

**AGENDA**  
**Council on Postsecondary Education**  
**February 4, 2002, 8:30 a.m.**  
**Meeting Room A, Council Offices, Frankfort**

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**MINUTES**  
**Council on Postsecondary Education**  
**November 5, 2001**

The Council on Postsecondary Education met November 5, 2001, at 8:30 a.m. at the council offices in Frankfort. Chair Whitehead presided.

**ROLL CALL**

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

**NEW MEMBER**

Mr. Whitehead announced that Barton Darrell has been appointed to the council. Mr. Darrell is an attorney from Bowling Green. He was unable to attend this meeting and will be sworn in at the February meeting.

**APPROVAL OF  
MINUTES**

The minutes of the previous meetings were approved as distributed.

Mr. Whitehead congratulated Mr. Baker for receiving the Annual John Sherman Cooper Award for Outstanding Public Service in Kentucky from the Eastern Kentucky University Center for Kentucky History and Politics.

**2002-04 OPERATING  
AND CAPITAL  
BUDGET  
RECOMMENDATIONS**

**RECOMMENDATIONS:** The staff recommends that the council:

- Approve the 2002-04 Operating and Capital Budget Recommendations as presented which total \$1,153,537,100 for 2002-03 and \$1,250,040,100 for 2003-04 for the universities, the Kentucky Community and Technical College System, and Lexington Community College; the Strategic Investment and Incentive Trust Funds; and the Council on Postsecondary Education, including the KYVU and KYVL and pass-through programs.
- Establish five priorities for 2002-04:
  - Continue to pay for enrollment and retention increases from 1998 to 2001.

- Pay for additional enrollment growth and retention increases that occur in the fall of 2002.
- Continue to create capacity for developing the new economy.
- Support two equal educational opportunity programs.
- Maintain full support for need-based financial aid.

Mr. Davies said that since the October meeting the Consensus Forecasting Group has lowered for the second time its state revenue forecast for the current fiscal year (FY 02) another \$171 million. With other adjustments, this reduced the revenue by a total of \$206 million. This brings the required budget adjustment actions in this fiscal year to \$532 million. The forecast includes growth of \$193 million in FY 03 and \$293 million in FY 04. This means that, by the end of the next biennium, Kentucky's revenues are projected to be virtually the same amount as originally forecast for FY 02 when the 2000-02 budget was built. He said the good news is that Governor Patton has continued to exempt all of education from budget reductions. At the same time, the rest of state government has taken four budget cuts totaling a little over 7 percent. The Governor says that in the long run education is the only way to improve Kentucky's economy and the quality of life in Kentucky. When the Governor announced the last round of budget cuts, he pointed out that since 1980 the colleges and universities have borne a disproportionate share of budget cuts.

Mr. Davies said that the staff has prepared a budget proposal (the purple card) that is ambitious but not extravagant. It is developed in conformity with the points of consensus that were endorsed by the presidents, the council, and SCOPE earlier this year. It is a proposal that carries forward many of the activities and programs that have been funded since 1998. Its total cost in new money is about \$70 million in the first year and \$107 million in the second. Within that proposal, the staff brings a set of essential priority items. He said that a critical element in this reform is changing behavior toward education in Kentucky – 1) more people going to, staying in, and graduating from college and 2) a different vision of where education relates to creating a new economy and a new society here in Kentucky. The five items highlighted as essential priorities respond to that overriding purpose of

changing behavior.

Mr. Davies said that the presidents were given the opportunity to review the recommendations and some adjustments were made based on their responses. He asked that the council give the staff leeway to make minor corrections to the recommendations.

MOTION: Ms. Menendez moved that the recommendations be approved as presented and that the staff be permitted to make necessary technical adjustments subsequent to this meeting with the concurrence of the chair. Ms. Weinberg seconded the motion.

Angela Martin, the council's vice president for finance, discussed the budget recommendations.

**2002-04 Operating Recommendation.** The council staff recommends a state appropriation operating request for the public institutions of \$1,045.7 million in FY 02-03 and \$1,081.6 million in FY 03-04. The recommendation includes \$35.9 million in FY 02-03 and \$34.7 million in FY 03-04 of expansion funds for the institutions for benchmark funding and special requests.

**2002-04 Budget Recommendation: Trust Funds.** Ms. Martin said that House Bill 1 created six incentive trust funds and the 2000 General Assembly added two more. Staff is recommending funding for ten trust funds for 2002-04. Ms. Martin highlighted the significant change amounts that the staff recommends.

*Endowment Match Program.* The staff recommends that the state provide a third round of "Bucks for Brains" by issuing \$120 million of bonds. The bond proceeds would be matched dollar-for-dollar by the institutions and would be allocated in the same manner as the 2000-01 Endowment Match Program funds.

*Capital Renewal and Maintenance Pool.* This program, in the Physical Facilities Trust Fund, establishes an effective program to renew and maintain institutional facilities. The staff recommends a \$30 million bond issuance for 2002-04 to further reduce the backlog of capital renewal and deferred maintenance projects.

*Renovation of Hathaway Hall at Kentucky State University.*

This is a \$6 million capital project and is part of the commitment of the Commonwealth in its partnership with the U.S. Department of Education Office for Civil Rights.

*Full Funding of the KEES Program.* At this point it appears that the allocation of lottery revenues will not be sufficient to fund KEES for the biennium. The amounts requested would fully fund the KEES program at its current award amounts.

*Knowledge-Based Economy Academic Programs.* The staff recommends that the council request \$3 million annually primarily for joint engineering programs that support the new economy. Some funds may be used to support academic programs that produce needed professionals in information technology.

The staff is requesting two new trust funds. One is an Enrollment Growth and Retention Trust Fund. This is a new trust fund but not a new program. The program is now located within three separate trust funds, which limits how the funds are allocated to the type of institution. The staff has developed draft guidelines for the trust fund. The money would be allocated 55 percent to retention and 45 percent to enrollment. Because several institutions have already met or exceeded their 2002 enrollment goals and in some instances their 2003 goals, the staff will renegotiate institutional enrollment goals. The allocation of the enrollment funds would be based upon these new renegotiated goals.

The second new trust fund is the Teacher Quality Trust Fund to support improvement in all academic programs that produce teachers and school leaders. Draft guidelines also have been developed for this trust fund. The staff recommends \$4 million in the second year of the biennium to fund up to four proposals including one proposal involving one or more independent colleges. This program was requested in 2000 by the Task Force on Teacher Quality but was not funded.

Regarding the Enrollment Growth and Retention Trust Fund, Mr. Greenberg said that the retention goals of the institutions are not acceptable. He said that attention needs to be given to retention because increasing retention is the foundation for improving graduation rates.

AMENDMENT TO MOTION: Mr. Greenberg moved that the recommendation on the Enrollment and Retention Trust Fund be amended to authorize council staff to develop and implement a retention plan that provides meaningful incentives and accountability. Mr. Greenberg asked that the council staff provide retention initiatives implemented by the institutions along with plans for the new money. Mr. Owen seconded the amendment.

VOTE ON AMENDMENT: The motion passed.

Mr. Davies said that the total sum of money in the Enrollment Growth and Retention Trust Fund (\$22 million) is calculated on the basis of one-half the institution's appropriation per student for enrollment growth. This is an enrollment pool but a portion of it is used to emphasize the importance of retention. Mr. Davies said he would discuss this with the presidents.

**2002-04 Capital Budget Recommendation.** The staff recommends two state-funded capital projects: 1) \$30 million in state bonds to fund the capital renewal and maintenance pool and 2) \$5,937,000 of state bonds to complete the renovation of Hathaway Hall at Kentucky State University.

In addition, the staff recommends that the council endorse several capital projects to signify that they should be included in the budget if general funds for debt service are available. Possible fund sources could be through the new economy initiatives, community and economic development programs, and the Surplus Expenditure Plan. This list of endorsements will be included with the council's budget submission to the Governor's Office but the council would not recommend debt service or state funds at this time.

The staff also recommends a \$100 million agency bond pool for projects that the universities would fund. The universities would issue debt and the universities would pay for that debt.

Ms. Martin said that the staff also can ask for items to be funded in the current year, 2001-02. Western Kentucky University has requested current year authority for the renovation of Diddle Arena and the guaranteed energy savings/performance contracting. These two projects

would not be state funded. Western is proposing to go forward to get General Assembly approval in early spring. The staff recommends the council approve these programs.

2000-01 AGENCY  
AUDIT

**2002-04 Biennial Budget Request Agency Operations, KYVU/KYVL, and Pass-Through Programs.** The staff is including a request for \$500,000 for an additional six electronic databases to be matched by the public and independent institutions.

VOTE ON MOTION AS AMENDED: The motion passed.

RECOMMENDATION: The staff recommends that the council receive the 2000-01 Agency Audit as submitted by the firm of Potter & Co., Inc.

MOTION: Mr. Barger moved that the audit report be received. Mr. Greenberg seconded the motion.

Mr. Barger said that the audit committee met with Potter & Co., Inc., and with council staff prior to the audit and then with just the audit firm prior to the audit. The audit committee has reviewed the audit. The council received a clean, unqualified audit and the staff has worked on any suggestions offered by the auditors. The only issue that the council members may have to discuss is the role of arts and humanities programs in the Endowment Match Program. This issue will be referred to the Endowment Match Guidelines Subcommittee. Mr. Barger said that the council staff was very cooperative and professional during the audit.

ADULT EDUCATION

Ms. Adams said that the audit reflected the ability of the agency to operate properly even though there had been no audits in the past.

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve allocations totaling \$1,400,000 for performance rewards (\$200,000), the National Assessment of Adult Literacy (\$650,000), a GED fee waiver program (\$350,000), and postsecondary tuition discounts (\$200,000) from the Adult Education Literacy Trust Fund, 2001-02.

In May 2001, the council allocated \$9,362,000 of the 2001-02 Adult Education Trust Fund for continued

implementation of the nine-point adult education plan. For three of the plan initiatives – performance rewards to counties, the National Assessment of Adult Literacy, and tuition discounts – the staff estimates that actual costs will exceed current budget amounts so additional funds are needed. Cheryl King, associate vice president for adult education, said that 85 counties out of 120 met their rewards and will be sharing \$741,000 in rewards for their work. The staff is proposing to waive the \$30 fee paid by GED test-takers during the first six months of 2002. This financial incentive will encourage more Kentuckians to take the new GED tests, which go into effect January 1. The council will absorb the cost and will provide funding to the test centers to pay for administrative costs.

KHEAA

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

P-16 COUNCIL REORT VOTE: The motion passed.

Mr. Davies introduced Dr. Joe McCormick, the new executive director of the Kentucky Higher Education Assistance Authority.

Mr. Davies said that the P-16 Council met in September and endorsed creating a single rigorous curriculum for all high school students. The staffs of the Department of Education and the council will develop a single high school curriculum for consideration by the P-16 Council.

KYVU SMARTTHINK  
FIPSE PROJECT

Mr. Davies announced that Kentucky is one of five states selected to participate in *The American Diploma Project*. The project's goal is to develop a model high school curriculum for American high schools so it dovetails with the work of the P-16 Council.

PUBLIC HEALTH

The Kentucky Virtual University will work in collaboration with Smarthinking, a private corporation that provides on-line tutorial services, to apply for a \$1.5 million grant from the Fund for the Improvement of Postsecondary Education. The grant will measure the effectiveness of on-line tutoring on student course completion and retention. If the grant is received, it will require a partial match from council funds of up to \$225,000 over a three-year period. Several Kentucky institutions, including the KCTCS, have expressed interest in working with the council on this



grant.

RECOMMENDATION: The staff recommends that the council:

- Delegate to the boards of trustees of the University of Louisville and the University of Kentucky authority to approve joint or collaborative master's degrees necessary to expedite the accreditation of public health schools by the Council on Education for Public Health and promote public health research.
- Extend approval of the master's degree programs through 2004, while the universities continue to pursue the creation of a single, jointly accredited school of public health.

Jim Applegate, the council's vice president for academic affairs, said that the University of Kentucky and the University of Louisville continue to develop cooperative relationships in public health education. UK governs the Kentucky College for Public Health but cooperative relationships are being developed between programs at the two institutions. The Council on Education for Public Health continues to insist that a school of public health be governed by a single institution rather than by two institutions working together. Now that Kentucky and the nation are threatened by the possibility of diseases and toxic chemicals intentionally introduced among us, there is need for more research and education in public health. For that reason, the council staff has developed an agreement with Presidents Shumaker and Todd. Both institutions will be authorized to establish the degree programs that are necessary for both institutions to become accredited and that promote public health research. The programs will be joint or collaborative and the two universities agree that the approvals will extend for three years. During that time, the institutions will work together to persuade the accrediting body to change its position on the requirement that a single university be responsible for a school or college. The universities have the necessary resources to initiate the programs and can do so immediately. The institutions have assured the council staff that they will act cooperatively and in the best interests of Kentucky and the nation in planning and conducting public health research.

NEW PROGRAMS

This agreement should be revisited in 2004.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve the Doctor of Philosophy in Applied and Industrial Mathematics proposed by the University of Louisville.

Dr. Applegate said that many jobs in the new economy require advanced mathematical skills that are needed for simulations and technology applications. A graduate program in Applied and Industrial Mathematics will be useful to numerous employers throughout the state.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve the Bachelor of Science in Computer Science proposed by Morehead State University.

Dr. Applegate said that the Office of the New Economy has reported to the presidents and to the Kentucky Innovation Commission that the state needs more graduates prepared to work in computer-related professions. This is especially true in eastern Kentucky, where Morehead proposes to address the general shortage of computer professionals and promote economic developments.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve the Bachelor of Science in Nursing proposed by Kentucky State University.

Dr. Applegate said that there is a shortage of nurses, especially those with bachelor's degrees. Kentucky State proposes to serve a population of associate degree nurses who are ready to return to school for the BSN. The State

EISENHOWER HIGHER  
EDUCATION GRANT  
PROGRAM

Board of Nursing requires that nursing programs have an 85 percent pass rate on licensure examinations. Kentucky State is close to achieving that minimum level in its associate degree program and has filed a plan for continued improvement. The council staff will monitor the license examination pass rates for these programs.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve awarding federal Dwight D. Eisenhower Higher Education funds in the amount of \$954,412 for October 1, 2001-September 30, 2003, to support the 16 projects.

KEY INDICATORS –  
R&D GOALS

Through the Eisenhower grant program, the council makes awards for the professional development of public school teachers. The grants focus on mathematics and science but this year some awards were made for teaching reading.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve the 2002-06 research and development indicators and goals for the public universities.

Angela Martin said that the staff worked closely with the Office of the New Economy to ensure that the R&D indicators and goals for UK and UofL and those in the statewide strategic plan for the new economy are the same. For UK and UofL, the council staff proposes four indicators:

1. Extramural R&D expenditures (federal, state and local, industry, and other – as defined by the National Science Foundation)
2. Federal R&D expenditures (as defined by NSF)
3. Endowments in the five new economy research priority areas
4. R&D expenditures from endowments and gifts in the new economy research priority areas

The goals for indicators 1 and 2 were included in the agenda book; goals for indicators 3 and 4 will be presented to the council in February 2002.

For the comprehensive universities, the R&D indicator is "extramural research and public service expenditures per full-time faculty." The goals negotiated with each institution were included in the agenda book.

Presidents Shumaker and Todd discussed the institutions' plans to reach the goals.

President Shumaker said that the continuation of the Bucks for Brains program and the continued availability of high-quality research space are essential to meet the goals.

President Todd said that it is important to continue to recruit new faculty and provide competitive research space.

Mr. Davies said that the goal of increasing research dollars from \$500 million in 2010 to \$1 billion in 2020 depends on Kentucky successfully getting one or two federal research facilities. He said that Kentucky is one of a few states without a facility.

#### KY INNOVATION ACT

President Todd said that the emphasis on the Washington, D.C., support is very important. Kentucky must have a physical presence in Washington to attract the federal dollars.

President Shumaker suggested that UK and UofL brief the council members on the various R&D transfer operations of the institutions.

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

#### NEXT MEETING

VOTE: The motion passed.

#### ADJOURNMENT

The Kentucky Innovation Act passed by the 2000 General Assembly appropriated \$500,000 to the council to create Regional Technology Corporations. The strategic plan being developed by the Office of the New Economy includes provisions for a similar set of organizations called Innovation and Commercialization Centers. Since

Kentucky does not need both, the staff suggests that the council postpone issuing criteria for the RTC's until the 2002 General Assembly takes action on proposed revisions to House Bill 572, one of which will convert the RTC's into the ICC's.

The next meeting is February 4, 2002.

The meeting adjourned at 10:35 a.m.

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Gordon K. Davies  
President

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Phyllis L. Bailey  
Secretary

**MINUTES**  
**Council on Postsecondary Education**  
**Executive Committee**  
**October 31, 2001**

The Executive Committee met at 1 p.m. at the council offices in Frankfort, Kentucky.

**ROLL CALL**

Executive Committee members present: Charles Whitehead, Steve Barger, Norma Adams, and Shirley Menendez (by conference call). Others present: Dennis Taulbee, Sue Moore, Angela Martin, Ed Sergent, Diann Donaldson, and Allen Norvell (Potter & Company).

**COUNCIL AUDIT**

Allen Norvell discussed the findings of the council audit.

The report was presented in two parts: 1) Financial Statements and Independent Auditor's Report and 2) Memorandum of Comments and Suggestions.

The audit report was summed up as, "We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses."

There were no problems with the financial statements, but some findings and comments were made related to documentation of expenditures. A list of the comments and findings was provided to the executive committee and will be provided to the full council.

The executive committee directed the staff to report on the findings and comments to the council.

The auditors pointed out that changes in the Governmental Accounting Standards Board will require significant changes to the accounting practices of governmental entities. It was agreed that Potter & Company and council staff will meet early to discuss those changes.

Mr. Norvell was asked to be present at the November council meeting to present the final audit report to the council.

Dennis Taulbee will draft an ethics policy for the council staff.

