 the WKU Board of Regents approved eliminating mandatory student fees.

BUDGETED 2001-02 AND ESTIMATED 2002-04 TUITION AND FEES REVENUE

<u>Institution</u>	<u>Budgeted 2001-02</u>	<u>Estimated 2002-03</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Estimated 2003-04</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Eastern Kentucky University	38,697,800	41,762,600	3,064,800	7.9%	45,180,400	3,417,800	8.2%
Kentucky State University	8,584,500	9,857,000	1,272,500	14.8%	10,972,600	1,115,600	11.3%
Morehead State University	24,013,500	26,210,600	2,197,100	9.1%	28,506,400	2,295,800	8.8%
Murray State University							
7.7% tuition increase	33,642,000	35,892,100	2,250,100	6.7%	38,315,500	2,423,400	6.8%
9.7% tuition increase	33,642,000	36,476,600	2,834,600	8.4%	39,586,100	3,109,500	8.5%
Northern Kentucky University							
5.5% tuition increase	44,895,300	48,835,300	3,940,000	8.8%	50,565,900	1,730,600	3.5%
9.5% tuition increase	44,895,300	49,789,200	4,893,900	10.9%	52,719,200	2,930,000	5.9%
University of Kentucky	121,680,900	125,378,700	3,697,800	3.0%	130,237,500	4,858,800	3.9%
Lexington Community College	11,331,800	11,856,200	524,400	4.6%	12,763,700	907,500	7.7%
University of Louisville	86,468,300	91,327,300	4,859,000	5.6%	96,133,200	4,805,900	5.3%
Western Kentucky University	43,690,000	48,484,000	4,794,000	11.0%	52,245,000	3,761,000	7.8%
Kentucky Community & Technical College System	63,393,300	67,719,100	4,325,800	6.8%	71,554,200	3,835,100	5.7%

**Council on Postsecondary Education
September 16, 2001**

Executive Summary

2. Are more students enrolling?
3. Are more students advancing through the system?

We have two action items pertaining to these questions for your consideration.

At the July meeting, you asked the institutions to reconsider their enrollment, retention, and graduation rate projections through 2006. They have done so and we bring new projections to you. These individual institutional projections are on target to meet long-range systemwide goals.

We are particularly pleased that several institutions and the KCTCS are exceeding their enrollment projections. Early reports indicate strong enrollment growth this fall at Morehead, Western, Northern, and Lexington Community College, along with the KCTCS.

We now think that with steady but moderate increases in funding, Kentucky's colleges and universities can achieve the goal of enrolling 80,000 more undergraduates before the year 2020. We think we can enroll 77,000 of the 80,000 by 2015. But 80,000 more undergraduates will only get us to the national average as it was in 1999. The council might wish to revise its long-range enrollment growth schedule once official numbers for this fall are in hand.

The staff recommends that the council approve the 2002-06 public institution goals for enrollment, transfers, retention, and graduation. (For details, see page 69.)

At its May meeting, the council denied a request from Morehead State University for a waiver of penalties that result from its not meeting its equal educational opportunity goals. Morehead has been hard at work since then and appeared before the Committee on Equal Opportunities August 20 to ask for reconsideration.

The staff recommends that the council accept the Committee on Equal Opportunities recommendation to grant Morehead State University a waiver of the requirements of KRS 164.020(18). (For details, see page 79.)

The Kentucky Virtual University is off to a strong start this fall, with unduplicated headcount of 4,807 and total class enrollments of 6,387. The KYVU now offers a total of 545 courses. The staff is negotiating new contracts for the electronic databases provided through the virtual library. We think that the KYVL's services will be increased as a result of these negotiations. The monthly number of library transactions through the KYVL remains steady at about 600,000 per month (that averages 20,000 per day and more than 800 per hour).

To meet Kentucky's demand that currently exceeds capacity in the Morehead State University and Sullivan University on-line MBA programs offered through the KYVU, the KYVU will offer an additional fully accredited master's degree in business administration, beginning in the spring semester of this year. MBA courses will originate at the University of Maryland-Baltimore, which will confer the degree. Kentucky students will pay Maryland in-state tuition rates. The university has extensive experience with its on-line MBA, which is one of the few such programs that is fully accredited by the American Association of Collegiate Schools of Business. This will be a good test of the Kentucky market for large-scale, applied graduate education on-line. The council and the KYVU incurred no financial obligations in making the program available, except for provision of the distance learning network.

