

AGENDA

**Council on Postsecondary Education
November 8, 2004
CPE Meeting Room A, Frankfort, KY
9:45 a.m. (ET)**

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8-9:30 a.m. – Affordability Policy Group (Mtg Rm A)	57
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Question 5 – Are Kentucky’s communities and economy benefiting?

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Next Meeting – January 30-31, 2005

Adjournment

MINUTES
Council on Postsecondary Education
September 19, 2004

The Council on Postsecondary Education met at 12:30 p.m. (CT) September 19, 2004, at the Sloan Convention Center in Bowling Green, Kentucky. The meeting was held in conjunction with the 2004 Governor's Conference on Postsecondary Education Trusteeship. Vice Chair Ron Greenberg presided.

OATH OF OFFICE Mr. Greenberg introduced the new student member, Tony J. Stoeppel, of Lexington. Mr. Stoeppel received a B.S. in biosystems and agricultural engineering from the University of Kentucky in 2003 and is pursuing a master's degree in public policy and administration at UK. He is employed by Clearbrook & Co. Ltd. as a senior associate and chief office administrator.

Judge John Grise with Warren Circuit Court Division II administered the oath of office to Mr. Stoeppel.

ROLL CALL The following members were present: Walter Baker, Peggy Bertelsman, Richard Freed, Ron Greenberg, Susan Guess, John Hall, Esther Jansing, Charlie Owen, Tony Stoeppel, Joan Taylor, John Turner, Charles Whitehead, and Ken Winters. Steve Barger, Lois Combs Weinberg, and Gene Wilhoit did not attend.

APPROVAL OF MINUTES The minutes of the July meeting were approved as distributed.

WKU PRESENTATION President Gary A. Ransdell made a presentation on the progress of Western Kentucky University toward achieving the goals of House Bill 1 and the Five Questions of Postsecondary Reform, specifically the partnerships and collaboration developed with other institutions in the state.

MEASURING UP 2004 *Measuring Up 2004*, the national report card on postsecondary education published by the National Center on Public Policy and Higher Education, was released September 15. Peter Ewell, Vice President of the National Center for Higher Education Management Systems in Boulder, Colorado, and one of the lead consultants on the report card, gave a preview of Kentucky's results with particular emphasis on the student learning category.

Kentucky is one of only four states in the nation that over the past decade improved in four out of five categories in *Measuring Up 2004*. In the student learning category, as one of five pilot states seeking ways to measure the educational capital of the state's college-educated population, Kentucky received a "+." All other states received a grade of "Incomplete." Pilot results show that higher than average proportions of college graduates in Kentucky appear to be prepared for licensed technical careers or professions, while below-average proportions appear ready for further graduate study. Graduates of two-year colleges score above average on direct measures of student learning, while graduates of four-year institutions are less competitive.

Among the other findings of *Measuring Up 2004*:

- Kentucky is one of only eight states that showed improvement in college participation over the past decade. Over the past 10 years, the chance of enrolling in college by age 19 has increased by 11 percent, in contrast to a nationwide decline of 3 percent. While Kentucky still has work to do in this area, the improvements in this area are significant.
- Kentucky is closing the college participation gap between white students and minority ethnic groups, and between students from low- and high-income families. Over the past 10 years the percentage of young adults from minority ethnic groups enrolled in college increased from 15 percent to 32 percent of all young adult minorities. During that time the number of young adults from low-income families enrolled in college increased from 16 percent to 30 percent of all young adults from low-income families.
- The proportion of African Americans enrolled in postsecondary education in Kentucky (7.7 percent in 2003) outpaces the proportion of African Americans in Kentucky's population (7.3 percent in the 2000 census).
- Kentucky enrolls an insufficient number of working-age adults (age 25-49) in college-level courses compared to top performing states.
- Despite receiving its lowest grade in the “affordability” category (D-), Kentucky ranks as one of the most affordable states in the nation. No state received an “A” in this category, only one state received a “B,” two states received a “C,” 11 got a “D,” and 36 received an “F.”
- The cost of public higher education in Kentucky as a percent of family income is unchanged from a decade ago. This contrasts with the national trend that shows that higher education costs are outpacing family income. The report also shows that the state’s investment in need-based financial aid has grown significantly over the past decade (from 20 percent of the federal Pell grant investment 10 years ago to 40 percent in 2004).
- Kentucky is among the fastest improving states on the proportion of students completing certificates and degrees relative to the number enrolled; however, Kentucky ranks 47th in the nation in the percent of the adult population with a four-year degree or higher.
- The gap between blacks and whites receiving certificates and degrees has narrowed over the past decade. However, this gap remains substantial.

FUNDING MODEL REVIEW

Dr. Layzell reported progress continues on the comprehensive funding model review. The review involves close coordination among institutional representatives and linkages regarding the strategic planning process. Draft recommendations will be presented to the Council in November.

STRATEGIC PLANNING

Dr. Layzell said that the process for updating the public agenda for postsecondary education continues to move forward. Nine forums are scheduled around the state in September and October to hear from the communities about the biggest issues and challenges facing the Commonwealth and the regions and how

Kentucky's colleges and universities can help address these issues. The trusteeship conference is the kick-off event for the forums.

INTER-ALUMNI COUNCIL

The Inter-Alumni Council was established nearly a year ago to engage alumni from all Kentucky public institutions to work on promoting the value of postsecondary education across the state. Mike Foster, IAC chair, said that the group's mission is to serve as a collective voice for postsecondary education. He said that the primary purposes of the IAC are: 1) to promote the cause of postsecondary education by emphasizing the critical need that higher education plays in the economic development and general well being of Kentucky, 2) to raise public awareness concerning the financial challenges of maintaining our system of postsecondary education, and 3) to interact with the legislature and our elected state officials concerning the needs of our colleges and universities. He said that in February 2004 the IAC hosted a breakfast for the state legislators, select cabinet members, and Governor Fletcher. He said that the primary focus as a group has been the budget and the group wishes to advocate the need to adopt an adequate budget to properly fund the colleges and universities.

Mr. Winters asked about the involvement of independent institutions in the efforts of this group.

Mr. Foster said that the initial role of the group was to discuss public funding of the institutions in the state. He said that the independent institutions may be asked to participate in the future.

Mr. Whitehead asked the Council staff to gather information from the institutions about alumni giving.

ADULT EDUCATION ENROLLMENT

Dr. Cheryl King, Vice President for Kentucky Adult Education, said that the adult education enrollment for 2003-04 reached a record high of 120,051, surpassing the enrollment goal for 2005. Adult education programs in 92 counties met or exceeded their enrollment and performance goals and will share \$997,859 in incentive funds to be distributed in Fiscal Year 2005. Dr. King said that Kentucky ranked 20th in the nation in the percentage of non-high school completers earning a GED in 2002. National rankings from the GED Testing Service are not yet available for 2003. Dr. King said that while these numbers are encouraging, it is important to note that Kentucky saw a growth of only 62 students statewide in GED core services and a very modest growth of 400 students in family literacy. There were declines in the corrections program and English as a Second Language programs. The growth occurred in workforce education programs, which are short-term flexible programs. Kentucky Adult Education worked with over 900 Kentucky employers in that regard and partnered with KCTCS and the Bluegrass State Skills Corporation to meet that impressive enrollment growth. Dr. King said that even though more GED completers are enrolling in postsecondary education institutions, there is a need to focus on the lower-level learners to make sure that students are learning to read, write, and compute and are completing the GED.

P-16 COUNCIL REPORT

Richard Freed, chair of the P-16 Council, said that he recently attended the local P-16 Council network meeting and encouraged other state P-16 Council members to attend. He said that these meetings are very informative and a good way to learn what is happening specifically across the state. He added that the Kentucky Board of Education approved the expansion of the P-16 Council membership at

its August meeting. The newly expanded P-16 Council will meet September 29.

- KBE ACTIVITIES** Dr. Layzell called attention to a written report from Commissioner Wilhoit on activities of the Kentucky Board of Education.
- ENROLLMENT** A report on fall 2004 estimated enrollment was distributed. Fall enrollments, at all levels, are predicted to continue the increases that began with reform in 1998. An estimated record high 231,355 students are enrolled at public and independent postsecondary institutions in Kentucky, an increase of 2,294 students or 1 percent. Public institutions alone enrolled 200,647 students. Official enrollment will be reported in January.
- CEO REPORT** A report from the Committee on Equal Opportunities was included in the agenda book. Mr. Whitehead, CEO chair, raised a continuing concern that recurring funds are not provided to support the Council's statewide equal opportunity programs. Lack of recurring funds is a particular concern for students participating in the SREB doctoral scholars program.
- Mr. Whitehead read a resolution honoring and commending Beverly L. Watts for her service to the Committee on Equal Opportunities.
- MOTION:** Mr. Whitehead moved that the resolution be accepted. Mr. Turner seconded the motion.
- VOTE:** The motion passed.
- MEETING CALENDAR** **RECOMMENDATION:** The staff recommends that the Council approve the 2004-05 meeting calendar.
- MOTION:** Mr. Turner moved that the meeting calendar be approved. Ms. Bertelsman seconded the motion.
- VOTE:** The motion passed.
- DAVIS RESOLUTION** Mr. Greenberg read a resolution honoring and commending J. P. Davis for his service to the Council.
- MOTION:** Mr. Greenberg moved that the resolution be accepted. Ms. Bertelsman seconded the motion.
- VOTE:** The motion passed.
- NEXT MEETING** The next meeting of the Council is November 7 and 8. The Council's Executive Committee will meet November 3.
- ADJOURNMENT** The meeting adjourned at 2:10 p.m.

Thomas D. Layzell
President

Phyllis L. Bailey
Associate, Executive Relations

Annual Report of the Association of Independent Kentucky Colleges and Universities

House Bill 191, passed in 2002, calls on the Association of Independent Kentucky Colleges and Universities to present an annual report to the Council about the condition of independent higher education and suggesting opportunities for more collaboration between the state and independent institutions. The legislation reserves a place on CPE's Council of Presidents for the AIKCU president, and it calls on the Council to consider the role and capacity of independent institutions when developing policies to meet the educational needs of the state. It also specifies that state resources may be used to contract with or assist independent institutions in meeting these needs.

HB 191 builds on a growing spirit of collaboration and partnership between independent higher education and the state that began in the early 1970s with the establishment of the Kentucky Tuition Grant Program, a need-based tuition equalization and financial aid program reserved for independent college students. The grant program now serves nearly 10,000 lower-income Kentucky students helping them meet the cost of education and encouraging greater postsecondary choice and access.

That spirit of cooperation was reflected more symbolically in the early 1980s when the Council on Public Higher Education was renamed the Council on Higher Education. The new name signified the Council's licensing responsibilities for independent colleges and its broader mandate to ensure maximum use and coordination of all of the state's postsecondary resources, public and private, to better meet educational needs of the state.

In recent years the state and the private sector of postsecondary education have entered into a number of mutually beneficial partnerships to expand and improve educational services:

- In 1992 independent colleges in Kentucky volunteered to submit student record data to the Council, allowing the state a more comprehensive understanding of college-going patterns, retention and graduation rates, and degrees awarded. Kentucky remains one of only a handful of states that benefits from this type of data exchange.
- The Osteopathic Scholarship Program, established in 1998, provides tuition equalization grants for students studying medicine at the Pikeville College School of Osteopathic Medicine (PCSOM) in far eastern Kentucky and who agree to practice medicine in that medically underserved region of the state. PCSOM's first graduating class finished their residency programs in the spring of 2004, and many of the graduates are now practicing in the Appalachian region.
- Recognizing the independent sector's significant contributions to the state in the area of teacher education, the legislature included independent colleges and universities in the

state's Teacher Education Model Program. The program provides targeted funding to colleges and universities to encourage innovation and improvement in teacher preparation and professional development programs. Independent colleges are full participants in the Council's annual Teacher Quality Summit, and they have been awarded funding through the Council's Improve Education Quality Grant program.