All report findings will be completed as suggested by the auditor.

Eisenhower Science and Mathematics is now in compliance, and processes have been put into place with a tickler system for federal awards.

Future MOA language will be changed to denote that funds will not be distributed if compliance to reporting is not met.

Angie Martin led a discussion on new accounting guidelines that will be implemented in 2002. This change also will affect the universities. Mr. Whitehead voiced concern about training for institutions on the new standards. Mr. Taulbee stated that the council staff will provide leadership for the institutions on the changes.

#### ADJOURNMENT

The meeting adjourned at 3:15 p.m.

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Dennis L. Taulbee  
Associate Vice President/General Counsel

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Renee Nelson  
Secretary

Council on Postsecondary Education  
February 4, 2002

## Executive Summary

### Special Agenda – Postsecondary Education and the Knowledge-Based Economy

May 2002 marks the fifth anniversary of postsecondary reform. It is fitting that the two council meetings leading up to the birthday of House Bill 1 showcase some of the important work that has taken place over the last five years. At the last council meeting, members expressed interest in activities related to the new economy and, in particular, to ways in which faculty holding endowed chairs and professorships as a result of the endowment match program were working to improve lives in Kentucky. So the February meeting includes a special agenda devoted to the role of postsecondary education in creating the ideas and talent that lead to good jobs in a knowledge-based economy. Then, in March, we shall focus on what the postsecondary system is doing to prepare the workforce to fill those jobs.

Since the November meeting, the Kentucky Innovation Commission has approved the strategic plan presented to it by William Brundage, commissioner for the new economy. The plan sets out ambitious goals that center on postsecondary education and emphasizes that the three building blocks of the



knowledge-based economy are research and development capacity, an entrepreneurial business climate, and an educated workforce. Government, business, and postsecondary education are the three key players. Paul Chellgren, chairman of the board and chief executive officer of Ashland Inc., accompanied by Bill Brundage and Gordon Davies, will start the meeting with comments on the importance of this critical partnership.

The Postsecondary Education Improvement Act of 1997 and the Kentucky Innovation Act (2000) laid the groundwork for the council, the institutions, the office of the new economy, the business community, and other entities, to help transform Kentucky's economy. The innovation act gave the council policy leadership for four programs and authority to contract with the Kentucky Science and Technology Corporation to administer them. The KSTC has made its first research and development grants, using funds it administers under contract with the council. Jim Clifton and Mahendra Jain from KSTC will review these programs. And you'll hear from and be able to ask questions of recipients of research and development grants from the Rural Innovation Fund and the Commercialization Fund. These persons are located throughout the state and emphasize the commitment to all regions of Kentucky.

Wimberly Royster, director of the Experimental Program to Stimulate Competitive Research, will give a historical perspective of Kentucky's success in attracting federal research funds through the EPSCoR program. EPSCoR was

created to help states that lagged behind improve the competitiveness of state universities in research, ensure broad geographic distribution of federal merit-reviewed research awards, and build basic research capacity in science and engineering to nationally competitive levels. EPSCoR was created at the federal level in 1978, and Kentucky has generated \$95 million in federal grants since it began to participate in 1986. These grants have enabled Kentucky to leverage one dollar in state research investments with four dollars of EPSCoR money. We want to be the first state to graduate from among those receiving funds.

You also will hear from and question four distinguished faculty who have joined us as part of Kentucky's effort to build intellectual capital through postsecondary education. The postsecondary reform act created the Research Challenge Trust Fund to support nationally recognized research programs at the University of Kentucky and the University of Louisville. These funds, along with the Endowment Match Program (known as "Bucks for Brains"), are used to recruit exceptional faculty to Kentucky's two research universities. Faculty recruited as part of the RCTF program perform national-class research that benefits the Commonwealth and its economy. Brad Anderson and Sharyn Perry from the University of Kentucky and Victoria Molfese and Mark Rothstein from the University of Louisville, researchers hired through the Endowment Match Program, will explain their research and its effect on Kentuckians and Kentucky's economy.

Finally, you will have an opportunity to talk with Presidents Lee Todd and John Shumaker of the University of Kentucky and the University of Louisville about the ways in which they are working together to maximize the results of the state's investment in research capacity. They will include in their report an update on Kentucky's office in Washington, D.C., which is now fully operational and is seeking to coordinate the major federal funding initiatives that are suggested by colleges and universities and the Office of the New Economy.

Council on Postsecondary Education  
February 4, 2002

## Executive Summary

### Cross-Cutting Issues

At the time of this mailing, the General Assembly has been in session for just over two weeks. Over 700 bills have been filed, most of which do not directly affect postsecondary education. The staff will be very pleased to discuss any bills on the weekly list provided to council members or about which members have become aware through other means.

One bill that is important is House Bill 191, requiring that a representative of the independent colleges and universities be added to the membership of the council. The bill is undergoing changes that would instead strongly encourage the council to continue to consider the effect of its policies on independent institutions and take full advantage of that resource for educating Kentuckians.

One interesting legislative issue that probably will surface but has not yet been introduced in bill form has to do with health insurance. It may be suggested that the KCTCS and the comprehensive universities participate in the state's health insurance plan or pay a health insurance surcharge. The University of Kentucky and the University of Louisville do not participate in any state

retirement plan or state health insurance group. Institutional representatives are working with the administration on this issue. The council staff is coordinating activities as they seek common ground.

Governor Patton has introduced his budget proposal for 2002-04. It is a very lean budget, as you have expected. Postsecondary education would operate with a base that reflects the cut enacted in December 2001: a maximum of 2 percent at each institution, with several receiving smaller reductions because of past enrollment growth. The endowment match program is recommended, to be financed through the issuance of debt. An enrollment and retention trust fund of about \$24 million is included to pay for enrollment growth anticipated during the coming biennium. The joint engineering programs, two equal educational opportunity programs, and additional funds needed to match federal agricultural extension funding at Kentucky State University can be funded in the proposed budget from interest earned during the current biennium on the trust funds. Need-based financial aid and KEES are adequately funded.

The one item missing from those the council considered especially important in its November budget recommendation is additional benchmark funding to reflect institutional enrollment growth since 1998 and comparisons with similar institutions across the country. The total requested by the council for this funding was \$69 million over both years; it simply is not available. The

leadership of most institutions recognizes the cyclic nature of the state and national economies, the long-term and strong commitment of Kentucky government to postsecondary education, and the strong funding they have received since 1997. They are prepared to maintain their momentum through the coming biennium.

Council on Postsecondary Education  
February 4, 2002

## Executive Summary

### 1. Are more Kentuckians ready for postsecondary education?

We bring you no action items under Question 1.

But the P-16 Council has been very active. In December, it heard from Dr. Ed Ford, Deputy Cabinet Secretary, about the final report of the National Commission on the High School Senior Year. Governor Patton chaired the commission. It proposed a strategy to raise student achievement standards, increase alignment between high school curriculum and postsecondary admissions and placement requirements, and create more rigorous alternatives for high school students. These are activities we've been at work on for quite a while in Kentucky; the commission's report validates the activities of the P-16 Council.

Work continues on the American Diploma Project, with meetings of representatives of the five states participating. Kentucky seems to be on the

right track, both through the P-16 Council and the work of the Kentucky Department of Education.

The P-16 Council continues to discuss alternative routes to high school graduation, including dual credit programs, adult education, and GED options for high school students. The council is searching for effective ways to reduce the number of young people who simply disappear from P-16 education and have no viable alternatives readily available to them.

The GEAR UP project swung into high gear last November, when 4,700 seventh and eighth graders from 32 economically disadvantaged schools attended the GEAR UP Kentucky Expo at UK's Memorial Coliseum. There were fun and games, but there also were ample opportunities to discuss college and university life with representatives from institutions across the state, as well as opportunities to discuss career options with business representatives. There were celebrities, basketball players, a quiz show, and a rousing message from Governor Patton. The young people seemed to have a good time and, most important, they learned something about the opportunities open to them.

The Kentucky Virtual University continues to work closely with the Department of Adult Education and Literacy to create and deploy online resources for adult learners. The KYVU and DAEL are training adult education instructors on several of the online courses that adult students will begin to use



this spring. Since many of Kentucky's adult education centers are located in public schools, the KYVU and DAEL are working with the Kentucky Department of Education to ensure computer access to adult learners.

Council on Postsecondary Education  
February 4, 2002

## Executive Summary

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

Last week we sent you the fall 2001 enrollment report. Since 1998, enrollment has grown by 25,276: public universities and KCTCS by 22,461; independent colleges and universities by 2,815. The system now enrolls over 210,000 students. You set a goal increasing undergraduate enrollment by 80,000 by the year 2020. We are more than one-fourth of the way there now and think we can reach your goal by 2015.

We shall bring you a more detailed status report on enrollment and other key indicators at the March meeting.

KYVU spring registration is ongoing. The KYVU estimates an enrollment of 6,000, up from 3,200 for spring semester 2001 and from 5,500 for fall semester 2001. The majority of KYVU's students are provided by the KCTCS.

We still are analyzing the enrollment and hiring data submitted by the institutions to assess their progress in meeting the goals of *The 1997-2002 Kentucky Plan for Equal Opportunities*, which promotes compliance with Title VI of the Civil Rights Act of 1964. These data are used to determine whether institutions are eligible to start new programs in the coming year. We shall bring a report to the February meeting.

A brief summary of actions being taken to implement the commitments of the partnership agreement with the Office for Civil Rights of the United States Department of Education begins on page 29. We are making good progress. The colleges and universities are starting or continuing innovative programs to enroll and hire more African Americans, and to meet other objectives. The Office for Civil Rights has told us that it is pleased with the achievements made by each university as described in status reports submitted by Kentucky in August 2000 and July 2001.

Council on Postsecondary Education  
February 4, 2002

## Equal Opportunity Planning 1997-2002 KY Plan and OCR Partnership Status

The Commonwealth continues to make significant progress in implementing the commitments of the partnership agreement. The postsecondary institutions are implementing innovative programs to reach the partnership goals. The Office for Civil Rights is pleased with the achievements made by each university as described in the status reports submitted in August 2000 and July 2001.

The council staff has submitted a third report. It responds to concerns noted in the OCR's analysis of the second report and also provides information about institutional progress since July 2001. Following is a summary of the third report to the OCR.

### I. Enhancement of Kentucky State University

The agreement contains five commitments that address the enhancement of KSU: 1) facilities, 2) governance, 3) communications and diversity programming, 4) a funding analysis, and 5) collaborative efforts to enhance KSU's academic vitality. The OCR indicates that it is pleased with the progress of the Commonwealth regarding these commitments. To highlight:

- The partnership identified three facilities at KSU that require improvement, Carver Hall, Hathaway Hall, and Young Hall dormitory. The 2000 General Assembly provided funds to renovate Carver and Hathaway Halls. Planning to renovate Carver is underway. The council recommended to the Governor that additional funds be appropriated for Hathaway Hall in 2002-04. Young Hall dormitory is included in the council's recommendation for agency bond authority in 2002-04.
- The council completed an historical analysis of KSU's state appropriations and confirmed that the current benchmark funding method does not have a disparate effect on the university. KSU currently receives the highest amount of state appropriations per full-time equivalent student of all the public comprehensive universities.
- The Agricultural Research, Extension and Education Reform Act of 1998 requires a 50 percent match of federal land grant funds. The council's

2002-04 biennial budget recommendations include a request for state funds to complete the federal match requirement.

- KSU is working with the other public institutions to strengthen and enhance its academic programs.
- On November 5, 2001, the council approved KSU's request to establish a new Bachelor of Science program in nursing.
- KSU has implemented a comprehensive program of communication and diversity training.
- The Governor appointed two new members to the KSU Board of Regents.

## II. Recruitment and Retention of African American Students

Overall, the traditionally white public universities have shown steady progress in the retention of Kentucky African American students: 70.9 percent of first-time African American students were retained in 2000 and 71.7 percent of all degree-seeking undergraduate African American students were retained in 2000. During the campus visits, the OCR identified programs at each institution that showed promise. The institutions are continuing to use those programs to recruit and retain African American students. Also, the OCR cited as successful programs the Governor's Minority Student College Preparation Program, the SREB Compact for Faculty Diversity, the annual conference of GMSCP directors and students, the Proficient Seniors Conference, and the YMCA Black Achievers program.

Eastern Kentucky University, Morehead State University, Murray State University, Northern Kentucky University, and the University of Louisville have made organizational changes aimed at improving recruitment and retention of African American students. The OCR continues to be concerned about the effect of the University of Louisville Pathways program and the summer transition program on Kentucky African American students.

## III. Enhancement of Campus Climate for African American Students

Each university formed a campus environment team to address campus climate and community related issues for African American students. The roles of the teams are evolving. At the time of the most recent campus visits by the OCR and the Committee on Equal Opportunities, the teams were examining issues that affect the racial climate on their respective campuses. The OCR made a number of suggestions to further define the function of the campus environment team at several campuses. Information contained in the third report indicates that institutions are implementing the recommendations that are contained in the site visit reports.

Council on Postsecondary Education  
February 4, 2002

## Kentucky Plan for Equal Opportunities 2002 Degree Program Eligibility

More publicly supported institutions have qualified, based on the degree of success in enrolling, retaining, and hiring African Americans, for the most favorable category of eligibility for new degree programs in 2002 (17 of 37 compared to 13 of 37 in 2001). Technical colleges made slight gains, with more qualifying for the most favorable status and fewer falling into the least desirable category. Community colleges performance is relatively unchanged from calendar year 2001.

The annual assessment is part of the Council on Postsecondary Education's monitoring of progress under *The 1997-2002 Kentucky Plan for Equal Opportunities*, which promotes compliance with Title VI of the Civil Rights Act of 1964.

Seven universities, up from four last year, are automatically eligible to propose new degree programs. The remaining institution -- Murray State University -- is not eligible to have new degree programs because it received a waiver in calendar year 2001. The University of Louisville and Western Kentucky University showed progress on all eight objectives evaluated. Three universities improved their status. For one university -- Murray State University -- the status declined.

Among the community colleges, seven of the 13 community colleges, and Lexington Community College, are automatically eligible to propose new degree programs. Institutions showing progress on all four objectives include Ashland, Elizabethtown, Jefferson, and Paducah community colleges. Madisonville, Maysville, and Prestonsburg made progress on only one objective. One college, Maysville, is not eligible for new degree programs this year. Five colleges require waivers to propose new degree programs; four required waivers last year. Three colleges improved their status (Ashland, Hopkinsville, and Owensboro), while the status of three colleges (Madisonville, Maysville and Prestonsburg) declined.

Of the 15 technical colleges two institutions -- Bowling Green and Jefferson -- qualified for automatic status. Twelve require waivers. Northern Kentucky is not eligible to have any new degree programs. Overall, one college improved its status (Bowling Green), 13 colleges remained the same, and one declined.

Staff preparation by Sherron Jackson and Rana Johnson

**SUMMARY OF DEGREE PROGRAM ELIGIBILITY STATUS  
CALENDAR YEAR 2002**

<b>Eligibility Category</b>	<b>Universities</b>		<b>Community Colleges</b>		<b>Technical Colleges</b>		<b>Total</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
Automatic	7	4	8	8	2	1	17	13
Quantitative Waiver	0	3	3	4	3	2	6	9
Qualitative Waiver	0	1	2	0	9	12	11	13
Not Eligible	1	0	1	2	1	0	3	2
<b>Total</b>	<b>8</b>	<b>8</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>37</b>	<b>37</b>

**INSTITUTIONAL DEGREE PROGRAM ELIGIBILITY  
CALENDAR YEAR 2002**

The eligibility status of the institutions is determined through the application of the administrative regulation (13 KAR 2:060). The status of each institution:

**UNIVERSITIES**

Institution	Objectives Showing Continuous Progress	Total Objectives Evaluated	Degree Program Eligibility Status	
			2002	2001
Eastern Kentucky Univ.	6	8	<i>Automatic</i>	<i>Automatic</i>
Kentucky State Univ.	6	7	<i>Automatic</i>	<i>Quantitative</i>
Morehead State Univ.	6	8	<i>Automatic</i>	<i>Qualitative</i>
Murray State Univ.	5	8	<i>Not Eligible</i>	<i>Quantitative</i>
Northern Kentucky Univ.	6	8	<i>Automatic</i>	<i>Automatic</i>
Univ. of Kentucky	7	8	<i>Automatic</i>	<i>Quantitative</i>
Univ. of Louisville	8	8	<i>Automatic</i>	<i>Automatic</i>
Western Kentucky Univ.	8	8	<i>Automatic</i>	<i>Automatic</i>

**Notes:**

Universities (except Kentucky State University) have eight equal opportunity objectives. Kentucky State University has seven objectives (the objective related to Enrollment of Graduate Students does not apply to KSU).

Automatic eligibility equals continuous progress in at least 6 of 8 objectives. KSU is at least 5 of 7 objectives.

Quantitative waiver equals continuous progress in 5 of 8 objectives. New degree programs must be implemented under the waiver provisions during calendar year 2002. KSU is 4 of 7 objectives.

Qualitative waiver equals continuous progress in 4 or fewer of 8 objectives. New degree programs must be implemented under the waiver provisions during calendar year 2002. KSU is 3 or fewer of 7 objectives.