Key Indicators of Progress – Enrollment, Transfers, Retention, and Graduation Goals

Action: The staff recommends that the council approve the 2002-06 public institution goals for enrollment, transfers, retention, and graduation.

In March 2001, the council approved performance indicators to measure progress in answering the five questions guiding postsecondary education's reform efforts. Also at the meeting, the council approved 17 systemwide goals and outlined plans for setting goals for the remaining indicators by the end of the calendar year. At the July 30 meeting, the council requested that the institutions again review their proposed goals for the following five indicators under questions 2 and 3 and increase them, as appropriate:

- 2.1 Number of undergraduates
- 2.2 Number of graduates/professionals
- 3.1 One-year retention rates of first-time freshmen
- 3.8 Six-year graduation rates of bachelor's students
- 3.9 Five-year graduation rates of transfer students

The staff has worked with the institutions to revise the goals to reflect actual performance in 2000 and expected 2001 performance. In addition, the council staff asked the universities to set goals for transfer students from the Kentucky Community and Technical College System and the Lexington Community College (key indicator 3.4). The data tables showing the recommended goals are on pages 71 to 76.

The recommended undergraduate enrollment goals chart an ambitious course toward the goal of 80,000 more undergraduates by the year 2020 (see chart on page 77). Based on these goals, we are on track to enroll 77,000 additional students by 2015. The revised 2006 goals show undergraduate enrollment increasing by nearly 33,600 over fall 2000. Graduate enrollment will increase by over 2,100 in the same time period.

The revised increases in retention rates range from 3.1 percent to 6.3 percent. KCTCS and LCC transfers to Kentucky four-year institutions are projected to increase 29.3 percent.

As noted in *Measuring Up, 2000, The State-by-State Report Card for Higher Education* published by The National Center for Public Policy and Higher Education, Kentucky has fairly high proportions of first-year, full-time students at Kentucky's two and four-year colleges who

return for their second year. But a low percentage of students earn a bachelor's degree and few students complete certificates and degrees relative to the number enrolled. Overall, the educational attainment level of Kentuckians remains low compared to national statistics.

The staff thinks that the goals recommended here are reasonable and will move the system toward its 2020 goals.

Staff preparation by Angela S. Martin and Patrick Kelly

Key Indicators of Progress toward Postsecondary Reform
Question 2: Are more students enrolling?

2.1 Undergraduate Enrollment

Institution	Actual			Proposed Goals					% Change	
	1998	1999	2000	2002	2003	2004	2005	2006	1998 - 06	2000 - 06
Eastern Kentucky University	13,480	13,274	12,909	13,029	13,159	13,291	13,424	13,558	0.6	5.0
Kentucky State University	2,205	2,277	2,129	2,400	2,500	2,550	2,600	2,650	20.2	24.5
Morehead State University	6,743	6,645	6,755	6,979	7,025	7,123	7,196	7,268	7.8	7.6
Murray State University	7,349	7,299	7,492	7,700	7,800	7,900	7,950	8,000	8.9	6.8
Northern Kentucky University	10,643	10,672	10,859	11,800	12,100	12,400	12,700	13,000	22.1	19.7
University of Kentucky	17,157	16,847	16,899	17,050	17,175	17,300	17,400	17,500	2.0	3.6
University of Louisville	14,647	14,710	14,477	14,420	14,370	14,300	14,300	14,300	(2.4)	(1.2)
Western Kentucky University	12,713	12,921	13,272	14,100	14,200	14,300	14,400	14,500	14.1	9.3
Subtotal	84,937	84,645	84,792	87,478	88,329	89,164	89,970	90,776	6.9	7.1
Lexington Community College	6,118	6,807	7,214	8,000	8,160	8,323	8,490	8,660	41.5	20.0
KCTCS	45,529	46,035	52,201	60,938	65,204	70,094	75,351	78,365	72.1	50.1
Total Public Institutions	136,584	137,487	144,207	156,416	161,693	167,581	173,811	177,801	30.2	23.3
Independent Institutions	24,173	24,099	25,159	25,200	25,700	26,200	26,700	27,200	12.5	8.1
System Total	160,757	161,586	169,366	181,616	187,393	193,781	200,511	205,001	27.5	21.0

Key Indicators of Progress toward Postsecondary Reform
Question 2: Are more students enrolling?