- Students at independent colleges and universities benefit greatly through access to databases offered through the Kentucky Virtual Library. This statewide consortium has allowed independent institutions to purchase electronic library resources that otherwise would be prohibitively expensive for individual institutions.
- Independent colleges and universities throughout Kentucky are Council partners supporting the work of Gear Up Kentucky.
- KHEAA, in partnership with the Council, KDE, and the independent colleges and universities, recently launched GoHigherKy.org. The full-service college going web portal is an expansion of the KentuckyMentor.org website, a site established by the independent sector in 1997. The GoHigher site will provide everything a student needs to prepare for, pay for, and apply to any college – public or independent – in Kentucky.
- The independent sector is now represented on a number of state boards and councils, including the Education Professional Standards Board, the Kentucky Higher Education Assistance Authority, the Distance Learning Advisory Committee, and the Kentucky Affordable Prepaid Tuition Program. It is also represented more informally on a range of committees and workgroups such as CPE's Faculty Development Workgroup, the Postsecondary Education Technology Advisory Committee, the Transfer Committee, and the Virtual Library Advisory Committee.

Staff preparation by Lee Nimocks

2004-05 Strategic Planning Process Progress Report

Earlier this year, the Council began a process for updating the public agenda and related action plans for Kentucky's system of postsecondary and adult education. This progress report highlights activities that have taken place over the last few months and lays out a preliminary set of policy issues for discussion with the Council, the presidents, and other partners as we begin development of a revised agenda to guide our work over the coming years.

What We've Been Doing

Current Assessment—Council staff completed a comprehensive analysis of demographic, economic, and education data as background to the strategic planning process. The analysis included:

- A review of regional and statewide data from 1997 to the present, which culminated in a statewide data book and regional profiles that were shared at the regional forums.
- Results from *Measuring Up 2004*—the national report card on postsecondary education—which provided valuable information on Kentucky's recent progress and continued challenges in relation to the top performing states.

The National Center for Higher Education Management Systems, the Kentucky Long-Term Policy Research Center, and Council staff are wrapping up work on projections of enrollment, retention, and graduation rates needed for Kentucky to reach the national average by 2020.

Trusteeship Conference—The Governor's Conference on Trusteeship served as the official kick-off event for the planning process. Peter Ewell, a leading accountability expert from the National Center for Higher Education Management Systems, presented Kentucky's *Measuring Up 2004* results for members of SCOPE and conference participants. Steve Kay, a professional facilitator, guided breakout discussions mirroring the format of the regional forums.

Regional Forums—Nine regional forums were held between September 29 and October 27 to solicit public input:

September 29, Covington
October 4, Louisville
October 12, Prestonsburg
October 13, Manchester
October 14, Lexington
October 19, Ashland

October 25, Paducah
October 26, Madisonville
October 27, Glasgow

Attendance at the forums ranged from 25-125. Steve Kay, a consultant with the Lexington firm Roberts and Kay, facilitated the meetings. Governor Ernie Fletcher attended the forum in Glasgow.

On-line Survey—To complement the regional forum discussions, we have posted an on-line survey to solicit additional advice and comment. Forum participants, invitees who were unable to attend the forums, and other interested individuals are welcome to share their ideas.

Meetings with Editorial Boards and Others—While touring the state to conduct the regional forums in September and October, Council President Tom Layzell, individual Council members, and staff took the opportunity to meet with editorial boards, rotary clubs, and other local groups to discuss the planning process.

What We're Learning

Our review of data about Kentucky's standings and system performance, our conversations with governing board members and state and campus leaders, our regional forum discussions with individuals across the Commonwealth, our daily interactions with colleagues and partners—all of these sources suggest we have made tremendous progress in addressing many of the issues identified in our current public agenda. Nevertheless, most of these issues still need our sustained attention and commitment. Furthermore, there may be a need to direct greater emphases and resources toward challenges that have recently arisen or that Kentucky postsecondary education has not systematically addressed in the early phases of reform.

Examples of continuing challenges:

- Not enough high school graduates and adult learners are prepared for postsecondary study.
- Too many people in Kentucky think that college isn't for them or within reach.
- Kentucky is losing ground in its efforts to keep college affordable for all students.
- There is still too much "leakage" in the system (i.e., students are dropping out before obtaining a postsecondary credential).
- Low educational attainment of Kentucky's populace continues to plague the Commonwealth.

Examples of challenges where even greater attention may be needed:

- There are wide achievement gaps among subgroups—by race and ethnicity, gender, region, and income.
- Current teaching, learning, and support systems are not adequately meeting the needs of all students.
- Regional occupational outlooks suggest that, without intervention, most of the new jobs created will not require college degrees.
- Promotion of life-long learning and certificate and degree completion is an overarching concern.

- The state lacks a sufficient research base to address growing health concerns, help create good jobs that build a robust economy, and support community growth, vitality, and other issues facing regions across the Commonwealth.

Appendix A, entitled “What We’re Learning,” is a more comprehensive discussion outline that describes the recent progress, current challenges, and policy issues for postsecondary education.

Five Questions: The Sequel

In the early phases of reform, the postsecondary community focused its energy, attention, and resources on these five questions:

1. Are more Kentuckians ready for postsecondary education?
2. Are more students enrolling?
3. Are more students advancing through the system?
4. Are we preparing Kentuckians for life and work?
5. Are Kentucky’s communities and economy benefiting?

At this juncture in the planning process, our analyses and discussions confirm that the policy directives embedded in these five questions are as relevant moving forward as they were seven years ago; these were the right five questions at the time reform began. However, the Council staff believes the addition of a sixth question and some minor refinements to the existing questions would best capture the essence of the work that lies ahead. The Six Questions that might best represent the policy issues described in the attached “What We’re Learning” discussion outline are:

1. Are Kentuckians of all ages prepared for postsecondary education?
2. Is Kentucky postsecondary education affordable for students?
3. Are more students enrolling and advancing through the system?
4. Are more students earning certificates and degrees?
5. Are we preparing graduates for life and work in Kentucky?
6. Are Kentucky’s communities and economy benefiting?

What’s Next

The discussion outline in Appendix A, along with the advice and comments of Council members, presidents, and others in early November will guide the development of a draft public agenda and statewide action plan. These companion documents are described below:

The Public Agenda...

- *Communicates the critical set of state issues and challenges requiring the sustained attention and capacity of Kentucky’s postsecondary education system.*
- *Demonstrates the ongoing commitment to improving the lives of Kentuckians and the economic prosperity of the state.*
- *Transcends terms of office, political divisions, and institutional loyalties.*
- *Engages all Kentucky colleges and universities.*

- *Builds on current statewide efforts for education reform and on current adult and postsecondary education initiatives directed by the current public agenda.*

The Statewide Action Plan...

- *Outlines recent progress and the challenges ahead.*
- *Provides broad policy direction for advancing the public agenda over the next four years.*
- *Has easily understood key indicators and benchmarks to gauge progress.*
- *Encourages a collaborative approach within the system and with reform partners across the Commonwealth.*

The Council's Executive Committee and the presidents will review a first draft at their respective December 1 meetings. Changes resulting from those conversations will be made quickly so that by early December, we will have a discussion draft for wide distribution to all major constituents, including:

- Strategic Committee on Postsecondary Education
- Other key executive and legislative branch members and their staffs
- Institutional board members and campus leaders including administrators, faculty, staff, and students
- Regional forum participants and invitees, including business, labor, government, and community leaders

The Council staff also will post the discussion draft to the Council Website for easy access to the postsecondary community, policy makers, and the general public.

To complement these state-level documents, the Council staff is in the process of developing a summary of regional issues for each of the "Can We Talk?" forums, based on the staff's data assessments and the forum discussions. These summaries, which will be broadly distributed in early 2005 for review, will help guide the development of institutional action plans in the next planning phase, which will take place from March through July 2005. Draft guidelines for this phase of the process will be shared with Council members and presidents in December or January.

Appendix B includes the planning process timelines outlined several months ago and distributed at the September Council meeting. We are on course to meet these deadlines.

Staff preparation by Sue Hodges Moore and Melissa McGinley

**“What We’re Learning”
Developing a Public Agenda and Statewide Action Plan
for Kentucky Postsecondary Education**

PREPARATION FOR POSTSECONDARY EDUCATION

PROGRESS

Reform efforts to date show that:

- Adult education enrollment has increased 135 percent in four years.
- Kentucky had the highest increase in the nation in the percent of adults with a high school credential from 1990-2000.
- More 8th graders are scoring well on national assessments than a decade ago.
- More high school students are taking the right courses for college; since 1998, the number of dual enrollment courses taken in high school nearly tripled, and the number of AP courses almost doubled.

CHALLENGES

Data analyses and planning discussions suggest that:

- Minority and low-income students are not taking challenging courses in high school or scoring as well on standardized tests.
- Adult education enrollment represents only 12 percent of adults at lowest literacy levels.
- Too many high school graduates entering college are not adequately prepared; 30 percent score 18 or less on the ACT, compared to 26 percent nationally.
- Only 62 percent of 7th – 12th graders are taught by qualified teachers, compared to 81 percent in top-performing states (as reported in *Measuring Up 2004*).
- Compared to top performing states, middle and high school students are performing poorly on national assessments, including the National Assessment of Education Progress, Advanced Placement exams, and the ACT.

SUGGESTED POLICY ISSUES

Current and projected challenges point to a need for:

- Greater participation in adult education programs and increased production of GED graduates.
- More explicit information from the postsecondary community about what it takes to succeed in college.
- Smoother transition from high school and GED programs to college through closer alignment of the secondary, adult, and postsecondary systems.
- Postsecondary involvement in high school restructuring efforts.
- Broader availability of Advanced Placement and dual enrollment/credit opportunities.
- Increased access to programs and services that help students perform well on college entrance examinations.
- Strengthened teacher and educational leader preparation and professional development programs at all education levels, from early childhood to adult education.
- Expanded efforts to recruit a diverse teaching force and to keep good teachers working and living in Kentucky.
- More concerted effort to close the achievement gap and increase college-going among all subpopulations of students.
- Strengthened K-12 guidance counseling to provide early college awareness and planning.

AFFORDABILITY

PROGRESS

Reform efforts to date show that:

- Kentucky ranks 14th among states in providing affordable postsecondary education opportunities, according to *Measuring Up 2004*.
- Average tuition and fees at Kentucky institutions in 2003-04 were 25 percent below the national average.
- Cost of public postsecondary education as a percent of family income is unchanged from a decade ago.

CHALLENGES

Data analyses and planning discussions suggest that:

- While college in Kentucky remains affordable compared to other states, it is losing ground. The state's ranking in overall affordability slipped from 8 to 14 from 2002 to 2004.
- Tuition and fees have increased on average 7.5 percent per year over the last decade.
- 83 percent of GED examinees make less than \$10,000 a year.
- Financial aid is not available for students enrolled part-time, a barrier for adults in the workforce.
- Better information is needed about net college costs and affordability to make good policy decisions.

SUGGESTED POLICY ISSUES

Current and projected challenges point to a need for:

- More integrated and aligned policies governing financial aid, tuition, and state appropriations aimed at reducing financial barriers for students and increasing institutional capacity to meet the educational needs of the state.
- Mutually supporting efforts among the policy-making bodies that have responsibilities in the area of student affordability.
- Improved communications with prospective students and their families about financial aid opportunities and net college costs to dispel common misperceptions about higher education affordability.
- Expanded grant programs and low-interest/forgivable student loans that address workforce demands and the needs of underserved populations.
- Incentives for students to take a rigorous high school curriculum.
- Better access to financial aid for GED graduates and part-time and transfer students.