**INSTITUTIONAL DEGREE PROGRAM ELIGIBILITY  
CALENDAR YEAR 2002**

The eligibility status of the institutions is determined through the application of the administrative regulation (13 KAR 2:060). The status of each institution:

**COMMUNITY COLLEGES**

Institution	Objectives Showing Continuous Progress	Total Objectives Evaluated	Degree Program Eligibility Status	
			2002	2001
<b>KCTCS</b>				
Ashland CC	4	4	<i>Automatic</i>	<i>Not Eligible</i>
Elizabethtown CC	4	4	<i>Automatic</i>	<i>Automatic</i>
Hazard CC	2	4	<i>Quantitative</i>	<i>Quantitative</i>
Henderson CC	3	4	<i>Automatic</i>	<i>Automatic</i>
Hopkinsville CC	3	4	<i>Automatic</i>	<i>Quantitative</i>
Jefferson CC	4	4	<i>Automatic</i>	<i>Automatic</i>
Madisonville CC	1	4	<i>Qualitative</i>	<i>Automatic</i>
Maysville CC	1	4	<i>Not Eligible</i>	<i>Quantitative</i>
Owensboro CC	2	4	<i>Quantitative</i>	<i>Not Eligible</i>
Paducah CC	4	4	<i>Automatic</i>	<i>Automatic</i>
Prestonsburg CC	1	4	<i>Qualitative</i>	<i>Automatic</i>
Somerset CC	3	4	<i>Automatic</i>	<i>Automatic</i>
Southeast CC	2	4	<i>Quantitative</i>	<i>Quantitative</i>
<b>University of Kentucky</b>				
Lexington CC	3	4	<i>Automatic</i>	<i>Automatic</i>
<b>Notes:</b>				
Community colleges have four equal opportunity objectives.				
Automatic eligibility equals continuous progress in at least 3 of 4 objectives.				
Quantitative waiver equals continuous progress in 2 of 4 objectives. New degree programs must be implemented under the waiver provisions during the 2002 calendar year.				
Qualitative waiver equals continuous progress in 0 or 1 of 4 objectives. New degree programs must be implemented under the waiver provisions during the 2002 calendar year.				

**INSTITUTIONAL DEGREE PROGRAM ELIGIBILITY  
CALENDAR YEAR 2002**

The eligibility status of the institutions is determined through the application of the administrative regulation (13 KAR 2:060). The status of each institution:

**TECHNICAL COLLEGES**

Institution	Objectives Showing Continuous Progress	Total Objectives Evaluated	Degree Program Eligibility Status	
			2002	2001
<b>KCTCS</b>				
Ashland TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
Bowling Green TC	3	4	<i>Automatic</i>	<i>Qualitative</i>
Central Kentucky TC	2	4	<i>Quantitative</i>	<i>Quantitative</i>
Cumberland Valley TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
Elizabethtown TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
Hazard TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
Jefferson TC	3	4	<i>Automatic</i>	<i>Automatic</i>
Laurel TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
Madisonville TC	2	4	<i>Quantitative</i>	<i>Quantitative</i>
Mayo TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
Northern Kentucky TC	2	4	<i>Not Eligible</i>	<i>Qualitative</i>
Owensboro TC	0	4	<i>Qualitative</i>	<i>Qualitative</i>
Rowan TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
Somerset TC	1	4	<i>Qualitative</i>	<i>Qualitative</i>
West Kentucky TC	2	4	<i>Quantitative</i>	<i>Qualitative</i>

**Notes:**

Technical colleges have four equal opportunity objectives.

Automatic eligibility equals continuous progress in at least 3 of 4 objectives.

Quantitative waiver equals continuous progress in 2 of 4 objectives. New degree programs must be implemented under the waiver provisions during the 2002 calendar year.

Qualitative waiver equals continuous progress in 0 or 1 of 4 objectives. New degree programs must be implemented under the waiver provisions during the 2002 calendar year.

Council on Postsecondary Education  
February 4, 2002

## Executive Summary

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

Under these questions, the staff brings five action items for council approval.

The staff recommends that the council approve the Master of Arts in Teaching proposed by Morehead State University. The program would be registered in CIP 13.0101 (Education, General). (For details, see page 37.)

Morehead's is the third master of arts in teaching degree. These are being proposed as vehicles for alternative certification of teachers: helping persons change careers to become teachers or helping teachers with emergency certification obtain regular certification. We are working with the institutions to offer as much of these programs on the KYVU as possible. We have agreement from the institutions that have been approved to offer MAT's and Morehead that they will accept one another's credit toward the MAT on their own campuses. The programs are quite local in character, depending greatly

on the kinds of persons in the immediate region who might be attracted into teaching. This tends to require that the programs be separate, but we are pleased that the institutions are talking with one another and that they have agreed to accept one another's courses for credit.

The staff recommends that the council approve the Bachelor of Arts in Sport and Fitness Administration/Management (CIP 31.0504) proposed by Morehead State University. (For details, see page 41.)

This program would replace one eliminated during the council's last program productivity review. It is designed to meet employer needs more adequately and to attract more students. It differs from the program at the University of Louisville and offers more emphasis on business administration. Northern Kentucky University is developing a program as well.

The council's Endowment Match Guidelines Review Subcommittee recommends that the council approve the attached guidelines for the Endowment Match Program, effective July 1, 2002. (For details, see page 45.)

A council committee consisting of Ron Greenberg (chair), Peggy Bertelsman, Walter Baker, and Steve Barger has considered these guidelines for several months. In preparing for the 2002-04 biennium, the council agreed with SCOPE that it would issue guidelines for the trust funds well in advance of

when the funds became available. Action on these proposed guidelines fulfills that obligation.

The subcommittee has met numerous times and has prepared revised guidelines for the council's action. These guidelines would be effective July 1, 2002, and would cover the endowment match program that the Governor has proposed in his 2002-04 budget. The guidelines more clearly define the responsibilities of the university boards of trustees and regents. They increase the percentage of funds that should be dedicated to the knowledge-based economy and research related to it from 60 percent to 70 percent. The institutions worked with the subcommittee and support the guidelines.

The staff recommends that the council approve goals for undergraduate student experience, civic engagement, and research and development. (For details, see information beginning on page 55.)

These are indicators of our progress under Questions 4 and 5. The Question 4 indicators are derived from a national survey of student experiences as undergraduates. Research shows that certain kinds of experiences such as frequent writing assignments, small classes, and informal contact with faculty outside of class as well as formal contact in class are very good indicators of a high-quality undergraduate experience. Working with the institutions, we've

used a national survey to assess student experience in Kentucky's public universities. Because the survey is administered to students nationwide, we have normative standards for various kinds of universities and can assess Kentucky's in light of them. This shows us how well we're doing compared to the nation, which is far preferable to measuring Kentucky institutions against one another: an unproductive exercise given our commitment to change and improvement.

We also present for council discussion the findings of the survey of undergraduate alumni and the status of Kentucky graduates five years after graduation. These findings provide baseline data for the satisfaction of undergraduate alumni, the percentage of graduates who stay in Kentucky after graduation, and the percentage of out-of-state students who stay and work in Kentucky after graduation. We suggest that goals for these indicators be established at a later date when we have more data and when we might be able to convince some other states to track who stays and who leaves after graduation.

The goals for research are linked to the strategic plan for the new economy, approved by the Kentucky Innovation Commission at its meeting early in January. The strategic plan identified areas in which we have a good chance to build intellectual and commercial capacity, and the good jobs and wealth that

come with them. We need to target our research activities to the greatest possible extent.

The staff recommends that the council approve the University of Kentucky's request to replace the Nutter Fieldhouse running track with \$435,000 of athletic association capital funds and private funds. (For details, see page 79.)

The University of Kentucky has requested that the council approve the replacement of the indoor track at the Nutter Fieldhouse. The \$475,000 project will be funded with private funds. The project details are presented in the attachment.

The staff recommends that the council approve the memorandum of agreement among Western Kentucky University, the Hilltopper Athletic Foundation, Inc., and the City of Bowling Green, Kentucky, to finance the renovation of the E. A. Diddle Arena and related athletic facilities on the WKU campus with \$32,500,000 of general obligation bonds issued by the City of Bowling Green, Kentucky. (For details, see page 81.)

A council committee consisting of Charlie Owen (chair), Walter Baker, and Steve Barger has reviewed various approaches to this renovation over the past eight months. The committee has reviewed Senate Bill 54, which sets out the most recent and probably final approach. Under the memorandum of agreement between Western Kentucky University and the City of Bowling Green, the city provides financing for the renovation and the university pays

for it through a student athletic fee and various revenues derived from use of the new arena. Ownership of Diddle Arena remains with Western Kentucky University. Senate Bill 54 has been introduced in the General Assembly to “fast-track” this project so it can begin immediately. The bill has been reported favorably from the Senate Appropriations and Revenue Committee and awaits action by the Senate. The bill provides that the council has to approve the memorandum of agreement between WKU and the City of Bowling Green, and that the council receive quarterly reports of progress on the project. The Cabinet for Finance and Administration and the Capital Projects and Bond Oversight Committee have approved the memorandum of agreement. So have the Attorney General and the Auditor of Public Accounts.

The KYVU is working with the Education Professional Standards Board to create and deploy online professional development resources for K-12 teachers. The KYVU and the EPSB expect to unveil the first online courses this spring and summer.

Also, the KYVU and the council supported the Department for Mental Health and Mental Retardation Services (Cabinet for Health Services) in its successful application for a Real Choices Grant from the Federal Department of Health and Human Services. Funded by the grant, the KYVU will develop courses with Kentucky's mental health department to prepare people for ten different jobs within the field of services to persons with disabilities.



Council on Postsecondary Education  
February 4, 2002

## New Program Approval Master of Arts in Teaching Morehead State University

Action: The staff recommends that the council approve the Master of Arts in Teaching proposed by Morehead State University. The program would be registered in CIP 13.0101 (Education, General).

The council staff recommends approval of this program based on evidence of:

- The need for teachers in secondary education.
- The program's potential to bring people with undergraduate degrees in other fields into the teaching profession.
- Alignment of the program with the Education Professional Standards Board requirements, KERA expectations, and the National Council for Accreditation of Teacher Education standards.
- The use of distance learning technologies to meet student needs.

The EPSB requires teacher preparation programs to develop alternative routes to certification to attract professionals in other fields and graduates with bachelor degrees into teaching. The MAT degree is one of the most effective ways to meet this requirement. Northern Kentucky University and Eastern Kentucky University have recently implemented MAT programs for this reason.

The proposed MAT allows adults who have completed undergraduate degrees in teaching fields to complete certification requirements, a master's degree, and Rank II in two years. One track is for emergency teachers employed in local schools; a second is aimed at potential teachers who are in other professions. Both tracks come together in the second year, requiring students to be employed by a local district and to participate in the Kentucky Teacher Internship Program.

MoSU is delivering courses through the Kentucky Virtual University and Kentucky TeleLinking Network to ensure that offerings are available to working students. Funds are available to develop other online course modules.

Given that all institutions must develop alternative routes to certification, the council staff has identified representatives from all eight universities to work with the KYVU to coordinate MAT distance education courses. A student will be able to take courses from other institutions and apply those to a degree at her home institution.

The MoSU program conforms to the EPSB New Teacher Standards, KERA standards, state curriculum requirements, and national accreditation standards. All students must pass the PRAXIS content area exams prior to admission and the PRAXIS principles of learning exam to graduate.

Using the Kentucky Postsecondary Program Proposal System, MoSU posted the proposed program to the council's Web site. It was reviewed without objection by other Kentucky public and independent institutions. The MoSU Board of Regents approved the program at its September 22, 2001, meeting.

An overview of the program, prepared by MoSU, is attached.

**Proposed Master of Arts in Teaching Degree:  
Secondary Teaching Option  
Department of Leadership and Secondary Education  
Morehead State University**

## **Background**

A recent projection by the U.S. Department of Education estimates a need for as many as 2,000,000 teachers over the next decade at all educational levels. Some of the shortage areas include: science, mathematics, family and consumer health, Spanish, and health education. In response to evidence of teacher shortages in Kentucky, the State Legislature passed House Bill 77. This bill focuses on the development of alternative routes to certification. In fall 2000, the Educational Professional Standards Board (as mandated by KRS 161.028 and KRS 161.030) created six alternative routes to certification and these were distributed to college and universities so that programs could be developed to meet the needs of adults who wanted to teach.

The Master of Arts in Teaching will make it possible for people who have a talent for teaching to return to school and fulfill the requirements for teacher certification. This program will allow us to reach a new population of adults and increase the number of certified teachers in classrooms throughout the university's service region.

The proposed program fulfills all requirements set forth by the EPSB. It addresses the need for alternative routes to certification by providing adults with the course work to complete a degree while maintaining their work obligations. In addition, the College of Education will have a new way to supply qualified teachers to the classrooms of eastern Kentucky.

## **Analysis**

The MAT degree is designed primarily for individuals who have earned an undergraduate degree in a state-approved teacher preparation content area and are currently working (1) in a public school and have been granted a temporary provisional certificate or (2) in business, industry, or a service occupation and wish to complete the teacher certification requirements for a selected secondary program. The program will be implemented in the fall 2002.

This program will permit a candidate to complete the content area and professional course work, supervised teaching, and internship in two years. Use of a variety of course delivery options will support candidate access to courses and field experiences. Currently two courses are offered through the KYVU, one course is offered through KTLN, and two courses are Web enhanced. In addition, grant funds have been allocated to provide faculty members with release time or a stipend to develop online course modules for the supervised teaching courses. The scheduling of onsite teaching courses will take into account the typical work schedules of program candidates.

Students admitted to this program must meet all admission requirements and complete the Program Entrance and Design Interview and Check-Sheet Development Process. Candidates who successfully complete all program requirements will be awarded a Master of Arts in Teaching: Secondary Option and will be eligible for full certification at the Rank II Level.

Council on Postsecondary Education  
February 4, 2002

## New Program Approval Bachelor of Arts in Sport Management Morehead State University

Action: The staff recommends that the council approve the Bachelor of Arts in Sport and Fitness Administration/Management (CIP 31.0504) proposed by Morehead State University.

The council staff recommends approval of this program based on evidence of:

- Its development in response to recent changes in the sport and recreation field.
- The council's program productivity review.
- Its curriculum alignment with national standards.
- Its potential contribution to economic development in MoSU's region.
- MoSU's 2+2 articulation agreement with the KCTCS.
- Opportunity for students to advance into MoSU's related master's program.

In response to the council's productivity review, MoSU's Health, Physical Education, and Recreation Department chose to eliminate a low-degree producing recreation program and to develop an interdisciplinary undergraduate program in sport management, blending business and communication skills with recreation and sports activities. The proposed multi-disciplinary curriculum meets standards jointly developed by professional and academic sport associations.

Sophisticated sport programs have evolved into an integral part of American culture. Managers must be familiar with effective business and communication principles as well as with sport activities. The proposed program provides the knowledge and skills needed for success in a variety of sport and recreation settings. MoSU conducted a needs assessment and identified significant numbers of internships and employment opportunities for graduates. The other sports management program in the state, at the University of Louisville, was established in 1993 and has maintained very high student enrollment and graduation rates.

A 2+2 articulation agreement developed with the KCTCS offers easy transfer and compatible course delivery schedules, coordinates course changes, and adheres to general education block transfer principles. MoSU will work closely with the KCTCS colleges in eastern Kentucky, in particular, to recruit students. MoSU will begin offering courses for this program via the Kentucky Virtual University and other distance learning technologies in fall 2003. MoSU has

developed frameworks for easy transfer of courses with other sports management programs in Kentucky.

Using the Kentucky Postsecondary Program Proposal System, MoSU posted the proposed program to the council's Web site. It was reviewed without objection by the other Kentucky public and independent institutions.

The MoSU Board of Regents approved the program at its March 3, 2001, meeting.

The Committee on Equal Opportunities and the Council on Postsecondary Education approved MoSU's 2001 qualitative equal opportunity waiver August 20, 2001, and September 16, 2001, respectively.

An executive summary prepared by MoSU is attached.

Staff preparation by Barbara Cook

**Executive Summary**  
**Proposed Sport Management Program**  
**Morehead State University**

**Background**

The Department of Health, Physical Education and Recreation proposes implementation of a Bachelor of Arts in Sport Management in the fall 2002 semester. The proposed program revision follows the council and institutional assessments of the HPER Department. This new program will replace the current recreation program that has a more limited focus.

The sport management major provides students with the opportunity to develop expertise in business management and communications applied to the world of sport and recreation. As sports have evolved into an integral part of the American culture, the operations of sport programs have become more sophisticated and complex. Managers of sport programs and sport/recreational facilities must become familiar with the intricacies of sport/recreational activities and be effective as business professionals.

The proposed program is designed to meet the 2000 national curriculum standards jointly developed by two professional associations, the North American Society of Sport Management and the National Association of Sport and Physical Education. NASSM is the professional association of practitioners and academicians involved in sport administration. NASPE is a subdivision within the American Alliance of Health, Physical Education, Recreation, and Dance.

**Analysis**

Following the institutional CPE productivity review, the university gave the HPER Department two options: 1) to implement a major curriculum revision or 2) eliminate the recreation program in lieu of the proposed inter-disciplinary undergraduate degree in sport management. During the summer and early fall 2000 the department assessed the enrollment history, graduation rate, employment history and potential for future enrollment of the BA in parks, recreation, and leisure. The current recreation program only provides options related to outdoor and recreational employment. The department decided to create a more comprehensive and multi-disciplinary curriculum that allows students to be successful in a variety of sport and recreation employment venues. This task could be accomplished in part through the use of distance education (compressed video) and Web-based courses.

Presently there is a sport administration masters option that has the largest graduate enrollment in the department, with a high level of interest and participation from international and minority students. Surveys, recruiting visits made to area school districts, and students visiting the campus show a strong interest in sport management programs at MoSU.

The undergraduate sport management concentration will be a collaborative effort with the College of Business and the Department of Communications providing multiple courses required by the program. Graduates are expected to have competencies in the application of management

and organizational skills in sport, ethics in sport management, sport marketing, public relations in sport, sport finance, sport law, research in sport, and sport venue and event management.

The sport industry and job opportunities in sport management are continuing to expand. In 1995, the "U.S. News and World Report" rated sport management among the 20 fastest growing job areas in the United States. Meek (1997) reports that the sport industry has increased to \$152 billion and risen to the eleventh largest in the U.S. Moreover, employment advertisements in "National Sports and Recreation Jobs Weekly," "National Collegiate Athletic Association News," "American College of Sports Medicine Jobs Bulletin," and "National Strength and Conditioning Jobs Bulletin" provide evidence of the growing need for sport management graduates.



## Endowment Match Program Guidelines

Action: The council's Endowment Match Guidelines Review Subcommittee recommends that the council approve the attached guidelines for the Endowment Match Program, effective July 1, 2002.