2.2 Graduate/Professional Enrollment

Institution	Actual			Proposed Goals					% Change	
	1998	1999	2000	2002	2003	2004	2005	2006	1998 - 06	2000 - 06
Eastern Kentucky University	1,922	1,914	1,748	1,800	1,836	1,892	1,930	1,960	2.0	12.1
Kentucky State University	98	116	125	125	127	133	140	147	50.0	17.6
Morehead State University	1,520	1,526	1,572	1,623	1,647	1,670	1,689	1,709	12.4	8.7
Murray State University	1,554	1,615	1,649	1,740	1,780	1,820	1,860	2,000	28.7	21.3
Northern Kentucky University	1,156	1,104	1,242	1,385	1,445	1,520	1,570	1,610	39.3	29.6
University of Kentucky	6,552	6,219	6,217	6,550	6,679	6,740	6,784	6,817	4.0	9.7
University of Louisville	5,562	5,424	5,627	5,705	5,768	5,872	5,902	5,937	6.7	5.5
Western Kentucky University	2,169	2,202	2,244	2,340	2,350	2,360	2,370	2,380	9.7	6.1
Total	20,533	20,120	20,424	21,268	21,632	22,007	22,245	22,560	9.9	10.5

Key Indicators of Progress toward Postsecondary Reform
Question 3: Are more students advancing through the system ?

3.1 One-Year Retention Rates of First Time Freshmen
Three-Year Average

Institution	Actual			Proposed Goals					% Change	
	1998	1999	2000	2002	2003	2004	2005	2006	1998 - 06	2000 - 06
Eastern Kentucky University	62.6%	62.0%	62.6%	63.6%	64.8%	66.0%	67.0%	68.0%	5.4%	5.4%
Kentucky State University	56.2%	61.4%	63.7%	64.7%	65.7%	66.7%	68.0%	70.0%	13.8%	6.3%
Morehead State University	66.5%	63.6%	61.7%	63.5%	64.4%	65.4%	66.3%	67.2%	0.7%	5.5%
Murray State University	70.2%	69.4%	69.8%	70.8%	71.3%	71.8%	72.4%	72.9%	2.7%	3.1%
Northern Kentucky University	63.4%	63.6%	63.3%	65.0%	65.8%	66.6%	67.5%	68.3%	4.9%	5.0%
University of Kentucky	78.6%	78.5%	79.2%	79.5%	80.0%	80.5%	81.0%	82.4%	3.8%	3.2%
University of Louisville	70.7%	70.1%	70.2%	72.2%	73.2%	74.2%	75.2%	76.1%	5.4%	5.9%
Western Kentucky University	65.4%	66.5%	67.9%	69.1%	69.7%	70.3%	70.9%	71.5%	6.1%	3.6%
Lexington Community College	61.1%	61.4%	62.0%	63.0%	63.0%	63.0%	63.0%	63.0%	1.9%	1.0%
KCTCS	53.0%	53.3%	53.5%	55.2%	56.0%	56.8%	57.6%	58.5%	5.5%	5.0%

Key Indicators of Progress toward Postsecondary Reform
 Question 3: Are more students advancing through the system ?

3.8 Six-Year Graduation Rates of Bachelor's Students

Institution	Actual			Proposed Goals					% Change	
	1998	1999	2000	2002	2003	2004	2005	2006	1998 - 06	2000 - 06
Eastern Kentucky University	26.8%	31.5%	30.0%	32.0%	33.5%	35.5%	37.5%	40.0%	13.2%	10.0%
Kentucky State University	17.7%	31.3%	31.2%	32.0%	33.0%	34.0%	35.0%	36.0%	18.3%	4.8%
Morehead State University	40.1%	44.0%	38.6%	42.0%	43.0%	44.0%	45.0%	46.0%	5.9%	7.4%
Murray State University	38.5%	40.9%	46.3%	47.7%	48.4%	49.0%	49.7%	50.4%	11.9%	4.1%
Northern Kentucky University	30.1%	32.3%	35.4%	36.0%	36.5%	37.0%	37.5%	38.0%	7.9%	2.6%
University of Kentucky	50.8%	52.2%	55.3%	56.4%	56.8%	57.4%	58.0%	58.6%	7.8%	3.3%
University of Louisville	29.9%	31.6%	30.8%	34.7%	36.7%	38.6%	40.6%	42.6%	12.7%	11.8%
Western Kentucky University	39.1%	37.7%	41.5%	41.6%	41.8%	42.0%	43.2%	44.4%	5.3%	2.9%