PARTICIPATION AND PROGRESSION

PROGRESS

Reform efforts to date show that:

- Since 1998, total enrollment in postsecondary education increased 25 percent.
- The number of adult education students transitioning to college increased from 12 percent in 1998 to 22 percent in 2003.
- For the first time, the college-going rate of 9th graders exceeds the national average, up from 34 to 38 percent over the last decade.
- The proportion of Kentucky resident African Americans in the student body has increased at both the undergraduate and graduate levels from 1995 to 2003.
- During that same period, the college participation rate of minority ethnic students rose from 15 to 32 percent.

CHALLENGES

Data analyses and planning discussions suggest that:

- Too many people in Kentucky think college is out of reach or irrelevant.
- The college participation rate of both young and working-age adults is low compared to the top-performing states; minority and low-income students are much less likely to go to college than white, affluent students.
- The proportion of degree-seeking freshmen returning their second year is relatively unchanged over the last six years.
- The number of students transferring from two-year to four-year institutions was lower in 2003 than in 1998.

SUGGESTED POLICY ISSUES

Current and projected challenges point to a need for:

- Expanded outreach efforts at the state and grassroots level that focus on underserved regions and populations to increase the number of Kentuckians who value and pursue postsecondary education.
- Accelerated efforts to help more GED graduates transition to postsecondary education.
- Expanded capacity to serve more students more effectively and with fewer resources through course redesign and new instructional models.
- Better coordination of distance education programs, technologies, and faculty support services.
- Creative use of alternative methods of program delivery—such as weekend and evening courses, competency-based instruction, and institutional collaboration—that meet regional needs and lead to certifications and degrees.
- Concentrated efforts across the postsecondary system to strengthen the guidance and support provided to on-campus and distance education students.
- Incentives and encouragement for students to transfer from a two-year to a four-year institution.

DEGREE AND CERTIFICATE PRODUCTION

PROGRESS

Reform efforts to date show that:

- At the state's public universities, the systemwide six-year graduation rate rose from 36.7 percent in 1998 to 45.3 percent in 2003.
- Kentucky is among the fastest improving states on the proportion of students completing certificates and degrees relative to the number enrolled.
- The proportion of degrees conferred in 2003 to Kentucky resident African Americans was 5.8 percent, up from 4.4 percent in 1995.

CHALLENGES

Data analyses and planning discussions suggest that:

- More baccalaureate degrees are needed to reach the national average in educational attainment by 2020 (number to be determined).
- For every 100 9th graders, only 15 complete a degree.
- Kentucky's graduation rate remains well below the national rate: 45.3 percent of first-time, full-time college students complete a degree within six years, compared to 54.3 percent nationally.
- Kentucky ranks 47th in the nation in the percent of the adult population with a four-year degree or higher.
- Most growth in credentials awarded is at the certificate level.
- More graduate and professional degree production is needed to spur economic development, sustain vital communities, and provide professional services to Kentucky's people.

SUGGESTED POLICY ISSUES

Current and projected challenges point to a need for:

- Expanded capacity of the system to produce more certificate and degree holders in Kentucky.
- More collaboration with state and local partners to address workforce shortages in targeted regions and in degree areas (undergraduate and graduate) that support economic development.
- Institutional financial incentives and rewards linked to timely graduation and degree completion.

PREPARATION FOR LIFE AND WORK

PROGRESS

Reform efforts to date show that:

- College graduates perform well on licensure and teacher certification exams.
- Two-year college students score at or above the national average on Work Keys assessments.
- Results from the 2003 National Survey of Student Engagement show public universities have made progress on measures of undergraduate student experience, especially “enriching educational experience” and “interactions with faculty members.”

CHALLENGES

Data analyses and planning discussions suggest that:

- Four-year college students score below the national average on assessments of student learning.
- Compared to 2001, the 2003 National Survey of Student Engagement shows a decline in the proportion of college students who vote, volunteer, and give to charity.
- Kentuckians do not score well on graduate entrance examinations.
- There is a lack of information in Kentucky and nationally about the contributions of our colleges and universities to the educational capital of the state and nation.

SUGGESTED POLICY ISSUES

Current and projected challenges point to a need for:

- Improved undergraduate student learning so that more graduates are prepared for careers and graduate and professional programs.
- Integration of civic literacy into the curriculum and the overall college experience so that students become engaged citizens and leaders.
- Statewide accountability measures for student learning to track the postsecondary system’s contribution to the educational capital of the state and make comparisons against national benchmarks and performance of other states.

COMMUNITY AND ECONOMIC DEVELOPMENT

PROGRESS

Reform efforts to date show that:

- Federal research and development spending per capita increased 92 percent since 1996.
- The Bucks for Brains program has dedicated \$700 million to support research and academic programs at the public universities; the number of endowed chairs is up from 55 in 1997 to 170 in 2003; professorships rose from 53 to 237.
- Since 2001, nearly 128,000 employees upgraded their skills through workforce education funded by Kentucky Adult Education and its partnership with the Workforce Alliance.
- From 1990 to 2000, Kentucky's per capita income increased from 79.3 percent to 81.8 percent of the U.S. average, the 10th highest rate of increase in the nation.

CHALLENGES

Data analyses and planning discussions suggest that:

- Kentucky currently ranks 42nd in the nation in the amount of federal research and development dollars generated.
- Kentucky's per capita income is only 81.8 percent of the national average.
- Services and support provided by faculty to communities, businesses, and schools is not always measured or rewarded.

SUGGESTED POLICY ISSUES

Current and projected challenges point to a need for:

- Stronger partnerships with economic development partners to develop, attract, and keep jobs that will make Kentucky competitive in the global economy.
- Expanded research capacity directed at the state's priority research and economic development areas.
- Greater efforts to attract more research dollars to Kentucky.
- Transfer of research and technology to applications that lead to economic growth, job creation, and improved quality of life.
- Greater emphasis on the role of postsecondary institutions as "stewards of place" that partner with business, civic, and K-12 communities to solve local, regional, and state problems.
- Better alignment of postsecondary workforce training activities with initiatives in other cabinets and agencies.
- Greater commitment from the postsecondary community to entrepreneurship and leadership development as key strategies for economic development.

**Strategic Planning Process & Comprehensive Funding Model Review
CPE Oversight, Consultation with Presidents, SCOPE, & CEO
Detailed Timeline**

Month	CPE Study Session & Mtg	Executive Committee Mtg	Presidents' Mtg	SCOPE Mtg	Committee on Equal Opportunities Mtg	Other
May-04	(5/23): Overview of planning process & comprehensive funding model review (see agenda items)					
Jun-04						Update/advice from CPE chair and vice chair on planning process
Jul-04	(7/19): Discuss revised planning process and timeline (see agenda item); update on funding model review	(7/1): Discuss planning process, timeline, regional forums; discuss funding model review process, objectives, principles				
Aug-04			(8/4): Discuss revised timeline, regional forums, trusteeship conference			(8/15-16) CPE Retreat: Discuss revised planning timeline, forums, trusteeship conference, data analysis/2020 projections, planning issues; discuss status of funding model review
Sep-04	(9/19): Measuring Up 2004 presentation; 2020 projections; update on funding model review		(9/13): Discuss trusteeship conference; preliminary discussion on development of mission parameters; regional forums; update on funding model review	(9/19-20): Planning discussion at trusteeship conference		(9/19-20) Trusteeship Conference: Planning kickoff - discussions with SCOPE members, board members, presidents, CPE members (9/29): Regional forum in Covington

Month	CPE Study Session & Mtg	Executive Committee Mtg	Presidents' Mtg	SCOPE Mtg	Committee on Equal Opportunities Mtg	Other
Oct-04			(10/6): Planning update; update on funding model review		(10/18-19): Update on planning; information on regional forums	(10/4-27): Regional forums in Louisville, Prestonsburg, Manchester, Lexington, Ashland, Paducah, Madisonville, Glasgow
Nov-04	(11/7-8): Discuss forum results, draft public agenda, statewide action agenda, regional priorities	(11/3): Review regional forum results & discuss draft public agenda; update on funding model review	(11/3): Review regional forum results & discuss draft public agenda; update on funding model review			
Dec-04		(12/1): Discuss draft public agenda, statewide action agenda, regional priorities, key indicators; discuss mission parameters, action plan guidelines; update on funding model review	(12/6): Discuss draft public agenda, statewide action agenda, regional priorities, key indicators; discuss mission parameters, action plan guidelines; update on funding model review	(12/6 tentative): Discuss draft public agenda, statewide action agenda, key indicators, regional priorities; discuss preliminary proposal for funding model		

Month	CPE Study Session & Mtg	Executive Committee Mtg	Presidents' Mtg	SCOPE Mtg	Committee on Equal Opportunities Mtg	Other
Jan-05	<p>(dates and locations tbd): Regional Campus Forums</p> <p>(1/31): Discuss mission parameters, guidelines for campus and Council action plan development; approve new funding model</p>	<p>(1/12): Continue discussion of draft public agenda, statewide action agenda, regional priorities, key indicators; discuss mission parameters, guidelines for development of campus and Council action plans; update on funding model review</p>	<p>(1/5): Continue discussion of draft public agenda, statewide action agenda, regional priorities, key indicators; discuss mission parameters, guidelines for development of campus and Council action plans; update on funding model review</p>			
Feb-05	<p>(dates and locations tbd): Regional Campus Forums</p>		<p>(2/2): Update on draft public agenda, statewide action agenda, regional priorities, key indicators; discuss mission parameters, guidelines for development of campus and Council actin plans</p>		<p>(tbd): Update on planning</p>	

Month	CPE Study Session & Mtg	Executive Committee Mtg	Presidents' Mtg	SCOPE Mtg	Committee on Equal Opportunities Mtg	Other
Mar-05	(3/21): Approve public agenda, statewide action agenda, regional priorities, key indicators; approve mission parameters; issue guidelines for campus and Council action plan development; update on 2006-08 budget process	(3/2): Discuss results of regional campus forums	(3/2): Continue discussion of draft public agenda, statewide action agenda, regional priorities, key indicators; update on campus and Council action plans & mission parameters; update on 2006-08 budget process	(tbd): Continue discussion of draft public agenda, statewide action agenda, regional priorities, key indicators; update on campus action plans & mission parameters; discuss funding model		
Apr-05		(4/13): Advice on Council action plan; update on campus action plan development	(4/6): Update on Council action plan and discuss campus action plan development		(tbd): Update on planning	
May-05	(5/22): Discuss draft Council action plan; update on campus action plan development; update on 2006-08 budget process		(5/4): Update campus action plan development; discuss IEG spring board development seminar; update on 2006-08 budget process			(5/22-23 IEG Spring Board Development Seminar): Discuss action plans/mission parameters (response to public agenda, action agenda, regional priorities); overview of new funding model

Month	CPE Study Session & Mtg	Executive Committee Mtg	Presidents' Mtg	SCOPE Mtg	Committee on Equal Opportunities Mtg	Other
Jun-05		(6/5): Update/advice on planning process & budget development	(6/1): Update on planning process & budget development	(tbd): Update/advice on planning process & budget development	(tbd): Update on planning	(6/5-6 CPE Retreat): Discuss planning process, trusteeship conference
Jul-05	(7/18): Approve campus and Council action plans; preliminary discussion of budget priorities, other budget matters		(7/6): Finalize campus action plans; preliminary discussion of budget priorities, other budget matters			
Aug-05		(8/3): Discuss budget development process; discuss trusteeship conference	(8/3): Discuss budget development process; discuss trusteeship conference	(tbd): Update/advice on planning & budget priorities	(tbd): Update on planning	
Sep-05	(9/18): Final endorsement of planning package; discuss 2006-08 funding priorities based on public and statewide action agendas, institutional action plans		(9/7): Discuss trusteeship conference; update on planning; discuss 2006-08 funding priorities based on public and statewide action agendas, institutional action plans			(9/18-19 Trusteeship Conference): Distribution of strategic plan package; discuss implementation (what's it gonna take?)