The council established a subcommittee in May 2001 to recommend any needed changes to the Endowment Match Program Guidelines. The subcommittee recommends that the council approve the attached guidelines, effective July 1, 2002.

Currently, there are separate, but similar, guidelines for the research institutions and the comprehensive institutions. As shown in the attachment, the subcommittee recommends one set of guidelines for both types of institutions. Other major changes in the recommended guidelines include the following:

- More detailed responsibilities of the Board of Trustees and the Board of Regents such as board approval of each endowment match request.
- For the research universities only, require a least 70 percent of the program funds to be used to support the academic disciplines contained within the five new economy clusters. The current guidelines stipulate that at least 60 percent of the program funds are to be used to support specific academic disciplines.
- Require the institutions' or their foundations' independent auditors to include pledge payment schedules in the audited financial statements.

In light of pending court actions which may provide additional guidance on the issue of donor confidentiality, subcommittee members decided not to recommend any changes in this area. The existing guidelines place donor confidentiality within the purview of the institutional governing boards. The guidelines stipulate that the boards are responsible for the Endowment Match Program on their campuses. This responsibility includes board review and approval of all donations, gifts, and pledges for which state matching funds will be requested.

At the subcommittee's request, the institution presidents, working in conjunction with the council staff, are drafting a uniform set of procedures for review and approval of all donations, gifts, and pledges for which state matching funds will be requested. These procedures will be presented at the council meeting. The subcommittee recommends that the council also take action on these procedures.

# **ENDOWMENT MATCH PROGRAM GUIDELINES**

## **Effective July 1, 2002**

### **Background**

Kentucky recognizes the importance of research to the economic well being of its citizens. The Endowment Match Program encourages private investment in public higher education research activities to stimulate business development, generate increases in externally sponsored research, create better jobs and a higher standard of living, and facilitate Kentucky's transition to a knowledge-based economy. The program matches public money with private gifts to fund endowed chairs, professorships, fellowships, scholarships, and mission support at the public universities. This collaborative approach is critical to advancing Kentucky's research presence into national prominence.

State funds for the program are appropriated to the Research Challenge Trust Fund (RCTF) for the research institutions and to the Regional University Excellence Trust Fund (RUETF) for the comprehensive institutions. Both trust funds were created with the passage of the Postsecondary Education Improvement Act of 1997 (HB 1).

The Endowment Match Program received surplus General Fund appropriations of \$110 million in 1998-99 and \$120 million in 2000-01. The council has requested another \$120 million for the program in 2002-03.

### **Program Administration**

The Council on Postsecondary Education oversees the Endowment Match Program. The council establishes the areas of concentration within which program funds are used, develops guidelines for the distribution of program funds, and reviews reports from the institutions on the use of funds and the results achieved.

The boards of trustees and boards of regents of the Commonwealth's public universities are responsible for the Endowment Match Program on their campuses. The boards are to review and approve all donations, gifts, and pledges that will be used to establish new endowments or expand existing endowments for which matching state funds will be requested. The boards are to ensure that the purpose of the endowment and the source of funds comply with the council's guidelines and serve the public good. Documentation of board approval must be submitted with each endowment request. In addition, the boards are to review and approve the Endowment Match Program reports that are to be submitted annually to the council.

### **Allocation of Program Funds**

The council has requested \$120 million for the Endowment Match Program in 2002-03. The council requests that \$100 million be appropriated to the RCTF and \$20 million be appropriated to the RUETF. These funds would be allocated to the institutions as follows:

- The research university endowment match will be allocated two-thirds to the University of Kentucky (\$66,667,000) and one-third to the University of Louisville (\$33,333,000).
- The comprehensive university endowment match will be divided into two \$10 million pools designated primary and secondary. Each pool will be allocated among the institutions based on their proportionate share of total net 2002-03 General Fund appropriations.
- The primary pool will be allocated to the institutions and will remain in the trust fund until matched. The secondary pool will be similarly assigned to the institutions until June 30, 2004. If not matched by that date, other comprehensive universities that have fully matched their allocations from both pools may submit requests for additional matching funds. Funds requested from July 1 to July 31 will be matched on a pro rata basis based on the dollar amount of requests received. For example, if the secondary pool contains \$100,000 on July 1, and four institutions submit requests of \$50,000 each to the council between July 1 and July 31, then each institution would be eligible to receive \$25,000 in state matching funds ( $\$50,000 / \$200,000 \times \$100,000$ ). After July 31, requests will be considered on a first-in

basis until all funds are allocated. If multiple requests arrive simultaneously, then the pro-rata method described above will apply.

## **Matching Requirements**

The Endowment Match Program is conceived as a way to bring new money from external sources into the Commonwealth's system of postsecondary education. In order to receive state funds, the universities must provide dollar-for-dollar matching funds that satisfy the following requirements:

- Gifts and pledges must be from external sources. Eligible matching funds can be received from businesses, foundations, hospitals, corporations, alumni, or other individuals. Funds received from the federal government are eligible for state match provided the funds are endowed.
- General Fund appropriations and student-derived revenues (e.g., tuition and fees revenue) are not eligible for state match.
- The minimum requested matching amount is \$50,000. A university may combine smaller donations from individuals, businesses, foundations, or corporations to meet the \$50,000 minimum.
- All funds, both state and private, must be endowed. "Endowed" means only the investment earnings are eligible for expenditure, not the principal.
- Requests for state funds must identify the matching funds that are cash and the matching funds that are pledges.
- Pledges, or promises of future payment, are eligible for state match provided they are based on a written contract or agreement and include a payment schedule, which does not exceed five years from the initial pledge date. Pledge payment schedules showing receipts to date

and scheduled future payments are to be included in the audited financial statements of either the institution or the foundation.

- If pledged funds are not received within five years of the initial pledge date, the university must replace the portion of private funds not received with another eligible cash gift or the unmatched portion of the state funds plus an allowance for accrued interest will revert to the trust fund for reallocation. In such cases, time frame for the replacement or return of state funds will be negotiated between council staff and institutional representatives.
- University officials must notify the council staff of unpaid pledges six months before the end of the five-year deadline, or immediately when a gift has been revoked.

## **Use of Program Funds**

Investment earnings from the endowments can be used to support various endowed positions including chairs, professorships, graduate fellowships, undergraduate scholarships, and mission support as described below.

**Chairs:** New faculty positions, salary supplements to existing faculty positions, and associated expenses for those positions, including travel, start-up costs, and other professional expenses as permitted by university policy.

**Professorships:** New faculty positions, salary supplements to existing faculty positions, and associated expenses for those positions, including travel, start-up costs, and other professional expenses as permitted by university policy.

**Graduate Fellowships:** Fellowship stipends for outstanding graduate or professional students, which may include travel and other expenses as permitted by university policy.

**Undergraduate Scholarships:** At the comprehensive universities only, program funds can be used to support scholarships for outstanding undergraduate students, which may include travel and other expenses as permitted by university policy.

**Mission Support:** At the research and comprehensive universities, program funds can be used to support the institution's research and graduate mission. At the comprehensive universities, program funds also may be used to support programs of national distinction. Support may include funding for visiting scholars, nationally prominent publications, the dissemination of research, and the advancement and support of the general research mission as specified in university regulations and policies.

## **Areas of Concentration**

- For the research institutions only, the council expects state and private matching funds to be substantially directed toward supporting research that leads to the creation, preservation, or attraction of businesses that will increase the number of good jobs in Kentucky. For these purposes, "good jobs" are defined as jobs that yield income at or above the national per capita income.
- The council recognizes that strong research programs are clustered around related academic disciplines and encourages campus officials to create a critical mass of scholars who can influence the nation's research and academic agenda.
- The council recognizes that the boundaries of traditional disciplines are increasingly permeable and encourages the use of endowment funds for interdisciplinary, problem solving, or applied research activities.
- The council recognizes the importance of cooperation between universities and corporations and encourages partnerships in the technologies, engineering, and applied sciences.

- For the research universities only, at least 70 percent of program funds must be used to support academic disciplines contained within five new economy clusters: human health and development, biosciences, materials science and advanced manufacturing, information technologies and communications, and environmental and energy technologies. These areas are of strategic benefit to Kentucky and are core components of the knowledge-based economy. To the extent possible, the comprehensive universities are encouraged to use program funds for these same five clusters.
- The council recognizes the contribution of arts and humanities to quality of life and to economic development in the Commonwealth and is receptive to limited use of endowment funds in this area.
- Program funds cannot be used for positions, which are primarily administrative. However, researchers or scholars with an active research program who may have an appointment such as department chair, center director, or dean are eligible.
- Program funds cannot be used to fund capital construction projects.

## **Annual Reporting**

Institutions will provide detailed annual reports describing how the state and matching funds are used by October 15 each year. These reports will include such items as the number of endowed chairs and professorships by name and incumbent, the specific support services attached to the chairs and professorships, and the benefits of the program to the Commonwealth of Kentucky in terms of jobs, revenue growth, creation of wealth, and improved standards of living. The reports should also identify institutional outcomes, such as increases in sponsored research directly attributed to the program, changes in the quality of students and measurable outcomes (retention, graduation, pursuit of advanced study, and employment), and the creation and profitable use of intellectual property.



## **DRAFT**

The council staff, working with the university presidents and their staffs, will devise and maintain reporting procedures that specify the content and format of Endowment Match Program annual reports.

Council on Postsecondary Education  
February 4, 2002

**Endowment Match Program  
Procedures for Accepting Donations, Gifts, and Pledges**

All gifts and pledges to the university that are eligible for state matching funds from the Endowment Match Program are required to be approved by the university board of trustees or board of regents. The president and chief development officer shall review all gifts designated as confidential to ensure that the terms of confidentiality are reasonable and serve the interest of Kentucky and the university, as well as those of the donor; that the purposes of the gift are consistent with the mission of the university; and, that the university has full control of the gift. Certain specific data are determined for each gift: (1) donor name or “anonymous” if that is a condition of the gift, (2) the amount of the gift, (3) the pledge dates for any additional payments (final payment must be received within five years of the initial pledge date), and (4) a description of any restrictions placed on the endowment by the donor.

This information is to be reviewed by the chair of the finance committee of the board of trustees or board of regents and the president of the university prior to the finance committee meeting. After review and approval by the finance committee, a recommendation will be presented to the full board for action.

Following each meeting of the trustees or regents, a report is prepared for the Council on Postsecondary Education that itemizes all of the information noted and includes a copy of the recommendation, dated and approved by the board. This information will be submitted to the council along with a copy of the endowment agreements and request for transfer of matching funds to the university.

The university development officer shall maintain an ongoing audit of these transactions to insure follow-up on all pledge dates for installment gifts.

## Key Indicators of Progress

Action: The staff recommends that the council approve goals for undergraduate student experience, civic engagement, and research and development – shown in Attachments A and B.

The council staff recommends the approval of the goals for the following key indicators:

Under Question 4 – Are we preparing Kentuckians for life and work?

- Undergraduate student experience (as measured by the National Survey of Student Engagement)
- Civic engagement (also measured by the NSSE)

Under Question 5 – Are Kentucky's communities and economy benefiting?

- Endowments in the research priority areas of the knowledge-based economy strategic plan
- Expenditures from endowment and gifts in the research priority areas of the knowledge-based economy strategic plan

Also presented for council discussion are the findings of the undergraduate alumni survey and the status of Kentucky graduates five years after graduation (see Attachments C and D). These findings provide baseline data for the satisfaction of undergraduate alumni, the percentage of graduates who stay in Kentucky after graduation, and the percentage of out-of-state students who stay and work in Kentucky after graduation. These indicators also are under questions four and five. The council staff proposes that goals for these indicators be established at a later date.

### **National Survey of Student Engagement**

Kentucky's eight public universities participated in the 2001 National Survey of Student Engagement as part of a consortium organized by the council. NSSE,

a national survey administered by the Indiana University Center for Postsecondary Research and Planning, examines the extent to which colleges use their resources to promote effective teaching and learning. It measures student activities – such as time spent preparing for class and frequency of contact between faculty and students outside of class – that studies have shown to be critically important to student learning and development. Nationally, over 105,000 students at 470 four-year institutions participated in the survey over the last two years. In 2001, 1,900 first-year and senior students at Kentucky's public universities completed a mail-in survey or participated via the Internet.

The council heard a presentation about NSSE from senior administrators of Centre College at its February 2001 meeting.

Because NSSE is given nationally, its administrators have set normative ("predicted") scores for various kinds of institutions. This gives us a national standard against which Kentucky's universities can be measured. Measuring Kentucky universities against one another is an insular and unproductive exercise that will not promote change and improvement.

The council staff proposes using NSSE's five measures of student engagement to gauge undergraduate student experience (see Attachment A-5). The measures are:

1. Level of academic challenge
2. Active and collaborative learning
3. Student interactions with faculty members
4. Enriching educational experiences
5. Supportive campus environment

Results from the NSSE also are used to measure progress in civic engagement. The council staff and institutional representatives selected four items from the NSSE survey to measure undergraduate students' civic engagement:

1. Participation in a community-based project as part of a regular course
2. Hours per week spent doing volunteer work
3. Voting in local, state, or national elections
4. Contributing to the welfare of the community

The council staff has negotiated goals with the universities. For undergraduate student experience, the proposed goal is for all universities to perform above "predicted" levels for first-year and senior students in each of NSSE's five benchmarks of effective educational practice (see Attachments A-1 and A-3). Predicted scores for each institution are calculated by NSSE based on scores from similar institutions across the nation.

For civic engagement, the staff recommends as a goal that each university show improvement in students' positive responses to each of the NSSE questions previously identified as measures of undergraduate civic engagement (see Attachment A-4).

Universities are asked to meet these goals by 2003, when the council will again coordinate a Kentucky consortium for NSSE. In 2003, the KCTCS may take part in the Community College Survey of Student Engagement, a companion to the NSSE survey.

A full report on Kentucky's participation in the 2001 National Survey of Student Engagement is available on the council's Web site.

## **Research and Development**

In November 2001, the council approved four indicators for measuring progress in research and development at the research universities and set goals for two of them: total and federal extramural research and development expenditures as reported to the National Science Foundation. The staff has worked with the University of Kentucky and the University of Louisville to set goals for the remaining two:

1. Endowments in the research priority areas for the knowledge-based economy
2. Expenditures from endowment and gifts in the research priority areas for the knowledge-based economy

As part of its strategic plan for a knowledge-based economy, the Kentucky Innovation Commission identified five research priority areas for the knowledge-based economy. These areas are based on the availability of research talent, federal funding potential, the likelihood that Kentucky could gain national prominence in the field, and whether the research area could yield significant technology transfer and commercialization opportunities. The areas are:

1. Human Health and Development
2. Biosciences
3. Information Technologies and Communication
4. Materials Science and Advanced Manufacturing
5. Environmental and Energy Technologies

The current endowment match program guidelines stipulate that at least 60 percent of state and matching funds for endowments must be used to support the academic disciplines of engineering, technology, computer science, health

sciences, life sciences, mathematics, or physical sciences. The revised guidelines being considered by the council (see page 45) state that at least 70 percent of the state and matching funds must be used to support the academic disciplines contained within the five research priority areas of the knowledge-based economy.

Attachments B-1 through B-4 show the baseline data and goals for UK and UofL. UK projects endowment in the research priority areas to increase from \$167 million in 2001 to \$222 million in 2006, and expenditures from endowment and gifts in the research priority areas to increase from \$9.4 million to \$14.3 million. In the same research priority areas, UofL projects endowments to increase from \$103 million to \$168 million and expenditures to increase from \$2.3 million to \$3.6 million.

The council's four R&D indicators and goals also are included in the Office of the New Economy's strategic plan.

### **Alumni Survey**

This past summer, Wilkerson and Associates, a research firm in Louisville, Kentucky, conducted a survey of undergraduate alumni from Kentucky's public postsecondary institutions. The purpose of the survey was to measure alumni satisfaction with postsecondary education and the extent of their civic and community involvement (civic engagement). The survey was conducted by phone and included 4,100 undergraduate alumni who graduated two to five years ago (in the classes of 1995-96 to 1998-99).

Attachments C-1 and C-2 show the results of the survey by institution for the measures we propose to track as key indicators. A full report on the 2001 Undergraduate Alumni Survey is available on the council's Web site.

The results of the survey are generally positive. The majority of alumni are satisfied with their postsecondary experience and how well it prepared them for work. They also are involved in community activities and vote at high rates. But there is considerable room for improvement. The lowest ratings given by alumni from all postsecondary institutions were in the areas of academic advising and career counseling, particularly at the universities. Because advising and counseling are important to retention, graduation, and successful transition to the workforce – issues central to Kentucky's reform efforts – institutions should formulate a response to these lower ratings. In cooperation with the postsecondary institutions, the council will co-sponsor with Northern Kentucky University a symposium on best practices in counseling and advising. This event will be held this spring at Northern

Kentucky University and will be similar to the conference on student retention co-sponsored by Morehead State University and the council in November 2000. The council staff proposes to set goals for these indicators at a later date. The lack of national comparison data makes it difficult to set goals for the alumni survey. Also, the council staff is exploring other options for measuring alumni satisfaction. For example, Peterson's offers a Web-based alumni survey – the Collegiate Results Survey – that has many of the same questions and could provide national comparisons. In the coming year, the council staff will recommend an alternative approach to measuring alumni satisfaction. The current survey results are posted on the council's Web site, without goals.

### **College Graduates Staying and Working in Kentucky**

Attachments D-1 through D-5 show baseline data for the “percentage of college graduates working in Kentucky – by level” and the “percentage of out-of-state college students who stay in Kentucky after graduation” (indicators under question five). These data were gathered by merging the council's graduate files with data from the Departments of Employment Services and Driver's License. Some highlights:

- Sixty-one percent of graduates from Kentucky's public postsecondary institutions are working in Kentucky five years later. Nearly three-quarters are living in Kentucky five years later.
- Seventeen percent of students from out-of-state are working in Kentucky five years after graduation – ranging from 13 percent to 27 percent by institution.
- Five years after graduation, most associate degree graduates are working in Kentucky (75 percent), while only 25 percent of doctoral graduates stay to work.
- Only half of Kentucky's science, engineering, and information-technology graduates are working in the state five years after graduation. Graduates from education and health professions stay at the highest rate (71 percent and 69 percent, respectively). But the health professions data include graduates ranging from paraprofessional caregivers to physicians, dentists, and pharmacists. These data need to be disaggregated, a staff project for 2002.