Key Indicators of Progress toward Postsecondary Reform
Question 3: Are more students advancing through the system ?

3.9 Five-Year Graduation Rates of Transfer Students
Three-Year Average

Institution	1998-2000 Three-Year Average	Proposed Goals					Change 2000 - 06
		2002	2003	2004	2005	2006	
Eastern Kentucky University	52.1%	53.0%	54.0%	55.0%	56.0%	57.0%	4.9%
Kentucky State University*	35.3%	NA	NA	NA	NA	NA	NA
Morehead State University	55.0%	56.0%	57.0%	58.0%	59.0%	60.0%	5.0%
Murray State University	60.6%	62.0%	62.5%	63.0%	63.5%	64.0%	3.4%
Northern Kentucky University	55.3%	55.4%	55.5%	55.6%	55.7%	55.8%	0.5%
University of Kentucky	49.2%	51.5%	52.0%	52.5%	53.0%	54.0%	4.8%
University of Louisville	38.6%	41.9%	42.2%	42.4%	42.7%	43.1%	4.5%
Western Kentucky University	62.4%	62.2%	62.3%	62.4%	62.5%	62.6%	0.2%

*Cohort sizes are too small

5.5 Extramural Research and Public Services Expenditures per Full-Time Faculty
Comprehensive Universities
Three-Year Average

	1996-97 to 1998-99	Goals					Percent Change
	Actual	2002	2003	2004	2005	2006	
Eastern Kentucky University	14,828	39,474	46,035	48,465	49,937	50,929	243%
Kentucky State University	49,473	51,000	52,000	53,000	54,000	55,000	11%
Morehead State University	12,281	13,423	14,175	14,699	15,390	16,036	31%
Murray State University	4,431	5,147	5,185	5,220	5,256	5,270	19%
Northern Kentucky University	3,474	4,035	4,276	4,518	4,759	5,000	44%
Western Kentucky University	18,930	31,008	31,783	32,558	33,333	34,108	80%

Kentucky Council on Postsecondary Education
Key Indicators of Progress toward Postsecondary Reform
Question 3: Are more students advancing through the system ?

3.4 Transfers in from KCTCS and LCC

Institution	Actual			Proposed Goals					% Change	
	1998	1999	2000	2002	2003	2004	2005	2006	1998 - 06	2000 - 06
Eastern Kentucky University	470	468	461	470	475	480	488	496	5.5	7.6
Kentucky State University	17	12	9	12	17	22	27	32	88.2	255.6
Morehead State University	267	260	269	282	293	302	311	321	20.2	19.3
Murray State University	294	302	308	320	325	330	335	340	15.6	10.4
Northern Kentucky University	47	45	58	65	71	76	88	110	134.0	89.7
University of Kentucky	806	746	660	670	680	690	700	711	(11.8)	7.7
University of Louisville	466	421	293	323	339	356	374	393	(15.7)	34.1
Western Kentucky University	288	270	245	266	278	291	305	319	10.8	30.2
Total	2,655	2,524	2,303	2,408	2,478	2,547	2,628	2,722	2.5	18.2