Month	CPE Study Session & Mtg	Executive Committee Mtg	Presidents' Mtg	SCOPE Mtg	Committee on Equal Opportunities Mtg	Other
Oct-05		(10/5): Continued discussion of funding priorities based on public and statewide action agendas, campus and Council action plans	(10/5): Update on planning & budget priorities	(tbd): Update on planning and budget priorities	(tbd): Update on planning	
Nov-05	(11/7): Approval of 2006-08 biennial budget recommendation		(11/2): Discuss 2006-08 biennial budget recommendation			

CPE and Executive Committee meeting dates are tentative.

Council on Postsecondary Education
November 8, 2004

Comprehensive Funding Model Review Progress Report

The Comprehensive Funding Review began in May 2004 and will conclude with the FY 2006-08 budget recommendation in November 2005. This agenda item presents for discussion a progress report regarding the development of recommendations regarding the benchmark funding model, the funding distribution methodology, capital, and trust funds.

The Comprehensive Funding Model Review began in May 2004 based on specific objectives and principles. The Council adopted these objectives and principles in July 2004 (see Attachment A).

The process over the past six months has included the Chief Budget Officers, the presidents of the institutions, the Chief Academic Officers of the institutions, staff of the Office of the State Budget Director, staff of the Education Cabinet, staff of the Legislative Research Commission, and the Council on Postsecondary Education. In addition, five workgroups with diverse representation were established to facilitate the review and the development of the recommendations. The workgroups include the following: (1) Base Funding Model; (2) Performance/Accountability; (3) Funding Distribution Methodology; (4) Capital; and (5) Trust Funds.

Based on the principles and objectives adopted by the Council in July 2004 and on continuous input from each of the above-mentioned groups, the Council staff presents the following discussion documents to report progress regarding the development of recommendations regarding the funding policies of the Council:

ATTACHMENT B — Executive Summary:

Preliminary progress report on the development of
Comprehensive Funding Review Recommendations.

ATTACHMENT C — Timeline for continued review and development of the
FY 2006-08 budget recommendation.

Staff preparation by Sandra Woodley

Objectives and Principles for Comprehensive Funding Review

Principles:

1. ***Inclusivity and Objectivity:*** The process for the review will be inclusive of all groups impacted by recommended changes and sufficient opportunities will be available to fully discuss and debate alternatives in an objective manner. There will be a deliberate focus to ensure complete understanding regarding the details of all recommendations resulting from the review process.
2. ***Simplicity:*** Where possible all models should be concise and easy to explain. This simplicity also should be balanced with the need to be sufficiently complex in order to address valid differentiation.
3. ***Temporary Until Final:*** During the review process, all agreements are tentative until the final recommendations are presented to the Council for action.
4. ***Benchmarks Remain:*** Benchmarking will not be abolished, but its role may be modified.
5. ***Mission:*** The review will incorporate institutional missions and will focus on advancement of the system of higher education and how individual missions of the institutions contribute to statewide goals.

Objectives:

1. **POLICY COORDINATION:** To ensure that funding policies of the Council are coordinated with strategic planning, Key Indicators of Progress, equal opportunity planning, financial aid policies, and tuition policies.

ACTIONS:

- a. Synchronize funding policies with strategic planning review, affordability review, equal opportunity planning and, to the extent appropriate, incorporate recommendations (institutional missions, tuition policies, financial aid policies, diversity policies, etc.).
 2. **ADEQUACY and EQUITY:** To address adequacy and equity concerns.
- #### ACTIONS:
- a. Determine if current funding policies appropriately address funding adequacy.
 - b. Ensure that benchmark selections are objective, define purpose and use, and determine if other methodologies should be used to determine funding objectives.
 - c. Determine if equity adjustments are appropriate and, if so, how to incorporate.
 - d. Determine if funding distribution methodology needs revision.
 - e. Determine appropriate method for accounting for nonresident students and mandated programs.
3. **ACCOUNTABILITY:** To address accountability concerns.

ACTIONS:

- a. Determine appropriateness and use of expenditure analysis (not just revenue side).
- b. Determine appropriateness and use of performance measures either directly or indirectly.
- c. Address concerns expressed by elected leadership (PRIC report, etc.).

**Executive Summary of Progress Regarding Development of Draft Recommendations
Comprehensive Funding Review**

<i>Major Issue</i>	<i>Preliminary Decisions</i>	<i>Questions Remaining</i>
Benchmarks	<ul style="list-style-type: none"> ▪ Funding adequacy should be determined by a benchmark model. ▪ A revision of the model is necessary. ▪ Tighter constraints should be applied to benchmark selection. 	<ul style="list-style-type: none"> ▪ What are the appropriate selection criteria and specification of model? ▪ How should the Carnegie classification constraint be factored? ▪ How should UK's & UofL's research missions be handled in the model? ▪ Should the statistical model alone determine benchmarks?
Tuition Deduction	<ul style="list-style-type: none"> ▪ Model should be more accurately specified based on tuition deduction. ▪ Deduction should address adequacy and equity. 	<ul style="list-style-type: none"> ▪ Should there be a standard deduction or actual? ▪ Should the deduction reflect policy on state's share vs. student share? ▪ Relationship between tuition deduction policy, tuition setting policy, and other affordability policies.
Small Institution Adjustment	<ul style="list-style-type: none"> ▪ Benchmark model does not accurately reflect need when institutions are very small because of diseconomies of scale. ▪ An adjustment should be made for institutions under 4,000 headcount. 	<ul style="list-style-type: none"> ▪ How should the adjustment be factored into the request and how should it be factored into the Funding Distribution Methodology? ▪ Should some portion be considered a base adjustment and, if so, what portion?
Performance Component	<ul style="list-style-type: none"> ▪ There should be a performance component in the model. ▪ The performance indicators should be consistent with the state strategic agenda and the institutional action plans. 	<ul style="list-style-type: none"> ▪ What performance indicators are appropriate? ▪ How should performance be rewarded in the model? ▪ How should performance related to benchmarks be linked to performance related to the statewide key indicator progress toward goals?
Funding Distribution Methodology	<ul style="list-style-type: none"> ▪ Revision of the equity index should be based on nominal gap. ▪ Revision of priorities for distribution. 	<ul style="list-style-type: none"> ▪ When should the new model be effective? ▪ Should priority be given M&O on new facilities under the new model?
Capital	<ul style="list-style-type: none"> ▪ Institutions should still be required to match a portion of new research buildings but should not have to match instructional space. ▪ Council should pursue additional agency bond flexibility. ▪ Institutions should still be required to match capital renewal funds but should receive reward for best performance. 	<ul style="list-style-type: none"> ▪ What is the appropriate match rate for research buildings and should the institutional match be weighted lower on the front end and heavier on the back end of bond payment schedules? ▪ What is appropriate timeline for working on agency bond flexibility?

Base Funding Model and Performance Component

Comparison of Possible Recommended Benchmark Model Changes and Rationale

<i>Description of Change</i>	<i>Rationale for Change/Public Policy</i>	<i>Current Model</i>	<i>Possible Changes</i>
Benchmark Selection	<ul style="list-style-type: none"> To link model to strategic planning process. To provide a more objective and equitable process. To incorporate performance component. To incorporate adequate differentiation among institutions. 	<ul style="list-style-type: none"> Cluster analysis based on 20 measures. Not constrained by Carnegie classification. Significant differences between benchmark lists and measure of similarity among institutions. No performance component. 	<ul style="list-style-type: none"> Cluster analyses: based on program mix and size and differentiation factors. Most similar institutions based on model. Constrained within two Carnegie classifications. Controlled for measure of similarity.
Performance Incentive	<ul style="list-style-type: none"> To reward performance. To link funding model to strategic planning initiatives. 	<ul style="list-style-type: none"> No performance component in base model. Performance component in current model relates to incentive funding. 	<ul style="list-style-type: none"> Increase funding higher than standard level based on performance relative to benchmark institutions. Performance metrics consistent with strategic plan, key indicators, and institutional action agendas.
Tuition Deduction	<ul style="list-style-type: none"> To equitably and more accurately account for revenue available for student funding. To determine appropriate policy position regarding state responsibility vs. student's responsibility. To provide incentive to minimize tuition and fee increases. 	<ul style="list-style-type: none"> Uses standard deduction, so tuition and fee revenue higher than standard percentage is ignored in the model - inflating funding gap by ignoring revenue. 	<ul style="list-style-type: none"> Possible transition from standard deduction to actual deduction. Accounting for state share vs. student share and link to public policy on state share or affordability.
Measure of Central Tendency (Standard Funding Level)	<ul style="list-style-type: none"> To make the measurement more statistically sound (too few benchmark institutions for percentile calculation). To use the data from more than a few of the benchmark institutions in the calculation of funding objective. 	<ul style="list-style-type: none"> Average of the 50th, 55th, and 60th percentile out of 19 benchmark institutions. 	<ul style="list-style-type: none"> Revised and labeled "standard funding level." Funding level based on funding levels of benchmark peer institutions. Determined prior to the FY 2006-08 recommendation.
Mandated Program Deduction	<ul style="list-style-type: none"> Deduction for various mandated programs is biased and collections are incomplete and difficult to verify. Except for land grant and agriculture, benchmark institutions have little incentive to report on legislatively mandated programs (they have no reason to separately track these programs). Since the model identifies similar institutions, it is reasonable to assume that these institutions have similar mandated programs. To the extent that the data are biased, this component artificially inflates the funding objective. 	<ul style="list-style-type: none"> Manual survey goes out to each benchmark institution requesting data on legislatively mandated programs. These data are subtracted from all institutions. Mandated programs must meet certain criteria to be included on the list. 	<ul style="list-style-type: none"> Deduction limited to Land grant, health science centers, and debt service.
Small Institution Adjustment	<ul style="list-style-type: none"> To address the issue of diseconomies of scale facing smaller institutions with disproportionately small headcount enrollments. 	<ul style="list-style-type: none"> No fixed cost adjustment. 	<ul style="list-style-type: none"> Headcount enrollment X fixed cost factor (for enrollments under 4,000). The lower the enrollment level band, the higher the fixed costs factor. Determine appropriate portion as a base adjustment and remaining portion as benchmark funds, but subject to cap.

Funding Distribution Model (FDM)

Comparison of Possible Funding Distribution Methodology (FDM) Changes and Rationale

<i>Description of Change</i>	<i>Rationale for Change</i>	<i>Current Model</i>	<i>Possible Changes</i>
Equity Index	<ul style="list-style-type: none"> • Current index inappropriately weights the base appropriation level. • Index does not fully address benchmark equity. • Proposed change addresses adequately both the funding gap and the magnitude of students at each institution and does not inappropriately overstate the base appropriation level. 	<ul style="list-style-type: none"> • Per student gap (ratio of current funding level to benchmark funding level per student) is multiplied by the net appropriation level. 	<ul style="list-style-type: none"> • Nominal gap, or the difference between the actual appropriation level and the benchmark model generated funding level.
M&O	<ul style="list-style-type: none"> • At full benchmark funding levels, M&O for new facilities would theoretically already be included since the benchmark model is a revenue model and no expenditure items except for debt service and some mandated programs are backed out of the calculations. • However, M&O is an important enough priority to be considered separately for the following reasons: <ul style="list-style-type: none"> ○ If not treated separately insufficient funds would be available because the benchmark objective has not been fully funded in the past. ○ Until recently, it has been the state's practice to treat M&O separately given that decisions on new facilities are sometimes out of the control of the institution (inflexible fixed cost). • M&O should continue to be a priority for funding, but should be a lower priority than is the current case. 	<ul style="list-style-type: none"> • Funds M&O as a base adjustment. • Funding for M&O is 1st priority of funding along with debt service and UofL hospital contract. 	<ul style="list-style-type: none"> • Distinguish M&O for new facilities as separate from base adjustments and set the priority lower than other base adjustments, proportional, and benchmark funding.
Priorities	<ul style="list-style-type: none"> • Current model makes M&O for new facilities and proportional increases too high of a priority. • Funding would have to reach too high a level before even one dollar is distributed to benchmark equity. 	<ul style="list-style-type: none"> • Priority 1 - fully fund base adjustments including M&O on new facilities. • Priority 2 - proportional increase of 1 or 2% depending on funding levels and current services percentage. • Priority 3 - Benchmark Equity. 	<ul style="list-style-type: none"> • Priority 1 - Base adjustments. • Priority 2 - 50%/50% proportional/benchmark equity up to current services increase of net base funding level. • Priority 3 - fully fund M&O. • Priority 4 - same as Priority 2 except proportional capped at current services.
Equity Adjustment	<ul style="list-style-type: none"> • To ensure that an institution's recommended appropriation level does not fall disproportionately below the average percent benchmark funding of most institutions. 	<ul style="list-style-type: none"> • No equity adjustment. 	<ul style="list-style-type: none"> • Institutions qualify with at least a 20 percentage point gap from the average percent funded of most institutions. • Adjustment is dollar value of actual funding level to the average funding level of most institutions. • Equity adjustment will be made in the equity index.
Small Institution Adjustment	<ul style="list-style-type: none"> • To provide an adjustment for small institutions based on diseconomies of scale. 	<ul style="list-style-type: none"> • No adjustment. 	<ul style="list-style-type: none"> • Half of the adjustment as a first priority base adjustment and the remaining portion in the equity index.