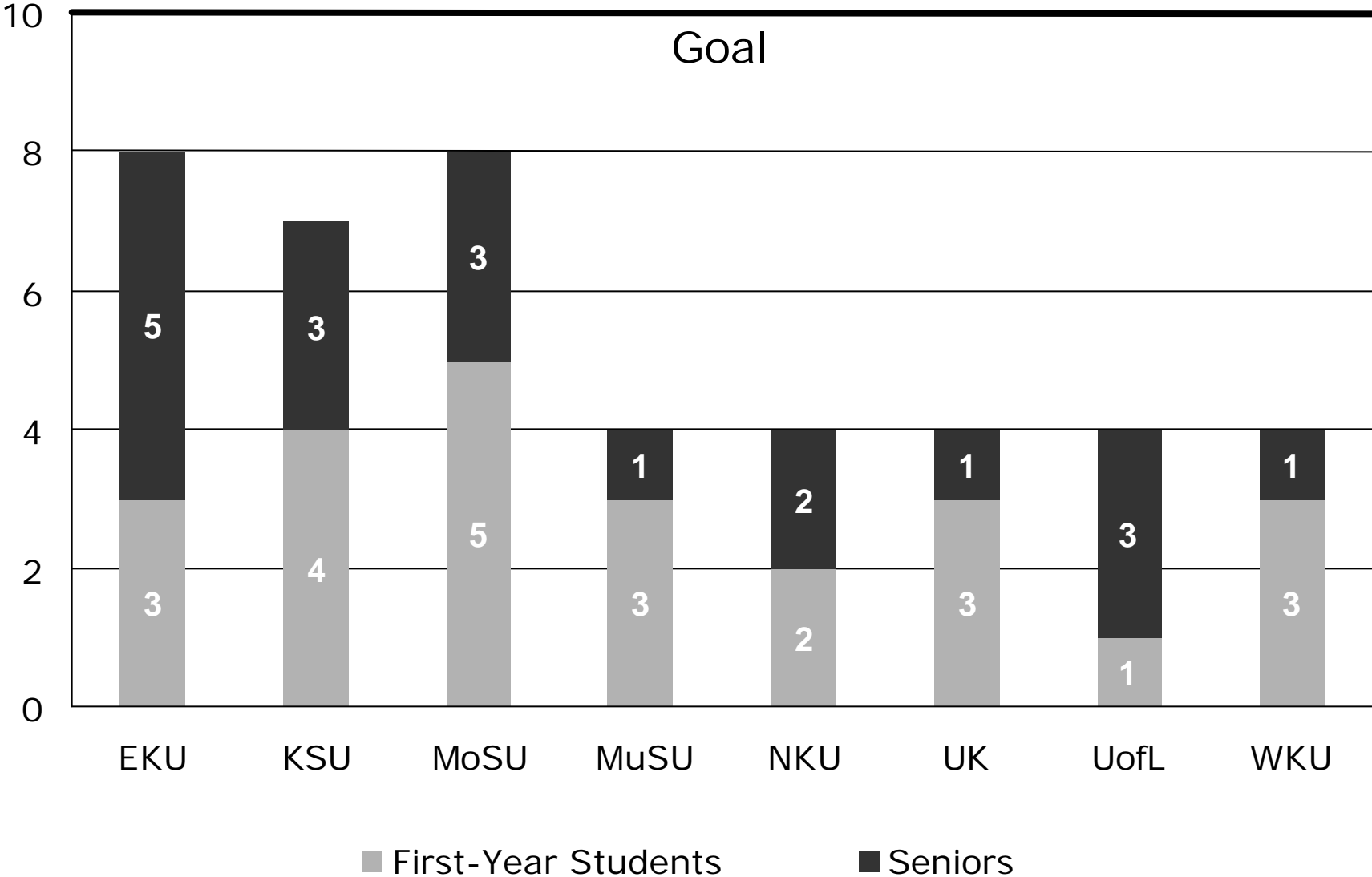
Currently, only a few states are collecting and reporting data on the migration patterns of college graduates. This makes it difficult to determine how successful Kentucky retains its college graduates (relative to other states across

the United States). The council staff proposes that goals for these two indicators be established at a later date when more comparison and trend data are available. A more detailed presentation of these findings is available on the council's Web site.

All of the indicators presented here can be viewed at <http://www.cpe.state.ky.us>.

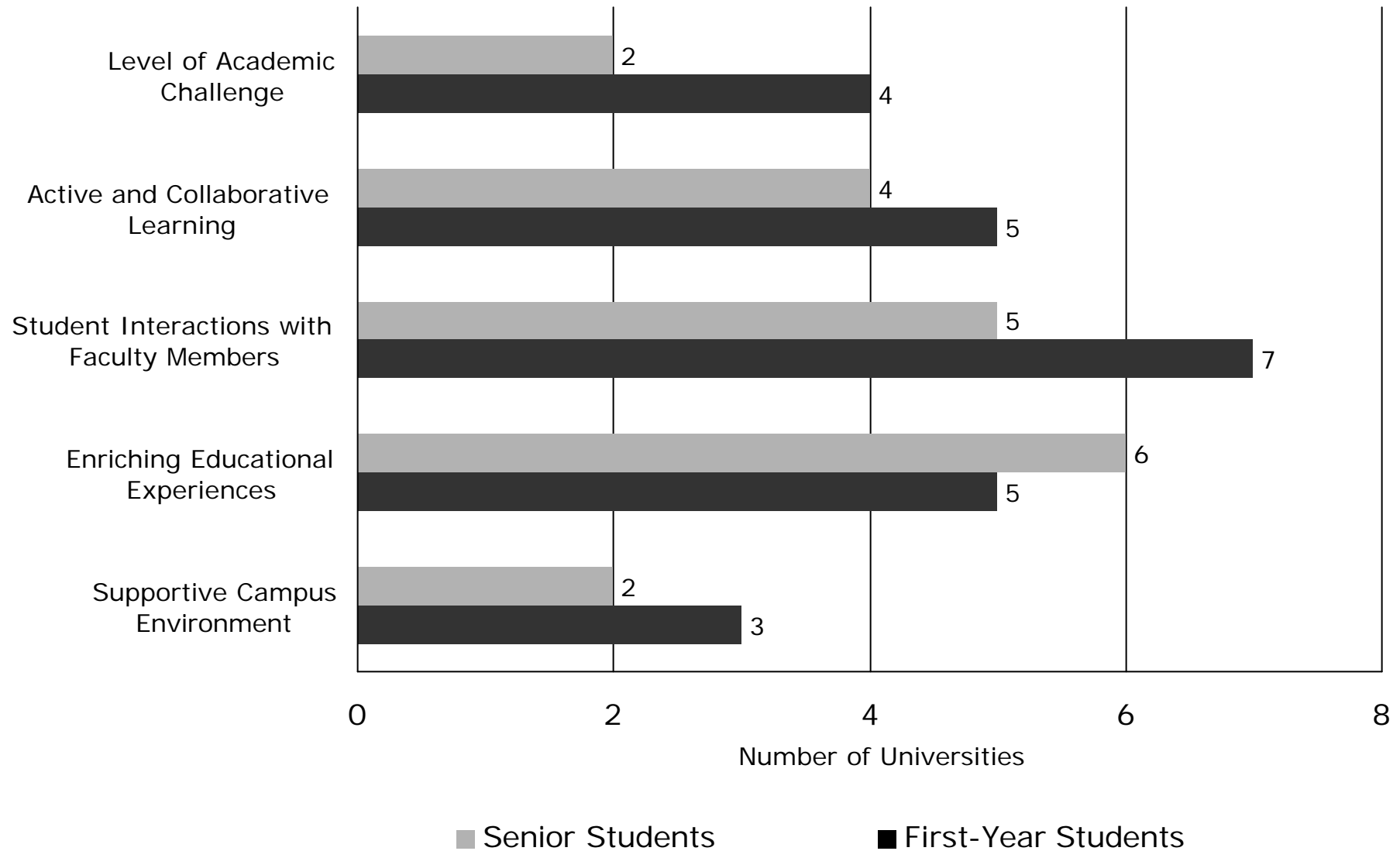


# 4.1 Undergraduate Student Experience Benchmark Scores Above Predicted By University



## 4.1 Undergraduate Student Experience

### Number of Universities Scoring Above Predicted By NSSE Benchmarks



National Survey of Student Engagement - Baseline Data 2001  
4.1 Undergraduate Student Experience

Composite Benchmark Scores\*

	<u>EKU</u>		<u>KSU</u>		<u>MoSU</u>		<u>MuSU</u>	
	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>
<b>First-Year Students</b>								
Level of Academic Challenge	49.9	48.2	53.8	48.6	53.6	49.7	45.7	49.1
Active and Collaborative Learning	36.0	36.2	47.0	44.4	41.8	39.4	35.6	38.8
Student Interactions with Faculty Members	33.5	31.8	38.2	37.8	40.8	32.5	32.9	30.2
Enriching Educational Experiences	49.4	47.4	61.2	52.3	55.1	51.3	50.1	48.0
Supportive Campus Environment	57.0	58.2	58.3	58.7	62.2	59.4	58.6	57.4
<b>Senior Students</b>								
Level of Academic Challenge	55.2	52.7	52.0	53.8	53.7	55.0	53.5	54.2
Active and Collaborative Learning	49.3	48.3	51.6	51.8	52.9	50.8	46.1	51.0
Student Interactions with Faculty Members	46.4	40.7	45.5	45.4	44.3	43.9	40.6	42.5
Enriching Educational Experiences	47.2	43.0	55.2	47.1	46.8	44.5	44.5	43.1
Supportive Campus Environment	57.4	55.9	58.1	58.0	56.4	56.5	55.0	55.6
	<u>NKU</u>		<u>UK</u>		<u>UofL</u>		<u>WKU</u>	
	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>
<b>First-Year Students</b>								
Level of Academic Challenge	47.6	49.5	51.4	50.4	45.2	50.2	45.2	48.0
Active and Collaborative Learning	35.4	35.8	35.6	35.3	36.6	35.0	38.7	37.9
Student Interactions with Faculty Members	33.6	32.6	33.6	30.6	32.1	33.5	31.1	29.9
Enriching Educational Experiences	46.1	49.8	50.4	52.5	52.2	53.3	54.1	48.1
Supportive Campus Environment	57.2	56.6	53.3	55.0	53.6	53.6	57.9	59.1
<b>Senior Students</b>								
Level of Academic Challenge	52.9	51.9	52.4	53.8	51.0	52.0	49.7	53.7
Active and Collaborative Learning	48.5	46.4	44.8	46.1	44.9	43.6	45.7	49.4
Student Interactions with Faculty Members	34.5	36.4	39.1	38.7	35.8	35.2	38.7	40.7
Enriching Educational Experiences	36.0	38.3	42.5	45.0	43.5	40.1	46.1	44.7
Supportive Campus Environment	51.0	53.4	48.3	50.8	47.3	49.5	53.3	58.1

\*Based on a 100-point scale.

Note: For each of the benchmarks, NSSE provides institutions with actual and predicted scores. The predicted scores are based on student demographics, admissions selectivity, enrollment, and a variety of other factors and allow institutions to compare their performance with the performance of similar institutions. Institutions whose actual score is higher than their predicted score in a given benchmark category outperform their peers in that area.

National Survey of Student Engagement - Baseline Data 2001  
4.5 Undergraduate Civic Engagement

**Participation in Community and Volunteer Activities**

Percent of Respondents Who Answered "Very Often," "Often," or "Sometimes"

<u>Survey Question</u>		<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KY</u>	<u>NSSE</u>
Participated in a community-based project as a part of a regular course	First-Year	18%	42%	26%	19%	17%	16%	24%	25%	22%	27%
	Seniors	42%	40%	44%	30%	32%	33%	38%	37%	37%	41%

Percent of Respondents Who Answered One Hour or More

<u>Survey Question</u>		<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KY</u>	<u>NSSE</u>
Hours per week spent doing volunteer work	First-Year	44%	56%	46%	49%	36%	48%	39%	48%	45%	na
	Seniors	52%	72%	50%	52%	43%	48%	45%	48%	49%	na

**Contribution of College Experience to Personal Development**

Percent of Respondents Who Answered "Very much" or "Quite a Bit"

<u>Survey Question</u>		<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KY</u>	<u>NSSE</u>
College experience contributed to knowledge, skills and personal development in voting in local, state, or national elections	First-Year	29%	39%	38%	27%	21%	18%	25%	30%	27%	26%
	Seniors	33%	39%	33%	32%	26%	22%	29%	20%	27%	25%
College experience contributed to knowledge, skills and personal development in contributing to the welfare of their community	First-Year	26%	27%	31%	30%	19%	20%	26%	24%	25%	33%
	Seniors	46%	56%	43%	37%	26%	33%	33%	39%	37%	40%

## Key Indicators of Progress Toward Postsecondary Reform National Survey of Student Engagement, 2001

### 4.1 Undergraduate Student Experience

#### Measures for NSSE's Five Benchmarks of Student Engagement

##### Level of Academic Challenge

- Preparing for class (studying, reading, writing, rehearsing, and other activities related to your academic program)
- Number of assigned textbooks, books, or book-length packs of course readings
- Number of written papers or reports of 20 pages or more
- Number of written papers or reports between 5 and 19 pages
- Number of written papers or reports of fewer than 5 pages
- Coursework emphasizes: Analyzing the basic elements of an idea, experience, or theory such as examining a particular case or situation in depth and considering its components
- Coursework emphasizes: Synthesizing and organizing ideas, information, or experiences into new, more complex interpretations and relationships
- Coursework emphasizes: Making judgments about the value of information, arguments, or methods such as examining how others gathered and interpreted data and assessing the soundness of their conclusions
- Coursework emphasizes: Applying theories or concepts to practical problems or in new situations
- Working harder than you thought you could to meet an instructor's standards or expectations
- Campus environment emphasizes spending significant amounts of time studying and on academic work

##### Active and Collaborative Learning

- Asked questions in class or contributed to class discussions
- Made a class presentation
- Worked with other students on projects during class
- Worked with other students on projects outside of class to prepare class assignments
- Tutored or taught other students (paid or voluntary)
- Participated in a community-based project as a part of a regular course
- Discussed ideas from your readings or classes with others outside of class (students, family members, coworkers, etc.)

##### Student Interactions with Faculty Members

- Discussed grades or assignments with an instructor
- Talked about career plans with a faculty member or advisor
- Discussed ideas from your reading or classes with faculty members outside of class
- Worked with faculty members on activities other than coursework (committees, orientation, student life activities, etc.)
- Received prompt feedback from faculty on your academic performance
- Worked with a faculty member on a research project

**Enriching Educational Experiences**

- Participating in co-curricular activities (organizations, campus publications, student government, social fraternity or sorority, intercollegiate or intramural sports, etc.)
- Practicum, internship, field experience, co-op experience, or clinical assignment
- Community service or volunteer work
- Foreign language coursework & study abroad
- Independent study or self-designed major
- Culminating senior experience (comprehensive exam, capstone course, thesis, project, etc.)
- Had serious conversations with students of a different race or ethnicity than your own
- Had serious conversations with students who differ from you in terms of their religious beliefs, political opinions, or personal values
- Used an electronic medium (e-mail, list-serve, chat group, etc.) to discuss or complete an assignment
- Campus environment encourages contact among students from different economic, social, and racial or ethnic backgrounds

**Supportive Campus Environment**

- Campus environment emphasizes providing the support you need to help you succeed academically
- Campus environment emphasizes helping you cope with your non-academic responsibilities (work, family, etc.)
- Campus environment emphasizes providing the support you need to thrive socially
- Quality of relationships with other students
- Quality of relationships with faculty members
- Quality of relationships with administrative personnel and offices

**4.5 Civic Engagement**

**Selected Indicators from NSSE**

- Participated in a community-based project as part of a regular course
- Voting in local, state, or national elections
- Contributing to the welfare of your community
- Hours per week spent doing volunteer work

**Research and Development Goals**  
**5.8 Endowments in the Research Priority Areas of the Knowledge-Based Economy**  
**University of Kentucky and University of Louisville**