Transfers to Any Four Year Institution*

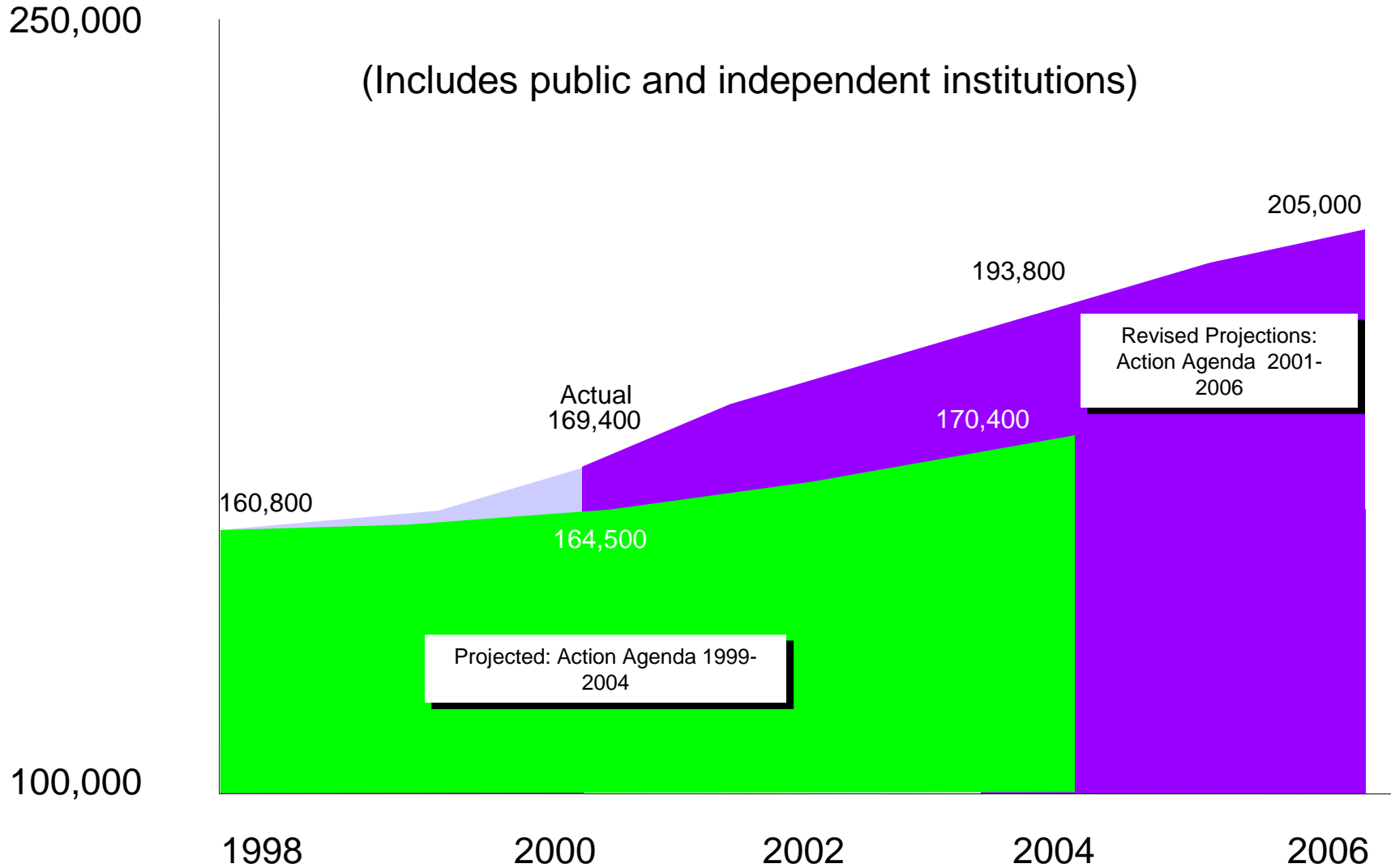
Institution	Actual			Proposed Goals					% Change	
	1998	1999	2000	2002	2003	2004	2005	2006	1998 - 06	2000 - 06
LCC	552	553	534	560	566	572	581	590	6.9	10.5
KCTCS	2,541	2,434	2,213	2,400	2,530	2,666	2,810	2,962	16.6	33.8
Total	3,093	2,987	2,747	2,960	3,096	3,238	3,391	3,552	14.8	29.3

* Any Kentucky public or independent four-year institution.

Undergraduate Enrollment

Progress Toward 80,000 More Students by 2020

(Includes public and independent institutions)



Morehead State University Request for a Qualitative Waiver

Action: The staff recommends that the council accept the Committee on Equal Opportunities recommendation to grant Morehead State University a waiver of the requirements of KRS 164.020(18).