Capital

Comparison of Possible Capital Changes and Rationale

Description of Change	Rationale for Change	Current Process	Possible Changes
Condition and Fit-for-use of Existing Space	<ul style="list-style-type: none"> Facilitates the need to continue to include space condition as a factor in the capital projects evaluation and recommendation process. 	<ul style="list-style-type: none"> Evaluation of space or its fit-for continued use as a part of the biennial capital projects review and recommendation process. CPE issue an RFP and select independent consultant. Cost of consultant paid by CPE. To continue to incorporate the quality of the space in the evaluation process. 	<ul style="list-style-type: none"> Continue the evaluation of space or its fit-for continued use as a part of the biennial capital projects review and recommendation process. That CPE issue an RFP to determine the cost. Funding would be shared among the institutions and CPE.
Match to Construct Research Space	<ul style="list-style-type: none"> Institutions have a revenue stream available to share debt service. There are limited funds available from the state for capital construction. To recognize changing grant funds environment and ability of institutions to fund the match. However, 40% match is higher than available indirect costs on research buildings, especially in the short term (thus may need to lower match and allow lighter payments on front end of loan) Also, many benchmark states have invested in research infrastructure and so KY research institutions are at a disadvantage 	<ul style="list-style-type: none"> Institutions are asked to share the responsibility for construction of research space (40 cents on the dollar). Recognition of available revenue stream that can be dedicated to the capitalized cost of providing research space. Since 1997 research space has been requested by CPE and the Governor, and funded by the GA as a shared responsibility. In the 2004-06 budget process the CPE recommended 60/40, the Governor requested 50/50, but the GA did not pass a budget. 	<ul style="list-style-type: none"> Continue the practice of a shared responsibility between the state and the institution to construct research space requiring an institutional match, but examine appropriate level of match and evaluate other financing options. Allow instructional space to be excluded from the match calculation. Allow the use of internal and external fund sources to count as a match against total project cost.
Institutional Match to Access State Funds in Capital Renewal and Maintenance Pools	<ul style="list-style-type: none"> Recognizes institutional performance in addressing ongoing major maintenance of E&G facilities. Recognizes the shared responsibility between the state and the institution for facilities maintenance. Recognizes and encourages institutions to budget for ongoing major maintenance of E&G facilities. 	<ul style="list-style-type: none"> Practice is that institutions should share the responsibility for deferred maintenance, capital renewal and maintenance of facilities (match range is \$0.75 to \$1 per each \$1 of state funds). Does not recognize efforts by institutions to budget for the ongoing major maintenance of E&G facilities. Allows use of eligible expenditures on completed projects from CRM list as a credit against institutional share of the pool to access funds to complete other projects. 	<ul style="list-style-type: none"> Continue the current practice to require an institutional match to access state funds in capital renewal pool. Reduce match ranges to \$0.60 - \$1 per each \$1 of state funds based on performance. Strengthen the evaluation of institutional performance on postsecondary education maintenance standard.
Establish Statewide Capital Project Priorities	<ul style="list-style-type: none"> Implements the policy adopted by CPE in July 2001. The priorities establish categories/project priorities for planning purposes only. The planning priorities may change when a capital projects recommendation is made to the Governor in November of odd-numbered years. CPE adopt a process at its May 2005 	<ul style="list-style-type: none"> The Council typically provides capital priority categories to the Capital Planning Advisory Board. Projects recommended by the CPE in the prior biennial recommendation not authorized by the GA are typically identified as the priorities for the upcoming biennium. 	<ul style="list-style-type: none"> Submit capital project priorities for inclusion in the Statewide Capital Plan to the Capital Planning Advisory Board in July 2005. The workgroup continue beyond the November 2004 CPE meeting. Develop first draft by March 2005 and a final recommendation for CPE action at its May 2005 meeting. Use the advice of a professional consultant to inform the workgroups' deliberations and

	meeting.		development of a recommendation.
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Description of Change	Rationale for Change	Current Process	Possible Changes
Institutional Flexibility to Issue Agency Bonds	<ul style="list-style-type: none"> • Allow more institutional flexibility in terms of timing, project identification, and management of funds to address capital needs. • Relieve the Commonwealth of an implied moral obligation to assume liability in case of default. • Remove such debt from the official state debt pool. 	<ul style="list-style-type: none"> • CPE requests a pool of bond authority to be distributed among the institutions to address capital issues related to non-education and general space needs. 	<ul style="list-style-type: none"> • Establish a joint (LRC/CPE/ Executive Branch/ Institutions) committee to develop possible language and guidelines to establish an approach to flexibility in time for consideration by the 2005 or 2006 session of the General Assembly. • Institutions should continue to seek flexibility to issue debt that is supported by institutional (agency) revenue for non-educational and general facilities.
Reporting and use of Room Utilization Data	<ul style="list-style-type: none"> • Implements a policy of maximum utilization of available space. • Encourages proper reporting of information. • Encourages management flexibility and collaboration among departments. 	<ul style="list-style-type: none"> • The Council typically reports room utilization but does not actively use the utilization report to inform the evaluation or recommendation of capital projects. 	<ul style="list-style-type: none"> • Retain the current reporting of room and station utilization and use it to inform the evaluation of capital projects when the institution's performance is more than 10 points below the adopted standard for weekly scheduling of rooms or more than 10 points below the student station occupancy standard.
Teaching Lab Guidelines for Combined Community and Technical College	<ul style="list-style-type: none"> • KCTCS has combined the community and technical colleges into districts under a single management system. • The combined community and technical college space guidelines recognize the change in management and measure need based on the combined resources of the district. • When the current guidelines were adopted the consultant recommended that the guidelines for the technical colleges be reviewed and updated. 	<ul style="list-style-type: none"> • Have separate space guidelines for community colleges and technical colleges. • Current teaching lab guidelines specify 8 asf per fte student for community colleges and 24 asf per fte for technical colleges. • Current teaching lab guidelines specify 8 asf per fte student for research institutions and 10 asf per fte for comprehensive institutions. 	<ul style="list-style-type: none"> • Create combined space guidelines for community and technical colleges that provide 30 asf per fte for teaching labs. • Identify the need for additional teaching lab space by combining the calculation of the separate colleges to the district level. • Retain the current teaching lab guidelines for research and comprehensive institutions.

Trust Funds

Recommended Trust Funds Review Changes and Rationale

<i>Description of Issues</i>	<i>Rationale for Review</i>	<i>Current/Previous Process</i>	<i>Proposed/Adopted Process</i>
<p>Endowment Match Program Guidelines</p> <ul style="list-style-type: none"> • Uses of Funds • Applied Research • Program Diversity 	<ul style="list-style-type: none"> • UK officials requested a change in the guidelines so that program funds could be used to support the research and salary expenses of nontenured medical school faculty. • The guidelines stipulate that 50% of comprehensive university funds be used to support Programs of Distinction or “applied research programs.” Campus officials asked CPE to define applied research. • The 2003 budget bill (HB 269) directs the universities to develop plans to achieve reasonable gender and ethnic diversity among match program faculty and financial aid recipients. 	<ul style="list-style-type: none"> • The existing guidelines did not allow program funds to be used to support faculty who were not named chairs or professors. • The existing guidelines did not provide an adequate definition of “applied research programs” in the comprehensive university 50% requirement. • The existing guidelines did not include a statement about gender or ethnic diversity. 	<ul style="list-style-type: none"> • A “Research Scholars” category was added to the guidelines, allowing support for a limited number of nontenured, medical school faculty for a maximum of six years. • An addendum specifying criteria for applied research program eligibility was added to the guidelines. • A statement incorporating the diversity provisions of HB 269 was added to the guidelines.
<p>Endowment Match Program Reporting Procedures</p> <ul style="list-style-type: none"> • Outcomes Measures • Web-Based Reporting • Pledge Payment Schedule • Detailed Reports 	<ul style="list-style-type: none"> • The General Assembly is asking for outcomes-based information with increasing frequency. • Descriptive data about program faculty is difficult to compile and quickly becomes obsolete. • Campus officials asked CPE staff to find ways to simplify the match program-reporting process. • Campus officials asked CPE staff to find ways to reduce the match program-reporting burden. 	<ul style="list-style-type: none"> • Current reporting procedures deferred outcomes-based information until program maturity. • Once a year, the universities submit detailed reports containing data about program faculty. • Once a year, the universities report dates and amounts of payments received and payments anticipated for each donor. • Once a year, the universities submit hundreds of pages of detailed descriptive data. 	<ul style="list-style-type: none"> • Add agreed upon outcomes measures to comprehensive database reports. • Report descriptive information about program faculty on university Websites. • Add a new pledge payment schedule to the annual summary report showing the dollar amount and percent paid for each endowment account. • Eliminate detailed endowment reports from match program reporting requirements.

Timeline of Discussion Items and Action Items for CPE meetings
Comprehensive Funding Review and Budget Development

Nov 8	Jan 31	Mar 21	May 22	July 8	Sept 18	Nov 7
DISCUSSION:	DISCUSSION:	DISCUSSION:	DISCUSSION:	DISCUSSION:	DISCUSSION:	DISCUSSION:
Comprehensive funding review progress report as follows: <ul style="list-style-type: none"> • Base Model • Performance component • Funding Distribution Methodology • Capital • Trust Funds 	<ul style="list-style-type: none"> • Trust Fund Guidelines • Preliminary Trust Fund Priorities • Performance component concept 	<ul style="list-style-type: none"> • Trust Fund Guidelines • Preliminary Trust Fund Priorities • Performance Component concept • Six-Year Capital Plan • Capital budget planning priority methodology 	<ul style="list-style-type: none"> • 2006-08 operating and capital budget development process • Special initiative request: guidelines and evaluation criteria 	<ul style="list-style-type: none"> • Incentive Trust Funds priorities • Performance methodology and indicators for model 	<ul style="list-style-type: none"> • Operating budget request: benchmark funding model results • Capital request • Institutional report on tuition rates and revenues • Submitted special requests 	
ACTION:	ACTION:	ACTION:	ACTION:	ACTION:	ACTION:	ACTION:
	<ul style="list-style-type: none"> • Base Model • Performance concept • Funding Distribution Methodology • (FDM) • Capital • Trust Funds 	<ul style="list-style-type: none"> • Revisions if necessary of components of comprehensive funding recommendations 	<ul style="list-style-type: none"> • Trust Fund Guidelines • CPE six-year capital plan • Capital Budget planning priorities 	<ul style="list-style-type: none"> • Benchmark Selection • Special initiative request: guidelines and evaluation criteria 	<ul style="list-style-type: none"> • Performance methodology and indicators for model • Standard funding level • Tuition deduction calculations 	<ul style="list-style-type: none"> • Operating budget recommendation for FY 2006-08 • Capital budget recommendation for FY 2006-08

P-16 Council Update

The P-16 Council met for the first time since expanding its membership. Members discussed the need for (1) ongoing assessment of the work of the state and local P-16 councils, (2) the relationship between the state council and local P-16 councils, and (3) further support of the local councils. The P-16 Council reviewed several ongoing state and local initiatives, including the preliminary reports of the statewide postsecondary placement policy work groups.