**University of Kentucky**

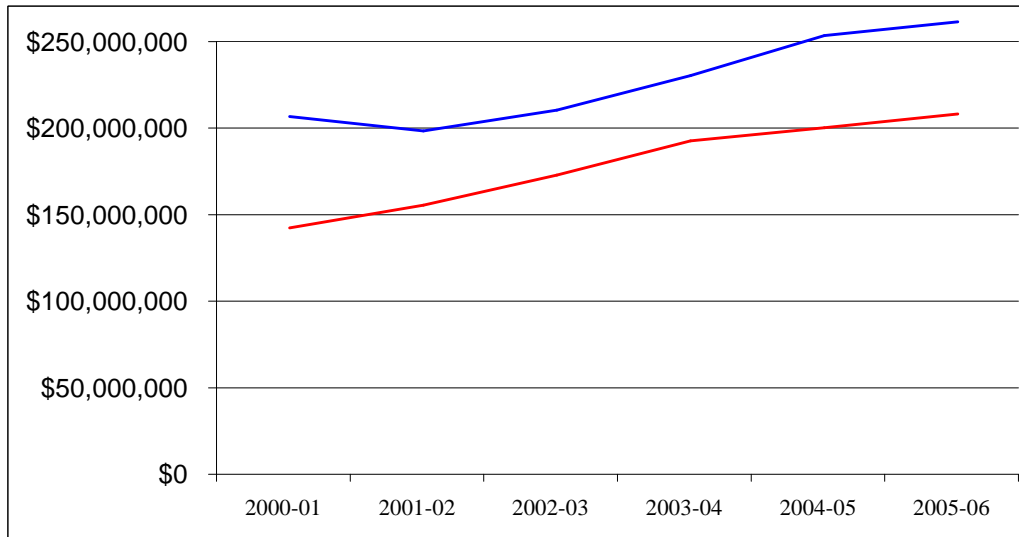
Research Priority Area	Actual			Goals					Percent Change 2000-01 to 2005-06
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	
Human Health and Development	\$ 34,059,068	\$ 50,751,614	\$ 64,410,228	\$ 61,189,700	\$ 65,821,700	\$ 73,541,700	\$ 82,419,700	\$ 85,507,700	33%
Biosciences	\$ 43,326,007	\$ 49,661,142	\$ 51,068,415	\$ 48,515,000	\$ 52,187,500	\$ 58,308,400	\$ 65,347,500	\$ 67,795,800	33%
Materials Science and Advanced Manufacturing	\$ 8,462,287	\$ 12,600,996	\$ 15,734,808	\$ 14,948,100	\$ 16,079,600	\$ 17,965,500	\$ 20,134,400	\$ 20,888,700	33%
Information Technologies and Communications	\$ 6,055,441	\$ 8,838,812	\$ 8,838,510	\$ 8,396,600	\$ 9,032,200	\$ 10,091,600	\$ 11,309,800	\$ 11,733,600	33%
Environmental and Energy Technologies	\$ 26,623,835	\$ 26,576,092	\$ 26,813,692	\$ 25,473,000	\$ 27,401,300	\$ 30,615,100	\$ 34,311,000	\$ 35,596,500	33%
<b>Total</b>	<b>\$ 118,526,638</b>	<b>\$ 148,428,656</b>	<b>\$ 166,865,653</b>	<b>\$ 158,522,400</b>	<b>\$ 170,522,300</b>	<b>\$ 190,522,300</b>	<b>\$ 213,522,400</b>	<b>\$ 221,522,300</b>	<b>33%</b>

**University of Louisville**

Research Priority Area	Actual			Goals					Percent Change 2000-01 to 2005-06
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	
Human Health and Development	\$ 18,701,947	\$ 71,343,913	\$ 74,963,772	\$ 86,711,961	\$ 102,647,559	\$ 120,779,937	\$ 126,818,934	\$ 133,159,880	78%
Biosciences	\$ 6,880,389	\$ 8,074,004	\$ 11,072,230	\$ 11,625,842	\$ 12,207,134	\$ 12,817,490	\$ 13,458,365	\$ 14,131,283	28%
Materials Science and Advanced Manufacturing	\$ 344,690	\$ 3,181,465	\$ 7,669,056	\$ 8,052,509	\$ 8,455,134	\$ 8,877,891	\$ 9,321,785	\$ 9,787,874	28%
Information Technologies and Communications	\$ 3,297,420	\$ 6,214,812	\$ 8,806,982	\$ 9,247,331	\$ 9,709,698	\$ 10,195,183	\$ 10,704,942	\$ 11,240,189	28%
Environmental and Energy Technologies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total</b>	<b>\$ 29,224,446</b>	<b>\$ 88,814,194</b>	<b>\$ 102,512,040</b>	<b>\$ 115,637,600</b>	<b>\$ 133,019,500</b>	<b>\$ 152,670,500</b>	<b>\$ 160,304,000</b>	<b>\$ 168,319,200</b>	<b>64%</b>

Note: The projected goals are adjusted for projected market value increases.  
 UK projects a slight decline from 2000-01 to 2001-02 due to declining market values.

**Research and Development Goals**  
**Endowments in the Research Priority Areas of the Knowledge-Based Economy**  
**University of Kentucky and the University of Louisville**



Research and Development Goals

5.9 Expenditures from Endowments and Gifts in the Research Priority Areas of the Knowledge-Based Economy

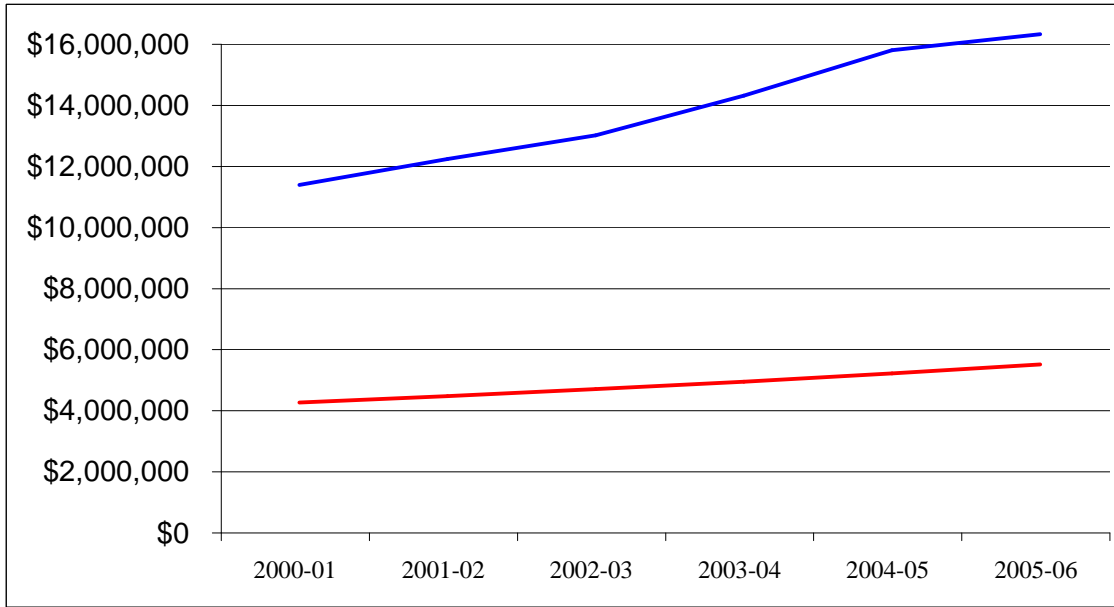
University of Kentucky and University of Louisville

University of Kentucky

Research Priority Area	Actual			Goals					Percent Change 2000-01 to 2005-06
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	
Human Health and Development	\$ 2,682,399	\$ 5,948,428	\$ 3,372,421	\$ 5,064,900	\$ 5,448,300	\$ 6,087,400	\$ 6,822,200	\$ 7,077,800	110%
Biosciences	\$ 3,470,641	\$ 4,075,799	\$ 4,848,024	\$ 4,157,900	\$ 4,472,600	\$ 4,997,200	\$ 5,600,500	\$ 5,810,300	20%
Materials Science and Advanced Manufacturing	\$ 341,430	\$ 466,363	\$ 704,808	\$ 608,600	\$ 654,700	\$ 731,500	\$ 819,800	\$ 850,500	21%
Information Technologies and Communications	\$ 72,994	\$ 86,420	\$ 152,188	\$ 109,300	\$ 117,600	\$ 131,400	\$ 147,200	\$ 152,700	0%
Environmental and Energy Technologies	\$ 413,078	\$ 296,275	\$ 349,179	\$ 337,000	\$ 362,500	\$ 405,000	\$ 453,900	\$ 470,900	35%
<b>Total</b>	<b>\$ 6,980,542</b>	<b>\$ 10,873,285</b>	<b>\$ 9,426,620</b>	<b>\$ 10,277,700</b>	<b>\$ 11,055,700</b>	<b>\$ 12,352,500</b>	<b>\$ 13,843,600</b>	<b>\$ 14,362,200</b>	<b>52%</b>

University of Louisville

Research Priority Area	Actual			Goals					Percent Change 2000-01 to 2005-06
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	
Human Health and Development	\$ 876,231	\$ 1,031,748	\$ 1,672,640	\$ 1,823,178	\$ 1,987,264	\$ 2,166,117	\$ 2,361,068	\$ 2,573,564	54%
Biosciences	\$ 34,697	\$ 188,075	\$ 238,468	\$ 259,931	\$ 283,324	\$ 308,824	\$ 336,618	\$ 366,913	54%
Materials Science and Advanced Manufacturing	\$ 78,675	\$ 137,690	\$ 154,437	\$ 168,337	\$ 183,487	\$ 200,001	\$ 218,001	\$ 237,621	54%
Information Technologies and Communications	\$ 123,769	\$ 110,415	\$ 242,997	\$ 264,866	\$ 288,704	\$ 314,688	\$ 343,010	\$ 373,880	54%
Environmental and Energy Technologies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total</b>	<b>\$ 1,113,371</b>	<b>\$ 1,467,928</b>	<b>\$ 2,308,542</b>	<b>\$ 2,516,300</b>	<b>\$ 2,742,800</b>	<b>\$ 2,989,600</b>	<b>\$ 3,258,700</b>	<b>\$ 3,552,000</b>	<b>54%</b>



0 9% 17% 31% 47% 52%  
0 9% 19% 30% 41% 54%



## Undergraduate Alumni Survey - Baseline Data 2001

### 4.2 Alumni Satisfaction with Postsecondary Education

Percent of Respondents Who Answered "Definitely Would Recommend"

#### **Recommend College**

<u>Survey Question</u>	<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KCTCS</u>	<u>LCC</u>	<u>Total</u>
Recommend college to someone considering pursuing a degree	59%	37%	60%	63%	58%	67%	37%	57%	69%	74%	61%

Percent of Respondents Who Answered "Completely Satisfied" or "Somewhat Satisfied"

#### **Instruction and Faculty**

<u>Survey Question</u>	<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KCTCS</u>	<u>LCC</u>	<u>Total</u>
Instruction provided in general education classes	80%	65%	79%	79%	75%	77%	73%	80%	88%	89%	81%
Instruction provided in major	86%	83%	86%	91%	85%	88%	79%	84%	88%	61%	86%
Availability of faculty	80%	77%	80%	86%	81%	75%	65%	78%	84%	82%	80%
Average Percentage	82%	74%	82%	85%	81%	80%	73%	81%	86%	80%	82%

#### **Academic/Student Services**

<u>Survey Question</u>	<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KCTCS</u>	<u>LCC</u>	<u>Total</u>
Academic advising	66%	67%	67%	76%	59%	61%	49%	62%	75%	77%	67%
Career counseling	53%	40%	54%	61%	49%	48%	37%	51%	67%	61%	56%
Library and research services	78%	66%	78%	74%	71%	74%	77%	78%	75%	75%	75%
Availability of computers and technology	67%	59%	65%	70%	66%	67%	59%	63%	77%	77%	69%
Average Percentage	67%	59%	67%	70%	62%	63%	56%	64%	74%	73%	67%

#### **Preparation for Work**

<u>Survey Question</u>	<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KCTCS</u>	<u>LCC</u>	<u>Total</u>
Writing skills necessary for work	80%	68%	75%	80%	79%	77%	69%	74%	77%	77%	76%
Math skills necessary for work	63%	67%	68%	73%	71%	74%	61%	69%	79%	66%	72%
Public or group speaking skills	67%	66%	72%	72%	70%	65%	57%	71%	67%	82%	67%
Working with others as part of a team	86%	76%	87%	85%	82%	83%	72%	84%	84%	67%	83%
Computer and technical skills	51%	48%	58%	63%	48%	55%	46%	56%	66%	74%	58%
Problem-solving skills	75%	70%	75%	78%	76%	79%	71%	75%	79%	67%	76%
Leadership skills	76%	67%	75%	75%	69%	70%	54%	67%	71%	63%	70%
Research skills	71%	70%	69%	75%	69%	69%	63%	67%	70%	63%	69%
Average Percentage	71%	67%	73%	75%	70%	71%	62%	71%	74%	71%	71%

### 4.4 Civic Engagement

Percent of Respondents Who Answered "Regularly"

<u>Survey Question</u>	<u>EKU</u>	<u>KSU</u>	<u>MoSU</u>	<u>MuSU</u>	<u>NKU</u>	<u>UK</u>	<u>UL</u>	<u>WKU</u>	<u>KCTCS</u>	<u>LCC</u>	<u>Total</u>
Volunteer for civic, church, or charitable causes	41%	48%	35%	40%	32%	31%	38%	43%	39%	32%	38%
Donate money to civic, church, or charitable causes	58%	58%	49%	61%	52%	53%	58%	58%	57%	52%	56%
Vote in public election	79%	82%	80%	80%	81%	81%	85%	82%	74%	78%	79%
Participate in meetings/activities of professional organization	49%	47%	46%	44%	35%	43%	35%	47%	32%	29%	39%
Average Percentage	57%	59%	52%	56%	50%	52%	54%	58%	50%	48%	53%

## Key Indicators 5.1 and 5.2

Status of Graduates from Kentucky's Postsecondary Institutions  
 Five-Years After Graduation  
 By Degree-Level

1993-94 and 1994-95 Graduates

<u>Degree Level</u>	<u>All Graduates</u>			<u>KY Graduates from Out-of-State</u>		
	<u>Graduates</u>	<u>Working in KY</u>	<u>KY Driver's License</u>	<u>Graduates</u>	<u>Working in KY</u>	<u>KY Driver's License</u>
Certificate	3,403	71%	79%	447	18%	18%
Associate	9,516	74%	84%	461	23%	16%
Bachelor's	23,002	59%	71%	4,299	18%	24%
Master's	3,868	44%	57%	1,505	14%	26%
Doctoral	570	25%	40%	342	8%	27%
First-Professional	1,468	46%	66%	300	23%	31%
Total	41,827	61%	73%	7,354	17%	24%

Sources: CPE Database, KY Department of Employment Services, and KY Department of Driver's Licenses

## Key Indicators 5.1 and 5.2

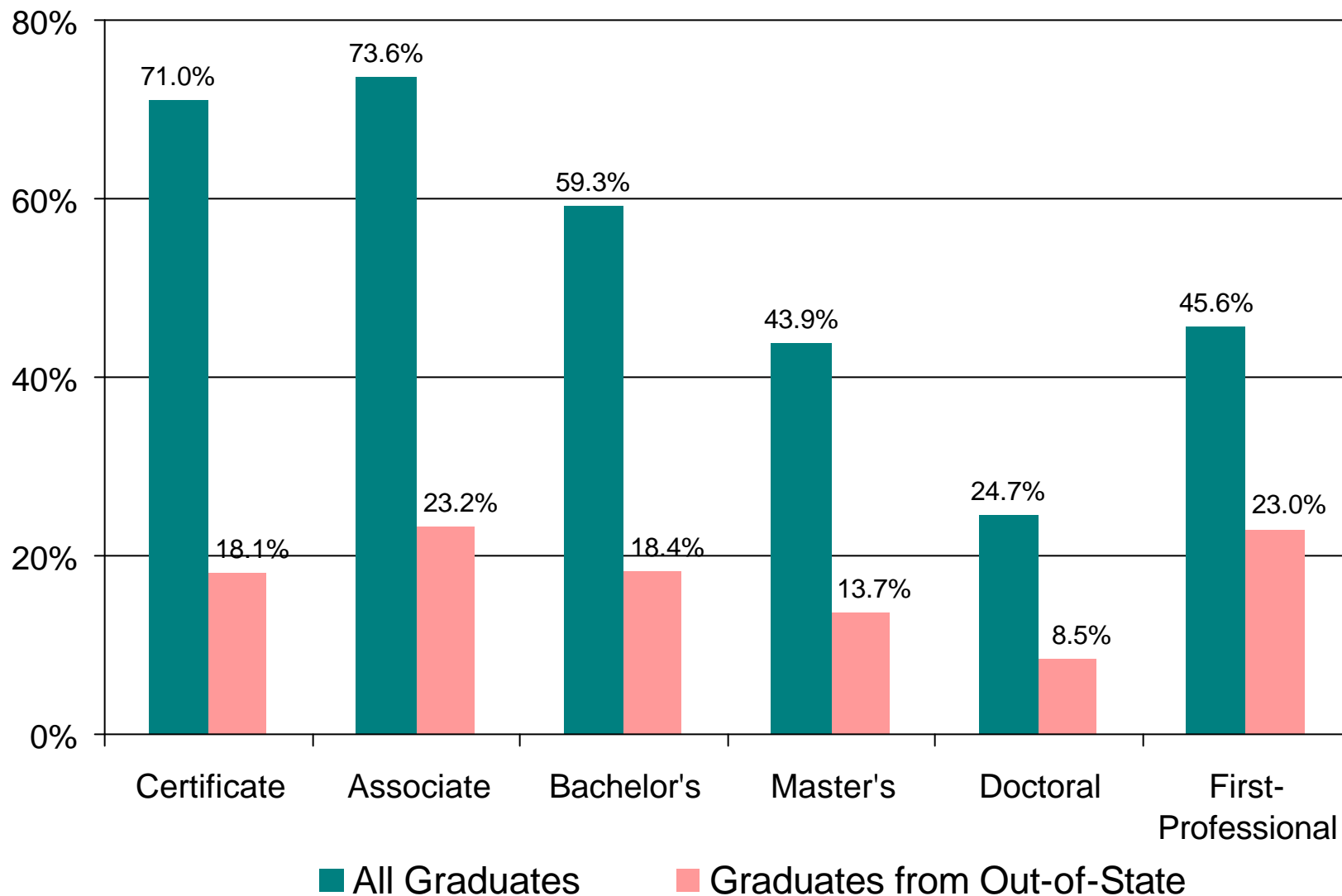
Status of Graduates from Kentucky's Postsecondary Institutions  
Five-Years After Graduation