At its August 20 meeting, the Committee on Equal Opportunities voted to recommend to the Council on Postsecondary Education that a waiver of the requirements of KRS 164.020(18) be granted to Morehead State University. Granting this waiver will enable Morehead State University to approve or ask the council to approve new academic programs during calendar year 2001. If the waiver is granted, Morehead will not be eligible for a waiver in calendar year 2002.

At its April 16 meeting, the CEO heard a request for the waiver and voted to recommend to the council that it not be granted.

The CEO reconsidered the Morehead request at its August meeting. President Ronald Eaglin and his staff reviewed actions taken by Morehead that resulted in significant improvements on the plan commitments (enrollment, retention, and graduation of students; and employment of faculty and professional staff).

According to their August presentation to the CEO, Morehead has:

- Hosted Lincoln Foundation's Whitney Young Scholars Program (23 students participated).
- Employed an African American recruiter for admissions office with primary focus in Lexington, Louisville, and the northern Kentucky area.
- Involved African American alumni in the recruitment and retention of African American students.
- Hosted a record number of more than 100 students in the Governor's Minority Scholars College Program through the Minority Teacher Education Program.
- Projected an increase in African American students enrolling as first-time freshmen for the 2001 fall semester.
- Established a multicultural student services center located in highly visible, accessible area of campus.
- Created a campus-wide early intervention program to help students make academic progress.
- Changed its probation policy (increased from two to three the number of semesters a student may remain on probation prior to dismissal).
- Implemented mid-term and end-of-semester intervention by the multicultural student services staff.
- Established individual student consultations.

- Initiated tutorial support at the multicultural student services center for African American students.
- Established and funded five Kentucky resident African American graduate assistantships.
- Continued work with UK and UofL on the “Faculty for the Future” fellowship program.
- Continued emphasis on the Graduate Preview Day that was initiated March 2001.
- Utilized minority teacher data bank of the Kentucky Department of Education to recruit Kentucky African American graduate students.
- Utilized Morehead State University alumni lists for recruitment of African American graduates for graduate and professional programs.
- Invited all current junior and senior African American students through direct mailings to consider enrolling in Morehead State University’s graduate programs.
- Continued recruitment of African American graduate students through historically black colleges and universities with special emphasis on Kentucky State University students.
- Reinforced authority of Affirmative Action Officer in hiring processes.
- Closely monitored nearly 100 employment searches and terminated two searches due to inadequate minority representation in pool.
- Interviewed all African American applicants meeting minimum qualifications for all positions for which they applied.
- Employed African American faculty member to supervise student teachers and teach in the college of education.
- Reconstituted the Affirmative Action Committee and renamed it the Campus Environment Team/Affirmative Action Committee.
- Retained African American faculty member in human sciences by establishing a new position.
- Funded two newly created positions in the colleges of business and education.
- Increased African American faculty from 10 to 13.
- Increased African American professional/non-faculty from 11 to 12 (of 16 African American applicants, 4 were interviewed, 3 accepted employment, and one declined).

Staff preparation by Sherron Jackson and Rana Johnson

Council on Postsecondary Education
September 16, 2001

Murray State University Equine Instructional Facility Addition

Action: The staff recommends that the council approve Murray State University's request to expand the equine instructional facility with \$920,558 from the Equine Trust Fund and institutional fund sources.

Murray State University proposes to construct a 6,000 square foot addition to the equine instructional facility, which was constructed in 1998. The existing space includes a live animal lab, preparation space, and equipment storage. The addition will provide classrooms, meeting areas, offices, a library and media center, reception area, storage space, and other support space. The project should be completed by August 2002.

The equine instructional facility is located on the West Farm along College Farm Road, immediately adjacent to the university's exposition center. Murray State University has certified that funding for the project will be available from the Equine Trust Fund (\$871,000) and institutional funds (\$49,558). The institution may ask for operation and maintenance funds for the expansion as part of their 2002-04 budget request.

The council has the statutory responsibility to review and approve postsecondary education capital construction projects costing \$400,000 or more regardless of fund source. Following council action, the staff will forward the council's recommendation to the secretary of the Finance and Administration Cabinet and to the Capital Projects and Bond Oversight Committee.

Staff preparation by Sherron Jackson