At the September meeting of the P-16 Council, the newly expanded Council discussed ways to focus and continually evaluate its agenda. Members reviewed evaluation forms proposed by Council Chair Richard Freed for state council members to complete and discuss at their quarterly meetings and for local councils to use to guide their annual reports to the state council.

Education Cabinet Secretary Virginia Fox reviewed Governor Fletcher's educational vision, "It's All About Learning," which includes the foundational role of early childhood care and education, the need for the K-12 system to prepare students for postsecondary education and the skilled workplace, and the responsibility of postsecondary institutions to prepare qualified teachers to meet the learning needs of all students.

The focus of the September meeting was on refocusing secondary education. The Kentucky Department of Education staff reported on its multi-year effort to re-envision the structure, environment, and support of learning at the secondary level. This work examines shifting emphasis from credit hours to competencies and revising accountability measures to include end-of-course assessments. The Council on Postsecondary Education staff proposed a plan to expand the communication and use of the high school feedback reports so that superintendents, principals, teachers, site-based councils, school boards, and parents can understand the relationship between high school preparation at specific schools in Kentucky and the college success rate of graduates from these schools.

Carolyn Witt Jones updated the P-16 Council on the Kentucky Scholars Initiative. She spoke both of the enthusiasm with which students approach more challenging coursework when it is connected to work and life after high school and also of the various challenges she and her partner schools face. These include pressure to treat the senior year as a "break" prior to college, extensive work hours undertaken by high school students, and resistance (on the part of parents) to allow students to take rigorous coursework because lower grades earned in academically challenging courses might result in lower KEES scholarship awards.

The KDE staff reported on the extensive work being done to revise the content and assessment process of the writing portfolio. Crucial to P-16 alignment is the need to include an analytic writing component in the high school portfolio. A team from the Northern Kentucky Council of Partners in Education reported on that local council's project—development of an enhanced

curriculum with local high school teachers and postsecondary faculty—that will help teachers prepare students for college and the skilled workplace. The team is drafting a document, “At-a-Glance,” that will identify the gaps between the standards of the Program of Studies, the Core Content for Assessment, the ACT Standards for Transition, and the American Diploma Project benchmarks in mathematics and English. Instructional materials are being developed to help teachers teach both to the state’s K-12 standards and also to the college-level expectations reflected in the ACT and ADP documents.

The CPE staff and representatives from several postsecondary institutions presented preliminary drafts of the CPE statewide postsecondary placement policy (see agenda item beginning on page 15).

Local councils reported on their network meeting and expressed their need for a clear relationship with the state council and more reliable, on-going financial support for local staffing. Dr. Judith Rhoads, president of Madisonville Community College, reported on the Madisonville area local council’s School Counts initiative. High school students pledge to take courses beyond the minimum required, perform community service, and meet attendance and graduation deadlines to receive scholarships to MCC. Local business leaders are supporting the program to academically prepare students and instill the behaviors of persistence and the pursuit of excellence desired in the workplace.

The P-16 Council next meets December 14, 2004.

Staff preparation by Dianne M. Bazell

Statewide Public Postsecondary Placement Policy

At its March meeting, the Council on Postsecondary Education directed Kentucky's public postsecondary institutions to develop a statewide placement policy based on research conducted during Kentucky's participation in the American Diploma Project.

Action: The staff recommends that the Council approve the attached statewide placement policy guaranteeing placement into credit-bearing coursework to any student entering a Kentucky public postsecondary institution who is able to demonstrate specific levels of competence in English and mathematics (see Attachments 1-3).

Kentucky was one of five states competitively selected to participate in the American Diploma Project, a national initiative to align high school standards with postsecondary and workplace expectations so high school graduates can succeed in whatever challenges they face after graduation. Based on research conducted nationwide among postsecondary faculty and employers in skilled occupations, the ADP report, *Ready or Not: Creating a High School Diploma that Counts*, outlines the skills in mathematics and English that students graduating from high school should have to be ready for college-level work or employment in the skilled workplace. It also provides sample tasks illustrating how these benchmarks are applied in college and workplace settings.

Following the release of the ADP report in February 2004, the Council directed Kentucky's public postsecondary institutions to review the benchmarks in English and mathematics and to develop a consistent statewide placement policy that guarantees placement into credit-bearing coursework in English and mathematics to any incoming student—high school graduate or adult learner—who can demonstrate readiness for college. The CPE staff convened statewide placement policy groups in these two areas. Each group consists of one representative from each of the eight public universities chosen by the chief academic officer at that institution and one representative from the Kentucky Community and Technical College System (Attachment 4).

The policy work groups met over the summer and fall and developed a statewide policy that faculty members shared with their institutional colleagues and chief academic officers. They drafted recommendations which were discussed at the September meeting of the Council of Chief Academic Officers and presented at the September meeting of the state P-16 Council.

The goal of the ADP was to align high school accountability standards with the expectations of college and the skilled workplace. Ideally, each state's high school accountability measures

would be modified, based on the ADP research, to meet these expectations so students would clearly understand the connection between high school study and life after graduation. At this time, Kentucky's high school Commonwealth Accountability Testing System (CATS) scores cannot be used for this purpose. The CATS is currently under review. Changes in the test over the coming year may allow it to be included in the placement policy at some future date.

A clear and consistent statewide postsecondary placement policy, however, can reduce remediation rates by communicating to high school students and adult learners what any entering college student is expected to know and be able to do to be ready for college-level work in English and mathematics. If approved, the policy will be broadly communicated to traditional and adult learners, teachers, and parents throughout the state.

Staff preparation by Dianne M. Bazell

Kentucky Statewide Public Postsecondary Placement Policy in English and Mathematics

The statewide placement policy is *applicable to any incoming student entering a Kentucky public postsecondary institution*. It provides guidance for students, teachers, parents, school counselors, and school administrators, as well as adult learners and those who prepare them for postsecondary education. ACT standards form the basis of the policy because Kentucky uses the ACT (or equivalent measures) for college admissions and placement decisions.

Kentucky Statewide Placement Policy in English

- A student earning an ACT English sub-score of *18 or higher* qualifies for placement in a credit-bearing writing course at any Kentucky public postsecondary institution.

Kentucky Statewide Placement Policy in Mathematics

Three levels of readiness are identified for placement in a credit-bearing mathematics course at any Kentucky public postsecondary institution:

- Level 1: A student earning an ACT mathematics sub-score of *19 or higher* qualifies for placement in a credit-bearing mathematics course, but this course may not be a requirement for many college majors or lead to subsequent coursework in mathematics. Mathematics for liberal arts is an example of such a course.
- Level 2: A student earning an ACT mathematics sub-score of *22 or higher* qualifies for placement in college algebra. College algebra (or placement in more advanced courses) is required for majors such as biology, business, economics, information systems, and technology. College algebra can lead to *any* major.
- Level 3: A student earning an ACT mathematics sub-score of *27 or higher* qualifies for placement in calculus. Calculus is required for majors such as mathematics, physics, chemistry, computer science, engineering, biology, business, and technology.

Kentucky's statewide public postsecondary placement policy is a guarantee of placement in credit-bearing coursework to incoming students demonstrating specified levels of competence. It does not guarantee admission to any institution. It does not mandate remedial placement of students earning less than one of the ACT required scores. Students who do not meet these statewide thresholds in mathematics (but who have an ACT of 18 or higher) will be placed according to institutional determination.

Kentucky's statewide public postsecondary placement policy complements the state's Minimum Admissions Policy, which holds Kentucky's public postsecondary institutions responsible for providing supplemental academic assistance to any underprepared student admitted (defined as having an ACT sub-score below 18 in mathematics, English, or reading).

The required scores in this policy measure acquisition of specific skills comprising college readiness in English and mathematics. In order to supply clear and specific guidelines for college readiness, beyond a test score, these skills are described in Attachments 2 and 3.

All the skills outlined are significant. Certain skills are prioritized as "gateway" skills because students who lack these specific skills are likely to require remedial coursework, which is costly both in terms of time and tuition dollars. Other skills, also important, but which could be acquired in college, or which are not normally assessed for remedial placement purposes, are listed after the gateway skills. Such prioritization should not be interpreted as indicating that these skills should be neglected in high school or adult education preparation.

The Council on Postsecondary Education and Kentucky's postsecondary faculty encourage a rigorous, academically challenging curriculum for *all* high school students and adult learners. They made the following observations and recommendations for all students who plan to enter college or be successfully employed after high school:

- Reading across a broad range of genres, including fiction, poetry, drama, and non-fiction, has a significant beneficial effect on writing, critical thinking, and the ability to appreciate perspectives other than one's own.
- Analytical writing strengthens the ability to think critically.
 - The ability to write clear, lucid prose, unedited by others and within a time limit, is a skill that students will need throughout their college careers and beyond.
 - The ability to research a problem and marshal evidence and documentation in support of a position is a skill that will support success across college disciplines and in the workplace.
- The study of mathematics strengthens the ability to reason, and (as national research has shown) the level of mathematics one studies in high school serves as the single greatest predictor of college completion.
- The time-consuming and labor-intensive nature of the study of algebra requires that special attention be devoted to this topic prior to college.

Kentucky Statewide College-Readiness Standards in English

- 1. The following are basic gateway skills in English, indicating teachability at the college level. Inability to demonstrate these skills is likely to require remedy in the form of non-credit-bearing coursework. If able to demonstrate these skills, a student is likely to be placed in credit-bearing coursework.**

It is essential that an entering college student can do the following.

Language

- A. Demonstrate control of standard English through the use of grammar, punctuation, capitalization, and spelling.
- B. Use general and specialized dictionaries, thesauruses, and glossaries (print and electronic) to determine the definition, pronunciation, etymology, spelling, and usage of words.
- C. Use roots, affixes, and cognates to determine the meaning of unfamiliar words.
- D. Use context to determine the meaning of unfamiliar words.
- E. Recognize nuances in the meanings of words; choose words precisely to enhance communication.
- F. Give and follow spoken instructions to perform specific tasks, answer questions, and solve problems.
- G. Participate productively in self-directed work teams for a particular purpose (for example, to interpret literature, write or critique a proposal, solve a problem, make a decision), including:
 - Posing relevant questions.
 - Listening with civility to the ideas of others.
 - Extracting essential information from others' input.
 - Building on the ideas of others and contributing relevant information or ideas in group discussions.
 - Consulting texts as a source of ideas.
 - Gaining the floor in respectful ways.
 - Defining individuals' roles and responsibilities and setting clear goals.
 - Acknowledging the ideas and contributions of individuals in the group.
 - Understanding the purpose of the team project and the ground rules for decision-making.
 - Maintaining independence of judgment, offering dissent courteously, ensuring a hearing for the range of positions on an issue, and avoiding premature consensus.
 - Tolerating ambiguity and a lack of consensus.
 - Selecting a leader/spokesperson when necessary.

Writing

- H. Plan writing by taking notes, writing informal outlines, and researching.
- I. Select and use formal, informal, literary, or technical language appropriate for the purpose, audience, and context of the communication.
- J. Organize ideas in writing with a thesis statement in the introduction, well-constructed paragraphs, a conclusion, and transition sentences that connect paragraphs into a coherent whole.
- K. Drawing on readers' comments on working drafts, revise documents to develop or support ideas more clearly, address potential objections, ensure effective transition between paragraphs, and correct errors in logic.
- L. Edit both one's own and others' work for grammar, style, and tone appropriate to audience, purpose, and context.
- M. Write an analytic essay (for example, an explanation, a critique, an argument, or a literary analysis) that:
- Develops a thesis.
 - Creates an organizing structure appropriate to purpose, audience, and context.
 - Includes relevant information and excludes extraneous information.
 - Makes valid inferences.
 - Supports judgments with relevant and substantial evidence and well-chosen details.
 - Provides a coherent conclusion.
- N. Define and narrow a problem or research topic.