1993-94 and 1994-95 graduates

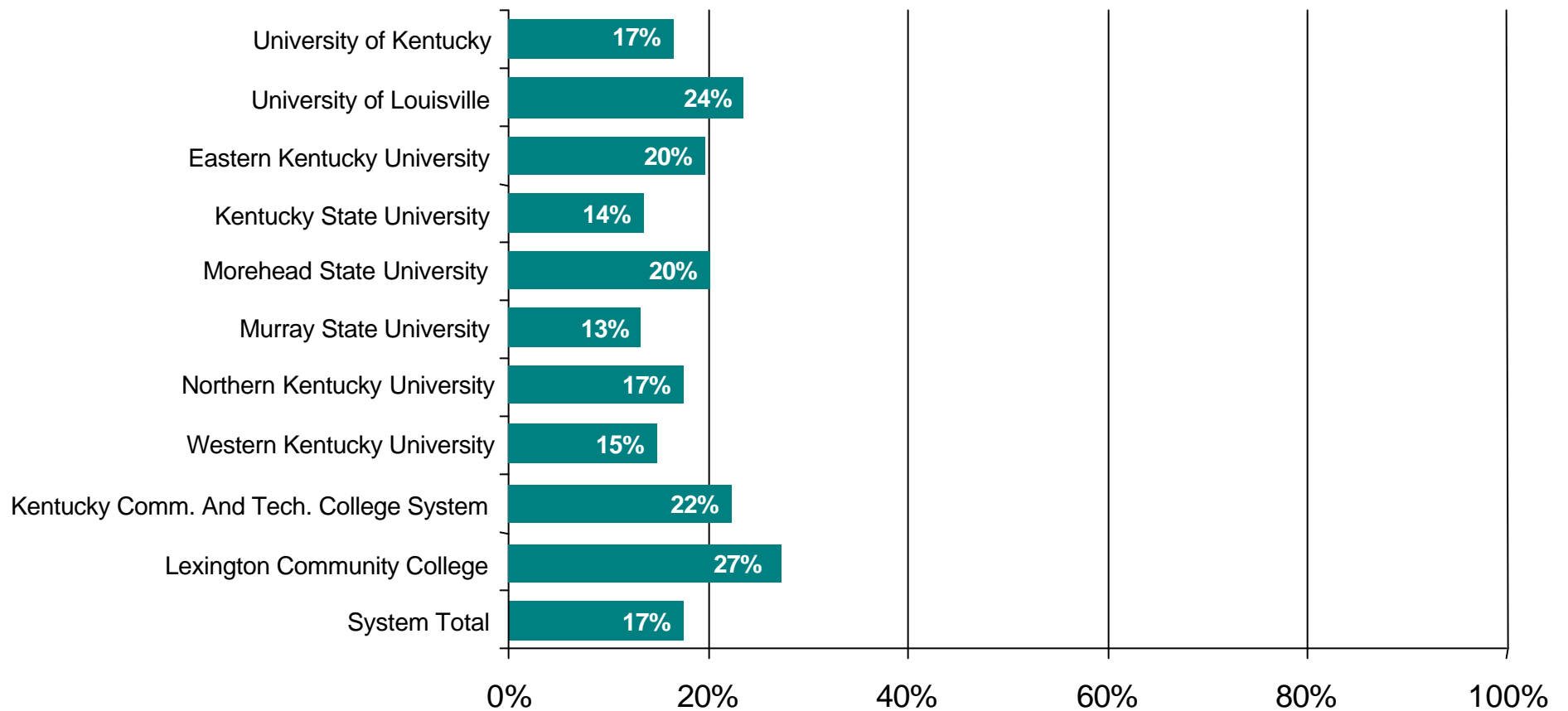
Institution	All Graduates			KY Graduates from Out-of-State		
	Graduates	Working in KY	KY Driver's License	Graduates	Working in KY	KY Driver's License
University of Kentucky	8,573	51%	66%	2,329	17%	33%
University of Louisville	6,493	62%	74%	837	24%	30%
Eastern Kentucky University	4,801	70%	79%	610	20%	28%
Kentucky State University	595	59%	66%	184	14%	17%
Morehead State University	2,948	69%	77%	458	20%	22%
Murray State University	2,954	49%	59%	774	13%	17%
Northern Kentucky University	3,117	45%	64%	922	17%	14%
Western Kentucky University	5,343	62%	70%	1,036	15%	17%
Subtotal	34,824	58%	70%	7,150	17%	25%
Kentucky Comm. and Tech. College System	6,277	74%	85%	193	22%	7%
Lexington Community College	726	77%	88%	11	27%	27%
System Total	41,827	61%	73%	7,354	17%	24%

Sources: CPE Database, KY Department of Employment Services, and KY Department of Driver's Licenses

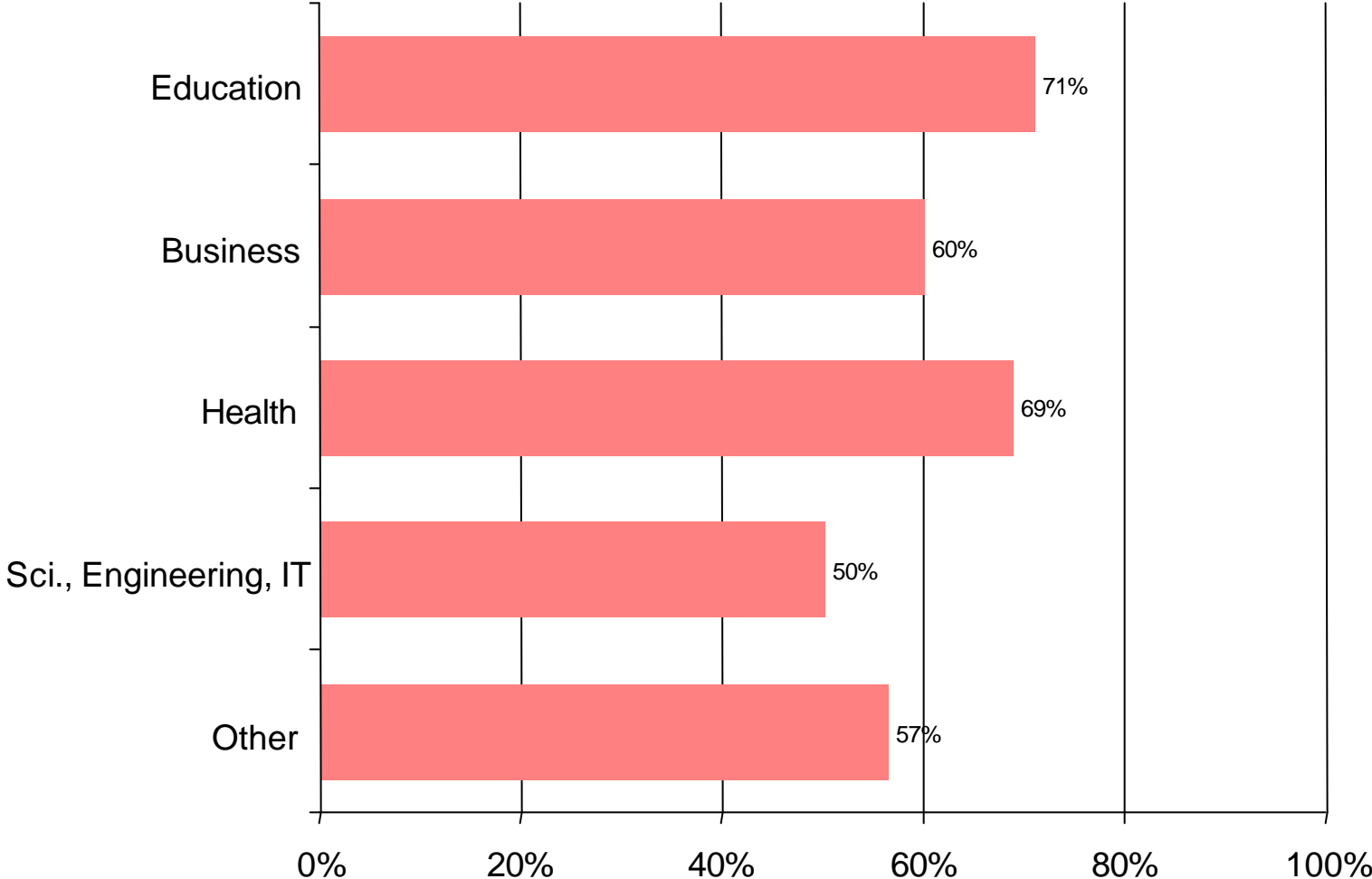
## Percent of Graduates Working in Kentucky Five Years After College 1993-94 and 1994-95 Graduating Cohorts



## Percent of College Graduates (from Out-of-State) Working in KY Five Years After College



### Percent of College Graduates Working in KY by Discipline Five Years After Graduation



Council on Postsecondary Education  
February 4, 2002

## University of Kentucky Nutter Fieldhouse Replacement of Running Track

**Action:** The staff recommends that the council approve the University of Kentucky's request to replace the Nutter Fieldhouse running track with \$435,000 of athletic association capital funds and private funds.

The University of Kentucky proposes to replace the running track inside the Nutter Fieldhouse. The Nutter Fieldhouse is the practice and training facility for football, men and women's track and field, baseball, women's softball, men and women's soccer, and women's gymnastics. The \$435,000 project involves replacing the liquid polyurethane surface, which was poured in 1993, with a prefabricated rubberized sheet flooring system. The new system will provide shock absorbency to protect athletes from injury to their legs, feet, and joints.

The council has the statutory responsibility to review and approve postsecondary education capital construction projects costing \$400,000 or more regardless of fund source. This project was not included in the university's 2002-08 Six-Year Capital Plan because the cost was estimated to be less than \$400,000. However, since the estimate now exceeds the \$400,000 threshold, the council, the secretary of the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight Committee must approve the project before it can be initiated. The university wishes to begin work immediately following winter athletic competition.

The Nutter Fieldhouse is located near the intersection of Cooper Drive and Sports Center Drive, adjacent to Commonwealth Stadium. The University of Kentucky has certified that funding (\$435,000) for the project will be available from the Athletic Association (\$215,000) and the UK Athletic Association's Blue/White Fund (\$220,000). 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

Council on Postsecondary Education  
February 4, 2002

## Western Kentucky University E. A. Diddle Arena Memorandum of Agreement

Action: The staff recommends that the council approve the memorandum of agreement among Western Kentucky University, the Hilltopper Athletic Foundation, Inc., and the City of Bowling Green, Kentucky, to finance the renovation of the E. A. Diddle Arena and related athletic facilities on the WKU campus with \$32,500,000 of general obligation bonds issued by the City of Bowling Green, Kentucky.

Senate Bill 54, sponsored by Senators Brett Guthrie and Richie Sanders, was introduced in the 2002 regular session of the General Assembly to "fast track" the E. A. Diddle Arena renovation project authorization so WKU can begin the project immediately. Section 1 (1) of SB 54 requires that the council review and approve the memorandum of agreement (see Attachment) among WKU, the Hilltopper Athletic Foundation, Inc., and the City of Bowling Green, Kentucky.

The committee of the council charged to review proposals to renovate Diddle Arena has reviewed SB 54. SB 54 passed out of the Senate Committee on Appropriations and Revenue January 15, 2002.

At the request of the Capital Projects and Bond Oversight Committee, the council staff, the secretary of the Finance and Administration Cabinet, the Attorney General, and the Auditor of Public Accounts reviewed the WKU memorandum of agreement. All parties reported to the Capital Projects and Bond Oversight Committee that the agreement is acceptable.

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.



**MEMORANDUM OF AGREEMENT**

This **MEMORANDUM OF AGREEMENT** (“Agreement”) is entered into on the \_\_\_\_ day of \_\_\_\_\_, 2001, by and among **WESTERN KENTUCKY UNIVERSITY** (“WKU”), acting by and through its Board of Regents; the **CITY OF BOWLING GREEN, KENTUCKY** (the “City”), acting by and through its Board of Commissioners; and **THE HILLTOPPER ATHLETIC FOUNDATION, INC.**, a Kentucky non-stock non-profit corporation (“HAF”), acting by and through its Board of Directors.

**WITNESSETH:**

**WHEREAS**, the City, Warren County and HAF jointly participated in funding a feasibility study concerning a multi-purpose athletic, recreational and entertainment facility available to the citizens and residents of Bowling Green and Warren County; and

**WHEREAS**, as a result of the feasibility study, it was determined that the construction of a new multi-purpose facility was not feasible, but renovating E.A. Diddle Arena as a multi-purpose athletic, recreational and entertainment facility available to the community is feasible; and

**WHEREAS**, renovating E.A. Diddle Arena as a multi-purpose athletic, recreational and entertainment facility with improved access and adequate parking will promote recreational, economic and cultural opportunities for the citizens and residents of Bowling Green and Warren County; and

**WHEREAS**, WKU owns certain real property within the City described in Exhibit A, on which real property are located certain athletic facilities of WKU, including E. A. Diddle Arena and related athletic facilities (the “Property”); and

DRAFT November 29, 2001

**WHEREAS**, certain of the athletic facilities located on the Property, including, but not limited to E.A. Diddle Arena, are in need of renovation and repair in order to be used as multi-purpose athletic, recreational and entertainment facilities, and WKU is without the necessary authority to incur debt for the purpose of renovating and repairing its properties as described within this Agreement; and

**WHEREAS**, the City has agreed, in its sole and absolute discretion, and subject to the provisions of this Memorandum of Agreement, and upon the authorization of the Project by the Kentucky General Assembly, the Kentucky Finance and Administration Cabinet (FAC) and other appropriate State agencies, to issue its General Obligation Bonds, Series 2002A and Series 2002B (the "Bonds"), in an amount up to Thirty-two Million, Five Hundred Thousand Dollars (\$32,500,000.00) to finance the renovation, improvement and equipping of certain facilities identified and described by WKU that are located on the Property consisting of: (1) the renovation of E.A. Diddle Arena; (2) land acquisition, parking lot preparation and pedway design and construction for E.A. Diddle Arena parking; (3) replacement of natural grass with synthetic grass surface for Feix Field and construction of a practice football field; and (4) other additional expenses to include curbing, sidewalks, steps, drainage and other modifications, all related to the foregoing (collectively the "Project"); and

**WHEREAS**, prior to any construction work on the Project, including Diddle Arena, WKU will seek authorization for the Project under KRS 45.760 and authorization for the use of Student Athletic Fees, as defined in this Memorandum of Agreement, from the Kentucky General Assembly during its 2002 Regular Session; and

**WHEREAS**, WKU is prohibited by the Kentucky Revised Statutes from incurring debt for the renovation and improvement of the Project without authorization from the Kentucky General Assembly and other State agencies as provided above; and

**WHEREAS**, HAF is a non-stock, non-profit corporation under KRS Chapter 273 and is a nonaffiliated corporation within the meaning of KRS 164A.550(3), and its purposes among others, are (1) to function as a supporting organization of WKU and its athletic programs with the source of its funds being charitable contributions from individuals and corporations, (2) to solicit tenants for suites to be constructed in the renovated E.A. Diddle Arena, and (3) to sell the naming rights to the renovated E.A. Diddle Arena; and

**WHEREAS**, the Property, including the Project, shall constitute a public project of the City, acting jointly with WKU, within the meaning of KRS Chapter 58 and KRS 66.011 and shall be operated for the educational, athletic, entertainment and recreational activities and purposes of the students, faculty and staff of WKU and the general public as contemplated by the provisions of this Agreement; and

**WHEREAS**, the proposed issuance of the Bonds and the carrying out of the Project shall be subject to the terms and provisions of this Agreement and such subsequent agreements as the parties shall enter into.

**NOW, THEREFORE**, for and in consideration of the mutual covenants contained herein and the mutual benefits to be derived by the parties hereto, the legal sufficiency of which being acknowledged by WKU, HAF and City, it is agreed as follows:

1. **Property.** This Memorandum of Agreement shall apply to all construction and improvements on the Property comprising the Project that are to be funded by the Bonds. The Property and the Project are described in Exhibit A which is incorporated herein by reference.

**2. Project Renovations.** The Project shall consist of the renovation, improvement and equipping of certain facilities identified and described by WKU that are located on the Property consisting of: (1) renovation of E.A. Diddle Arena; (2) land acquisition, parking lot preparation and pedway design and construction for E.A. Diddle Arena; (3) replacement of natural grass with synthetic grass surface for Feix Field and the construction of a practice football; and (4) other additional improvements to include curbing, sidewalks, steps, drainage and other modifications, all related to the foregoing.

**3. Finance and Administration Cabinet.** The parties acknowledge that FAC is authorized to delegate to WKU all or any portion of the Project administration. Subsequent to General Assembly authorization, FAC will approve this Agreement and authorize the Project by a letter to the parties and will specify in that letter which portions of the Project administration will be delegated to WKU. WKU will keep FAC and the Council on Postsecondary Education (CPE) fully informed of the Project and will provide information, including, but not limited to, a Project update at completion of design, construction status reports once construction is underway, and copies of all construction project meeting minutes.

**4. General Assembly Authorization.** WKU will seek authorization under KRS 45.760 and any other relevant statutes for the Project from the General Assembly early in its 2002 session as contemplated by this Memorandum of Agreement and authorization for the use of Student Athletic Fees as contemplated by this Memorandum of Agreement. "Student Athletic Fees" shall consist of those fees assessed and collected from WKU students and dedicated to WKU athletics, including the costs of this Project.

**5. Closing And Sale Of Bonds and Project Administration.** After State authorizations of the Project and court approval, if sought as set out in Paragraph 22, and satisfaction of all

legal and credit requirements of the City, the City shall cause to be issued up to Thirty- two Million, Five Hundred Thousand Dollars (\$32,500,000.00) of the Bonds, amortized over a term to be determined by the City, with the advice of WKU. The Bond proceeds shall be utilized for the payment of costs of renovations and improvements related to the Project, including but not limited to qualifying surveying fees, architectural fees, engineering, contractors' costs, design costs, replacement of fixtures, furniture and equipment and reasonable legal fees and cost of issuance. WKU shall serve as the contracting entity for the Project and shall undertake the Project consistent with the plans and specifications submitted to and approved by City. The City shall have no liability for any costs that exceed the funds available from the Bonds. All renovations and improvements made under the provisions of this Memorandum of Agreement shall be made under the supervision of a construction manager and shall comply with all applicable federal, state and local laws and regulations. The City shall have the right to make inspections of the Project at reasonable times during construction. All invoices for payment shall be reviewed and approved by the construction manager and WKU and shall be forwarded to City's department head for the Department of Public Works. Upon City's approval, City shall direct that the appropriate amount of Bond proceeds be paid to WKU and WKU shall be responsible for payment to the various contractors.

**6. Covenant to Impose and to Transfer Funds to City.** After authorization for the construction and the use of Student Athletic Fees is granted by the Kentucky General Assembly and other State agencies and officials as may be required, the Board of Regents of WKU agrees and covenants to impose throughout the term of the Bond issue the Student Athletic Fees in amounts not less than the principal of and interest on the Bonds and associated administrative costs and expenses incurred by the City and to appropriate and to pay to the City the Student

DRAFT November 29, 2001

Athletic Fees it collects, and HAF covenants and agrees to pay to the City all net revenue it receives from the rentals of suites (defined as annual suite rental minus annual HAF contribution) and all revenue it receives from the naming rights to the newly renovated E.A. Diddle Arena throughout the entire term of the Bond issue (all such payments being referred to collectively as the "Project Payments"). All payments to the City of the Student Athletic Fees shall be made on a schedule determined by the City in its sole discretion. Any of the Student Athletic Fees that are determined by the City, in its sole discretion, not to be needed by the City in any year of the Project shall be returned to WKU. All payments to the City of the suite rental and naming rights revenues shall be made on a schedule agreed to by the City and HAF. None of the indebtedness can be assigned or transferred, directly or indirectly, to the Commonwealth of Kentucky.

**7. Model Procurement Code.** WKU shall adhere to the applicable provisions of the Kentucky Model Procurement Code on the Project.

**8. Prevailing Wage.** All services performed on the Project shall be subject to the applicable provisions of the Kentucky prevailing wage law, KRS 337.505 through 337.550.

**9. Commitment for Revenue.** WKU covenants and agrees to maintain the Student Athletic Fees in amounts not less than the principal of and interest on the Bonds and associated administrative costs and expenses and such other amounts as may be required by the City as contemplated by this Memorandum of Agreement throughout the term of the Bond issue.

**10. Records.** Upon written request, City, HAF and WKU shall provide to each other or to any competent authority of the Commonwealth of Kentucky, including without limitation, the Finance and Administration Cabinet, the Council on Postsecondary Education, the Legislative

Research Commission, or Auditor of Public Accounts, access to any financial or operating records maintained by or on behalf of the City, HAF or WKU relating to the Property.

**11. Repairs, Maintenance and Replacements.** The Property shall be repaired, maintained or replaced by WKU at its sole expense in the following manner:

**A. Maintenance.** WKU shall maintain the Property in good repair and condition and in conformity with all federal, state and local requirements and shall make or cause to be made routine repairs and maintenance.

**B. Repairs.** WKU shall use its best efforts to cause the Property to be maintained in good repair, including but not limited to, cleaning, painting, decorating, plumbing, carpentry, heating, ventilation, air-conditioning, grounds care, and such other maintenance and repair work as may be necessary.

**12. Indemnification.** WKU shall indemnify and hold harmless the City and HAF from any liability, including attorneys' fees and court costs, resulting from any claims, actions or suits related to claims for damages in or related to Diddle Arena or any of the other Project locations or activities. WKU shall require all third party vendors operating on the Property to carry liability insurance with coverage limits as designated by WKU, and to provide WKU with proof of such insurance.

**13. Property Insurance.** WKU shall purchase and maintain, at its sole expense, property insurance coverage, including but not limited to coverage for fire, lightning, windstorm, hail, earthquake, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke and uniform standard coverage and vandalism and malicious mischief endorsements and business interruption insurance coverage and contents thereof for full replacement value of Diddle Arena. Such policy or policies of insurance may be obtained through the State Risk and

Insurance Services of the Department of Insurance for real estate and properties owned by the Commonwealth of Kentucky. WKU shall act in a prompt manner in connection with the making of any claims and the collection of any insurance money that may be due and shall execute and deliver such proofs of loss and other instruments that may be required for the purpose of obtaining the recovery of any such insurance monies. Any funds collected from insurance coverage shall be used to make repairs to the Property and, if not used to make repairs, any funds collected shall be applied towards the Bond debt. Should WKU fail to maintain the insurance coverage required above, the City may, at its discretion, purchase and maintain the required insurance and the cost of such insurance shall be considered part of the next Project Payment.

**14. Facilities Usage Policies.** WKU shall establish policies relating to the use of the Property, including, but not limited to, policies relating to public access, drugs, smoking, weapons, public availability to the property and related policies. All such policies shall comply in all respects with all applicable laws and regulations and shall be subject to notification of the City. If the City takes no action to disapprove any such policy within 20 days of receiving notice, then such policy will be deemed approved by the City.

**15. Remedies.** Each party to this Memorandum of Agreement may, in that party's sole discretion, proceed to exercise or enforce any right, power, privilege, remedy or interest that such party may have under this Memorandum of Agreement or applicable law without notice, except as otherwise expressly provided herein, without pursuing, exhausting or otherwise exercising or enforcing any other right, power, privilege, remedy or interest that such party may have against or in respect of any other party or any other person or entity, and without regard to any act or omission of such party, person or other entity.



**16. Compliance with Applicable Laws and Regulations.** WKU covenants and agrees that it and its agents and employees, will comply with all municipal, county, state, and federal laws, rules, regulations and ordinances applicable to the Property or the work to be performed under this Memorandum of Agreement and it shall obtain all necessary permits and shall pay all respective applicable license fees and taxes.

**17. Other Party Rights.** No entity or person other than a party hereto other than bondholders and any credit enhancers will have any right, remedy or claim under or by reason of this Agreement or otherwise be an outside party beneficiary of any rights, remedies, claims or agreements hereunder. WKU, the City and HAF acknowledge and agree this Memorandum of Agreement may be used in any manner by the City in any issuance of the Bonds.

**18. Exhibit Incorporated by Reference.** Exhibit A referred to in this Memorandum of Agreement shall be considered incorporated into this Memorandum of Agreement as if copied in full.

**19. Binding Effect.** This Memorandum of Agreement shall be binding upon, and shall inure to the benefit of, the respective successors and assigns of the parties hereto.

**20. Entire Agreement and Amendments.** Other than documents related to the Bonds and other transactions contemplated herein, this Memorandum of Agreement contains the entire understanding of the parties hereto with respect to the subject matter contained herein and may be amended, supplemented or superseded by the parties.

**21. Governing Law.** This Agreement shall be construed in accordance with, and governed by, the laws of the Commonwealth of Kentucky.

**22. Authority.** City represents and warrants it is a duly organized city and political subdivision of the Commonwealth of Kentucky. WKU represents and warrants it is a duly

organized state-chartered university and political subdivision of the Commonwealth of Kentucky. HAF represents and warrants that it is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Kentucky. Each party to this Memorandum of Agreement has full power and authority to enter into this Memorandum of Agreement and to carry out its obligations hereunder. Each party has previously adopted municipal orders or resolutions authorizing this Memorandum of Agreement. Each party acknowledges that the execution and delivery of this Memorandum of Agreement does not conflict with or result in the breach of the terms of any agreement or instrument by which the party is bound, or conflicts with or results in the violation of any provision of law or regulation applicable to the party. Each party acknowledges that there is no litigation or proceeding pending or threatened against the party or any other person or entity effecting the right of such party to execute or deliver this Memorandum of Agreement or to comply with its obligations under this Memorandum of Agreement. Due to the unique nature of this transaction, the City reserves the right pursuant to the Kentucky Revised Statutes to seek a declaratory action in Warren Circuit Court to obtain court approval of the Bonds and the transactions and commitments set out in this Memorandum of Agreement, and the parties agree, notwithstanding any other provisions of this Memorandum of Agreement, that the performance and enforcement of this Memorandum of Agreement shall be subject to such court approval, if sought by the City, as well as the authorization of the General Assembly, the Kentucky Finance and Administration Cabinet and other State agencies as may be required.

**23. Headings.** The headings of the sections of this Memorandum of Agreement are inserted solely for convenience of reference and are not part of and are not intended to govern, limit or aid in the construction of any term or provision hereof.

**24. Modifications.** Each and every modification to or amendment to this Agreement must be in writing and signed by the parties hereto, or their respective successors and assigns. Each and every waiver of and consent to any departure from and term or provision hereof (except as otherwise provided herein) must be in writing and signed by the party against whom enforcement of the waiver or consent is sought.

**25. Counterparts.** This Memorandum of Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

**26. Time is of the Essence.** Time is of the essence with respect to the obligations of the parties hereto, subject to the reasonable and prudent actions and determinations of the parties.

**27. No Presumption.** Since each party and its counsel have reviewed and negotiated the terms and provisions of this Memorandum of Agreement and have contributed to the drafting of this Memorandum of Agreement, the rule of construction to the effect that any ambiguities are resolved against the drafting party will not be employed in the interpretation of this Memorandum of Agreement. Its terms and provisions will be construed fairly as to all parties hereto and not in favor of or against any party, regardless of which party was generally responsible for the preparation of this Memorandum of Agreement.

**28. Application of Agreement.** This Agreement shall be effective upon execution by the parties and authorization by the Kentucky General Assembly and other necessary State agencies. The terms of this Memorandum of Agreement shall be applicable for so long as the Bonds shall be outstanding.

DRAFT November 29, 2001

**29. Notices.** All notices, requests, consents, and other communications under this Memorandum of Agreement shall be in writing and shall be mailed first class, registered or certified mail, postage prepaid, return receipt requested:

If to WKU:

Dr. Gary A. Ransdell, President  
Western Kentucky University  
One Big Red Way  
Bowling Green, KY 42101

With Copies to:

Deborah Wilkins  
General Counsel  
Western Kentucky University  
One Big Red Way  
Bowling Green, KY 42101

Kevin Flanery, Secretary  
Finance and Administration Cabinet  
383 Capitol Annex  
Frankfort, Kentucky 40601

If to City:

Charles Coates, City Manager  
City Hall  
1001 College Street  
Bowling Green, KY 42101

With Copy to:

H. Eugene Harmon  
Satterfield & Harmon  
P. O. Box 9970, 313 East 10<sup>th</sup> Avenue  
Bowling Green, KY 42102-4970

If to HAF:

Jim Clark  
Hilltopper Athletic Foundation  
Western Kentucky University  
E.A. Diddle Arena, Room 211

DRAFT November 29, 2001

Bowling Green, KY 42101

With Copy to:

Keith M. Carwell  
English, Lucas, Priest & Owsley  
P.O. Box 770  
1101 College Street  
Bowling Green, KY 42102-0770

or to such other address of which the addressee shall have notified the sender in writing. Said notice or other communication shall be considered received on the date on which it is actually delivered to the Property of the addressee, such date to be conclusively evidenced by the date of the return receipt.

**IN WITNESS WHEREOF**, the parties hereto have caused this Memorandum of Agreement to be executed by their duly authorized representatives on the date set forth opposite their signatures below.

**WESTERN KENTUCKY UNIVERSITY**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

**THE HILLTOPPER ATHLETIC  
FOUNDATION, INC.**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DRAFT November 29, 2001

**CITY OF BOWLING GREEN, KENTUCKY**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

COMMONWEALTH OF KENTUCKY )  
 ) SS  
COUNTY OF WARREN )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2001, by \_\_\_\_\_, as \_\_\_\_\_ of Western Kentucky University, a state university created by and operating under the laws of the Commonwealth of Kentucky, on behalf of its Board of Regents.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

COMMONWEALTH OF KENTUCKY )  
 ) SS  
COUNTY OF WARREN )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2001, by \_\_\_\_\_, as \_\_\_\_\_ the duly authorized representative and constituted authority of The Hilltopper Athletic Foundation, Inc., on behalf of its board of directors.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC





Council on Postsecondary Education  
February 4, 2002

## Executive Summary

### The Council Business

There are two items for action related to general administration of the council.

The staff recommends that the council approve the Council Conflict of Interest Policy. (For details, see page 101.)

The auditors, Potter & Company, recommended that the council establish a conflict of interest policy and disseminate that policy to council members and employees. We developed a policy for your consideration that is based on the state conflict of interest policy.

Finally, we recommend that the council approve resolutions honoring Hilda Legg and Shirley Menendez for their service as members. Hilda resigned in October and Shirley's appointment ended December 31, 2001. The resolutions are on pages 105 and 107.

Council on Postsecondary Education  
February 4, 2002

## Council Conflict of Interest Policy

Action: The staff recommends that the council approve the attached Council Conflict of Interest Policy.

Council members and employees are covered by the executive branch ethics legislation and by the model procurement code which set forth guidelines for ethical behavior. The external auditors, Potter & Company, Inc., recommended that the council establish a conflict of interest policy and disseminate that policy to council members and employees so that the standards of behavior required by the statutes are clear.

Dennis Taulbee is the council ethics officer.

### 1:3: Council Conflict of Interest Policy

#### I. Statement of Purpose

Council members and employees are covered by the executive branch ethics legislation and by provisions of the model procurement code. These statutes regulate actual, potential, and apparent conflicts of interest that may arise through the procurement of goods and services by the agency or through business relationships between council members or employees and outside entities. This policy supplements the requirements of the statutes and describes appropriate behavior and action for council members and employees in typical situations where a conflict of interest issue may arise.

#### II. Statutory Authority

KRS 11A.010 through 11A.060 and KRS 45A.340.

#### III. Policy Statement

##### A. General Provisions

1. A council member or council employee is to:
  - a. Act on behalf of the best interests of the council;
  - b. Avoid personal and business conflicts of interest;
  - c. Avoid even the appearance of a conflict of interest; and
  - d. Disclose a potential or actual conflict of interest to the council ethics officer.
2. All council members and employees will be given a copy of the council conflict of interest policy and will be provided with relevant information prepared by the Kentucky Executive Branch Ethics Commission and the Finance and Administration Cabinet.

##### B. Council Ethics Officer

1. The president shall designate an ethics officer for the agency who shall be responsible for ensuring compliance with the requirements of the law and this policy.

2. The council ethics officer also shall be responsible for:
  - a. Disseminating information about the requirements of the ethics law and this policy;
  - b. Reviewing requests from agency employees about outside employment and other ethics-related issues; and
  - c. Communicating requests, with the approval of the president, for advisory opinions from the Executive Branch Ethics Commission.

**C. Purchasing**

1. A council member or employee shall not benefit from contracts offered and issued by the council.
2. A council member or employee shall not have any interest, direct or indirect, in any contract on which the member or employee is required to act or vote. If a situation arises where a member or employee does have an interest in a contract that is before the council, the member or employee shall not, in any manner, be involved in the development, consideration, or approval of the contract.
3. A council member or employee shall report to the council ethics officer any attempt to influence the award of a contract.

**D. Gifts and Meals**

1. A council member or employee may not take gifts from colleges and universities or vendors doing business with the council if the value of the gift is more than \$25. The limit of \$25 is an annual amount.
2. A council member or employee should request that a college or university bill the council for meals provided at events sponsored by the college or university. The same \$25 annual limit applies. If a council member or employee is a participant in a college or university event, the meal does not have to be reimbursed.

**Certification:**

\_\_\_\_\_  
Gordon K. Davies, President

**Previous Actions:**

**Original Approval:**



**A RESOLUTION HONORING AND COMMENDING HILDA G. LEGG**  
for her service to the Council on Postsecondary Education.

WHEREAS, Hilda G. Legg served as a member of the Council on Postsecondary Education since December 22, 1999, until her resignation October 1, 2001; and

WHEREAS, her resignation was made necessary by her appointment to a senior position in the United States Department of Agriculture in the administration of President George W. Bush; and

WHEREAS, in addition to the honor of the appointment, Hilda G. Legg now has an opportunity to serve all of rural America as Administrator of the Rural Utilities Service with the U. S. Department of Agriculture; and

WHEREAS, the Council on Postsecondary Education is confident that she will discharge her responsibilities with the same intelligence, fairness, and dedication that marked her tenure as a council member and her career in general; and

WHEREAS, with her new appointment, Hilda G. Legg continues to build a remarkable record of public service to the people of Kentucky and of the nation;

NOW, THEREFORE, BE IT RESOLVED, that the Council on Postsecondary Education does hereby adopt this resolution February 4, 2002, congratulates Hilda G. Legg on her new appointment, thanks her for enriching the work of the council during the past two years, and wishes her every success in her admirable career.

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Charles Whitehead, Chair

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Gordon K. Davies, President



**A RESOLUTION HONORING AND COMMENDING SHIRLEY M. MENENDEZ**  
for her service to the Council on Postsecondary Education.

WHEREAS, Shirley M. Menendez has served with distinction as a member of the Council on Postsecondary Education since its creation July 1, 1997, and as a member of the Council on Higher Education since July 1, 1992; and

WHEREAS, she has been present since the beginning of postsecondary education reform in Kentucky and has contributed significantly to that effort; and

WHEREAS, among her contributions are service on the P-16 Council since its creation in 1999, where she used her strong educational experience to help shape an agenda that encompasses all stages of education from early childhood through adult; and

WHEREAS, in addition to serving as a member of the Strategic Committee on Postsecondary Education, she served on the council's committee on academic affairs, where she helped to shape state policy on student transfer, college readiness, post-tenure review, degree program approval, and degree program productivity, and also served on the council's committee on finance as it shaped new approaches to funding reform in postsecondary education; and

WHEREAS, being a resident of Paducah, Shirley Menendez logged thousands of miles in traveling between her place of work and home and council meetings across the state, always willing, always cheerful, and always prepared to discharge her responsibilities; and

WHEREAS, Shirley Menendez' term as a council member ended December 31, 2001;

NOW, THEREFORE, BE IT RESOLVED, that the Council on Postsecondary Education does hereby adopt this resolution February 4, 2002, commends the many contributions made by Shirley Menendez to its work, thanks her for enriching discussions about many important and complicated issues, acknowledges the intelligent compassion with which she approached these issues, and wishes her every good fortune in future endeavors.

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Charles Whitehead, Chair

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Gordon K. Davies, President