Logic

- O. Distinguish among facts, opinions, evidence, and inferences.
- P. Construct arguments that:
- Develop a thesis that demonstrates clear and knowledgeable judgment.
 - Structure ideas in a sustained and logical fashion.
 - Use a range of strategies to elaborate and persuade, such as descriptions, anecdotes, case studies, analogies, and illustrations.
 - Clarify and defend positions with precise and relevant evidence, including facts, expert opinions, quotations, and/or expressions of commonly accepted beliefs, and logical reasoning.
 - Anticipate and address the reader's concerns and counterclaims.
 - Provide clear and effective conclusions.

Informational Text

- Q. Follow instructions in informational texts to perform specific tasks, answer questions, or solve problems.
- R. Identify the main ideas of informational text and determine the essential elements that elaborate them.
- S. Distinguish between a summary and a critique.
- T. Identify interrelationships between and among ideas and concepts, such as cause-and-effect relationships, within a text.
- U. Draw conclusions based on evidence from texts.
- V. Analyze the ways in which a text's organizational structure supports or confounds its meaning or purpose.
- W. Recognize and evaluate the use of ambiguity, contradiction, paradox, irony, incongruities, overstatement, and understatement in texts.

Literature

- X. Interpret significant works from various forms of literature: poetry, novel, biography, short story, essay, and dramatic literature; use understanding of genre characteristics to make deep and subtle interpretations of the meaning of the text.
- Y. Analyze the setting, plot, theme, characterization, and narration of classic and contemporary short stories and novels.

2. The following competencies are assumed as prerequisite but are not normally tested for placement purposes to determine college-readiness.

Communication

- A. Summarize information presented orally by others.
- B. Paraphrase information presented orally by others.
- C. Identify the thesis of a speech and determine the essential elements that elaborate it.
- D. Analyze the ways in which the style and structure of a speech support or confound its meaning or purpose.

Research

E. Report findings within prescribed time and/or length requirements, as appropriate.

Informational Text

F. Summarize informational and technical texts and explain the visual components that support them.

3. These are valuable survival skills for all college-level work, though not necessarily prerequisite for entry-level English courses.

Communication

A. Make oral presentations that:

- Exhibit a logical structure appropriate to the audience, context, and purpose.
- Group related ideas and maintain a consistent focus.
- Include smooth transitions.
- Support judgments with sound evidence and well-chosen details.
- Make skillful use of theatrical devices.
- Provide a coherent conclusion.
- Employ proper eye contact, speaking rate, volume, enunciation, inflection, and gestures to communicate ideas effectively.

Writing

B. Determine how, when, and whether to employ technologies (such as computer software, photographs, and video) in lieu of, or in addition to, written communication.

C. Present written material using basic software programs (such as Word, Excel, and PowerPoint) and graphics (such as charts, ratios, and tables) to present information and ideas best understood visually.

Research

D. Gather relevant information from a variety of print and electronic sources, as well as from direct observation, interviews, and surveys.

E. Make distinctions about the credibility, reliability, consistency, strengths, and limitations of resources, including information gathered from Web sites.

F. Write an extended research essay (approximately six to ten pages), building on primary and secondary sources, that:

- Marshals evidence in support of a clear thesis statement and related claims.

- Paraphrases and summarizes with accuracy and fidelity the range of arguments and evidence supporting or refuting the thesis, as appropriate.
- Cites sources correctly and documents quotations, paraphrases, and other information using a standard format.

Informational Text

- G. Interpret and use information in maps, charts, graphs, time lines, tables, and diagrams.
- H. Synthesize information from multiple sources.
- I. Evaluate texts for their clarity, simplicity, and coherence and for the appropriateness of their graphics and visual appeal.

Media

- J. Evaluate the aural, visual, and written images, and other special effects used in television, radio, film, and the Internet for their ability to inform, persuade, and entertain (for example, anecdote, expert witness, vivid detail, tearful testimony, and humor).
- K. Examine the intersections and conflicts between the visual (such as media images, painting, film, and graphic arts) and the verbal.
- L. Recognize how visual and sound techniques or design (such as special effects, camera angles, and music) carry or influence messages in various media.
- M. Apply and adapt the principles of written composition to create coherent media productions using effective images, text, graphics, music, and/or sound effects—if possible—and present a distinctive point of view on a topic (for example, PowerPoint presentations, videos).

4. These skills are valuable, but they could be taught and acquired in college:

Language

- A. Identify the meaning of common idioms, as well as literary, classical, and biblical allusions.
- B. Comprehend and communicate quantitative, technical, and mathematical information.

Writing

- C. Cite print or electronic sources properly when paraphrasing or summarizing information, quoting, or using graphics.
- D. Produce work-related texts (for example, memos, emails, correspondence, project plans, work orders, proposals, and bios) that:
 - Address audience needs, stated purpose, and context; translate technical language into non-technical English.

- Include relevant information and exclude extraneous information.
- Use appropriate strategies, such as providing facts and details, describing or analyzing the subject, explaining benefits or limitations, comparing or contrasting, and providing a scenario to illustrate.
- Anticipate potential problems, mistakes, and misunderstandings that might arise for the reader; create predictable structures through the use of headings, white space, and graphics, as appropriate.
- Adopt a customary format, including proper salutation, closing, and signature, when appropriate.

Logic

- E. Describe the structure of a given argument; identify its claims and evidence; and evaluate connections among evidence, inferences, and claims.
- F. Evaluate the range and quality of evidence used to support or oppose an argument.
- G. Recognize common logical fallacies, such as the appeal to pity (*argumentum ad misericordiam*), the personal attack (*argumentum ad hominem*), the appeal to common opinion (*argumentum ad populum*), and the false dilemma (assuming only two options when there are more options available); understand why these fallacies do not support the point being argued.
- H. Analyze written or oral communications for false assumptions, errors, loaded terms, caricature, sarcasm, leading questions, and faulty reasoning.
- I. Understand the distinction between a deductive argument (in which, if the premises are all true and the argument's form is valid, the conclusion is inescapably true) and an inductive argument (in which the conclusion provides the best or most probable explanation of the truth of the premises, but is not necessarily true).
- J. Analyze two or more texts addressing the same topic to determine how authors reach similar or different conclusions.

Literature

- K. Demonstrate knowledge of significant works of literature.
- L. Analyze foundational U.S. documents for their historical and literary significance (for example, The Declaration of Independence, the Preamble to the U.S. Constitution, Abraham Lincoln's "Gettysburg Address," Martin Luther King, Jr.'s "Letter from Birmingham Jail").
- M. Demonstrate knowledge of metrics, rhyme scheme, rhythm, alliteration, and other conventions of verse in poetry.
- N. Identify how elements of dramatic literature (for example, dramatic irony, soliloquy, stage direction, and dialogue) articulate a playwright's vision.

Kentucky Statewide College-Readiness Standards in Mathematics

- 1. The following are essential gateway mathematical skills that students should have in order to avoid placement into remedial (non-credit-bearing) mathematics courses and to succeed in *any* entry-level, credit-bearing mathematics course. Students who do not develop these skills in high school significantly reduce their chances for success in college and restrict their choice of college majors and career options.**

It is essential that an entering college student can do the following.

Number Sense and Numerical Operations

- A. Compute fluently and accurately with rational numbers without a calculator:
 - Add, subtract, multiply and divide integers, fractions and decimals.
 - Calculate and apply ratios, proportions, rates, and percentages to solve problems.
 - Use the correct order of operations to evaluate arithmetic expressions, including those containing parentheses.
 - Explain and apply the basic number theory concepts such as prime number, factor, divisibility, least common multiple, and greatest common divisor.
 - Multiply and divide numbers expressed in scientific notation.
- B. Recognize and apply magnitude (absolute value) and ordering of real numbers:
 - Locate the position of a number on the number line, know that its distance from the origin is its absolute value, and know that the distance between two numbers on the number line is the absolute value of their difference.
 - Determine the relative position on the number line of numbers and the relative magnitude of numbers expressed in fractional form, in decimal form, as roots, or in scientific notation.
- C. Understand that in order to solve certain problems and equations, number systems need to be extended from whole numbers to the set of all integers (positive, negative, and zero), from integers to rational numbers, from rational numbers to real numbers (rational and irrational numbers), from real numbers to complex numbers, and define and give examples of each of these types of numbers.

Algebra

- D. Perform basic operations with algebraic expressions fluently and accurately:
 - Understand the properties of integer exponents and roots and apply these properties to simplify algebraic expressions.
 - Understand the properties of rational exponents and apply these properties to simplify algebraic expressions.
 - Add, subtract, and multiply polynomials. Divide a polynomial by a low degree polynomial.

- Factor polynomials by removing the greatest common factor and factor quadratic polynomials.
 - Add, subtract, multiply, divide, and simplify rational expressions.
 - Evaluate polynomial and rational expressions and expressions containing radicals and absolute values—at specified values of their variables.
- E. Understand functions, their representations, and their properties:
- Recognize whether a relationship given in symbolic or graphical form is a function.
 - Understand functional notation and evaluate a function at a specified point in its domain.
- F. Apply basic algebraic operations to solve equations and inequalities:
- Solve linear equations and inequalities in one variable including those involving an absolute value.
 - Solve an equation involving several variables for one variable in terms of the others.
 - Solve systems of two linear equations in two variables.
 - Solve quadratic equations in one variable.
- G. Graph a variety of equations and inequalities in two variables, demonstrate understanding of the relationships between the algebraic properties of an equation and the geometric properties of its graph, and interpret a graph:
- Graph a linear equation and demonstrate that it has a constant rate of change.
 - Understand the relationship between the coefficients of a linear equation and the slope and x and y intercepts of its graph.
 - Understand the relationship between a solution of a system of two linear equations in two variables and the graphs of the corresponding lines.
 - Graph the solution set of a linear inequality.
 - Graph a quadratic function and understand the relationship between its real zeros and the x-intercepts of its graph.
 - Graph exponential functions and identify their key characteristics.
 - Read information and draw conclusions from graphs; identify properties of a graph that provide useful information about the original problem.
- H. Solve problems by converting the verbal information given into an appropriate mathematical model involving equations or systems of equations; apply appropriate mathematical techniques to analyze these mathematical models; and interpret the solution obtained in written form using appropriate units of measurement:
- Recognize and solve problems that can be modeled using a linear equation in one variable, such as time/rate/distance problems, percentage increase or decrease problems, and ratio and proportion problems.
 - Recognize and solve problems that can be modeled using a system of two equations in two variables.
 - Recognize and solve problems that can be modeled using a quadratic equation, such as the motion of an object under the force of gravity.
 - Recognize and solve problems that can be modeled using an exponential function, such as compound interest problems.

Geometry

- I. Understand the different roles played by axioms, definitions, and theorems in the logical structure of mathematics, especially in geometry:
 - Identify, explain the necessity of, and give examples of definitions, axioms, and theorems.
 - State and use key basic theorems in geometry such as the Pythagorean theorem, the sum of the angles of a triangle is 180 degrees, the line joining the midpoints of two sides of a triangle is parallel to the third side and half its length.
- J. Identify and apply the definitions and properties related to lines and angles and use them to solve problems:
 - Identify and apply properties of and theorems about parallel lines.
 - Identify and apply properties of and theorems about perpendicular lines.
 - Identify and apply properties of and theorems about angles.
- K. Understand the basic theorems about congruent and similar triangles and use them to solve problems.
- L. Understand the definitions and basic properties of a circle and use them to solve problems.
- M. Apply the Pythagorean theorem, its converse, and properties of special right triangles to solve problems.
- N. Use the concept of similarity of figures to solve problems.
- O. Know that geometric measurements (length, area, perimeter, and volume) depend on the choice of a unit and that measurements made on physical objects are approximations; calculate the measurements of common plane and solid geometric figures:
 - Understand that numerical values are associated with measurements of physical quantities and must be assigned units of measurement or dimensions; apply such units correctly in expressions, equations, and problem solutions that involve measurements; and convert a measurement using one unit of measurement to another unit of measurement.
 - Determine the perimeter of a polygon and the circumference of a circle, the area of a rectangle, circle, triangle, and a polygon with more than four sides by decomposing it into triangles, the surface area of a prism, a pyramid, a cone, and a sphere, and the volume of a prism (for example, a rectangular box), a pyramid, a cone, and a sphere.
 - Know that the effect of a scale factor k on length, area, and volume is to multiply each by k , k^2 , and k^3 , respectively.
- P. Represent geometric objects and figures algebraically using coordinates; use algebra to solve geometric problems:
 - Express the intuitive concept of the “slant” of a line in terms of the precise concept of slope, use the coordinates of two points on a line to define its slope, and use slope to express the parallelism and perpendicularity of lines.

- Describe a line by a linear equation.
- Find the distance between two points using their coordinates and the Pythagorean theorem.
- Find an equation of a circle given its center and radius.

Q. Understand basic right-triangle trigonometry and apply it to solve problems:

- Understand how similarity of right triangles allows the trigonometric function, sine, cosine, and tangent to be defined as ratios of sides, and be able to use these functions to solve problems.
- Apply the trigonometric functions sine, cosine and tangent to solve for an unknown length of a side of a right triangle, given one of the acute angles and the length of another side.

Data Interpretation, Statistics, and Probability

R. Explain and apply quantitative information:

- Organize and display data using appropriate methods (including spreadsheets) to detect patterns and departures from patterns.
- Read and interpret tables, charts, and graphs.
- Compute and explain summary statistics for distributions of data including measures of center (mean, median) and spread (range, percentiles, variance, and standard deviation).

2. The following skills are valuable but can be acquired while enrolled in a college-level, credit-bearing course. This does not, however, minimize their importance in the high school curriculum.

Number Sense and Numerical Operations

A. Understand the capabilities and the limitations of calculators and computers in solving problems:

- Use calculators appropriately and make estimations without a calculator regularly to detect potential errors.
- Use graphing calculators and computer spreadsheets.

Algebra

B. Perform basic operations on algebraic expressions fluently and accurately (additional skill):

- Derive and use the formulas for the general term and summation of finite arithmetic and geometric series and infinite geometric series with common ratio r in the interval $(-1,1)$.

C. Graph a variety of equations and inequalities in two variables, demonstrate understanding of the relationships between the algebraic properties of an equation and the geometric properties of its graph, and interpret a graph (additional skill):

- Graph ellipses and hyperbolas whose axes are parallel to the x and y axes and demonstrate understanding of the relationship between their standard algebraic form and their graphical characteristics.
- D. Solve problems by converting the verbal information given into an appropriate mathematical model involving equations or systems of equations; apply appropriate mathematical techniques to analyze these mathematical models; and interpret the solution obtained in written form using appropriate units of measurement (additional skills):
- Recognize and solve problems that can be modeled using a finite geometric series, such as home mortgage problems and other compound interest problems.
 - Recognize and solve problems that can be modeled using an exponential function but whose solution requires facility with logarithms, such as exponential growth and decay problems.

Geometry

- E. Visualize solids and surfaces in three-dimensional space when given two-dimensional representations (for example, nets, multiple views) and create two-dimensional representations for the surfaces of three-dimensional objects.

Data Interpretation, Statistics and Probability

- F. Explain and apply quantitative information (additional skills):
- Compare data sets using graphs and summary statistics.
 - Create scatter plots, analyze patterns, and describe relationships in paired data.
 - Know the characteristics of the Gaussian normal distribution (bell-shaped curve).
- G. Explain and criticize alternative ways of presenting and using information:
- Evaluate reports based on data published in the media by considering the source of the data, the design of the study, and the way the data are analyzed and displayed.
 - Identify and explain misleading uses of data.
 - Recognize when arguments based on data confuse correlation with causation.
- H. Explain the use of data and statistical thinking to draw inferences, make predictions, and justify conclusions:
- Explain the impact of sampling methods, bias, and the phrasing of questions asked during data collection and the conclusions that can be rightfully made.
 - Design simple experiments or investigations to collect data to answer questions of interest.
 - Explain the differences between randomized experiments and observational studies.
 - Construct a scatter plot of a set of paired data and if it demonstrates a linear trend, use a graphing calculator to find the regression line that best fits this data. Recognize that the correlation coefficient measures goodness of fit and explain when it is appropriate to use the regression line to make predictions.

- I. Explain and apply probability concepts and calculate simple probabilities:
 - Explain how probability quantifies the likelihood that an event occurs in terms of numbers.
 - Explain how the relative frequency of a specified outcome of an event can be used to estimate the probability of the outcome.
 - Explain how the Law of Large Numbers can be applied in simple examples.
 - Apply probability concepts such as conditional probability and independent events to calculate simple probabilities.
 - Apply probability concepts to practical situations to make informed decisions.

3. **The following mathematical skills are essential, together with the skills in category 1, for students whose intended majors require calculus and who expect to begin college taking calculus. Such majors include mathematics, physics, chemistry, computer science, engineering, biology, and business.**

Algebra

- A. Understand functions, their representations, and their properties (additional skills):
 - Determine the domain of a function represented in either symbolic or graphical form.
 - Combine functions by composition, as well as by addition, subtraction, multiplication, and division.
 - Identify whether a function has an inverse and when functions are inverses of each other; explain why the graph of a function and its inverse are reflections of one another over the line $y = x$.
 - Know that the inverse of an exponential function is a logarithmic function, prove basic properties of a logarithm using properties of its inverse, and apply those properties to solve problems.

- B. Understand the Binomial theorem and its connections to combinatorics, Pascal's Triangle, and probability.

Geometry

- C. Understand the different roles played by axioms, definitions, and theorems in the logical structure of mathematics, especially in geometry (deepened skill):
 - Prove key basic theorems in geometry such as the Pythagorean theorem, the sum of the angles of a triangle is 180 degrees, and the line joining the midpoints of two sides of a triangle is parallel to the third side and half its length.
 - Prove basic theorems about congruent and similar triangles (deepened skill).
 - Prove basic theorems about circles (deepened skill):

- D. Use rigid motions (compositions of reflections, translations, and rotations) to determine whether two geometric figures are congruent and to create and analyze geometric designs.

- E. Represent geometric objects and figures algebraically using coordinates; use algebra to solve geometric problems (additional skill):
- Given an equation of a circle, find its center and radius (deepened skill).
- F. Know how the trigonometric functions can be extended to periodic functions on the real line, derive basic formulas involving these functions, and use these functions and formulas to solve problems.
- Know that the trigonometric functions sine and cosine, and thus all trigonometric functions, can be extended to periodic functions on the real line by defining them as functions on the unit circle, that radian measure of an angle between 0 and 360 degrees is the arc length of the unit circle subtended by that central angle, and that by similarity the arc length “s” of a circle of radius “r” subtended by a central angle of measure t radians is $s=rt$.
 - Know and use the basic identities, such as $\sin^2(x) + \cos^2(x) = 1$ and $\cos\left(\frac{\pi}{2} - x\right) = \sin(x)$, and formulas for sine and cosine, such as addition and double angle formulas.
 - Graph sine, cosine, and tangent as well as their reciprocals cosecant, secant, and cotangent functions; identify key characteristics.
 - Know and use the law of cosines and the law of sines to find missing sides and angles of a triangle.

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Kentucky/Ohio Tuition Reciprocity Agreement

Action: The staff recommends that the Council approve an amendment to the Kentucky/Ohio reciprocity agreement that would allow Southern State Community College to withdraw from the agreement. There currently are no Kentucky residents enrolled at Southern State Community College under the reciprocity agreement.

Tuition reciprocity allows students from Kentucky counties bordering Ohio to attend participating Ohio postsecondary institutions at tuition rates charged to Ohio residents. Similarly, residents of Ohio counties bordering Kentucky can attend participating Kentucky institutions and pay tuition rates charged to Kentucky residents.

The Council, at its May 2003 meeting, approved the current tuition reciprocity agreements between Kentucky and Ohio. These agreements will expire June 30, 2005. Included in the agreements for the first time was an agreement between Maysville Community College in Kentucky and Southern State Community College in Ohio and the University of Cincinnati-Clermont College (a two-year institution).

The proposed amendment would remove Southern State Community College, who requested the change, from the agreement between Maysville Community College and the University of Cincinnati-Clermont College. The removal of Southern State will not impact any Kentucky residents as none are currently enrolled at Southern State under the tuition reciprocity agreement. Additionally, a review of reciprocity enrollment records shows that no Kentucky residents enrolled at Southern State under the tuition reciprocity agreement in the fall of 2003, the only other year the agreement has been in effect.

Council on Postsecondary Education
November 8, 2004

CEO Report

The Committee on Equal Opportunities met October 18 and conducted a campus visit at Northern Kentucky University October 18-19, 2004.

Status of Partnership with the OCR: The Commonwealth has not been released from the partnership with the U.S. Department of Education's Office for Civil Rights. The Philadelphia OCR informed the Council staff that it is unlikely that Kentucky will receive any official communication prior to the November elections. Because the previous report is two years old, the OCR staff has requested updated information for the commitments of the partnership.

Status of The Kentucky Plan: Development of the new statewide plan is underway. The CEO will forward a recommendation to the Council for action at its November 2005 meeting. The CEO participated in the nine regional forums, scheduled as part of the Council's 2004-05 strategic planning process, to obtain opinions from the public regarding access and equal opportunity. A workgroup consisting of the Council and institutional staffs has been formed to complete the data analysis to support the development of a new statewide plan.

CEO Meetings for calendar year 2005: The CEO adopted the following meeting dates for calendar year 2005.

February 21
April 18
June 20
August 15 (if needed)
October 17

Campus Visits Status Reports: The CEO visited Northern Kentucky University October 18-19, 2004, Murray State University October 2003, and Western Kentucky University April 2004. The CEO will visit the University of Louisville April 2005.

Program Activities: The CEO staff, doctoral scholars, and mentors participated in the 2004 Institute on Teaching and Mentoring in Atlanta, Georgia, October 20-21, 2004. Twenty-one students and faculty from Kentucky attended the Institute. Morehead State University and Murray State University participated in the recruitment fair Thursday and Friday, October 21-22, 2004.

Equity Conferences and Symposia: The Council and the CEO are supporting a conference focusing on the student-related objectives of *The Kentucky Plan*. Western Kentucky University is planning a conference to be held March 2005 in Louisville to discuss retention and closing the achievement gap. You will receive more information about the conference as the agenda is finalized.

The Louisville Defender Minority Consumer Expo: The Minority Consumer Expo was held October 29-31, 2004, at the Kentucky International Convention Center in Louisville. Kentucky State Government and the Louisville Defender sponsored this annual event. The institutions participated in the student recruitment and career fair but did not participate in the expo event.

Next CEO Meeting: The Committee on Equal Opportunities will meet February 21, 2005. The meeting will begin at 9 a.m. (ET), at the Council offices in Frankfort, Kentucky.

Staff preparation by Sherron Jackson and Rana Johnson

Council on Postsecondary Education
November 8, 2004

**Status Report:
KSU/CPE Comprehensive Assessment
Oversight Committee**

The joint CPE/KSU Comprehensive Assessment Oversight Committee met August 23, 2004. The committee reviewed the status of implementation of the Baker & Hostetler report recommendations.

CPE 2004-05 Strategic Planning Process: Members of the committee were given the schedule of regional forums and invited to participate. Also, information was provided regarding the intent of the forums. The Kentucky State University service area is included in the Bluegrass forum held at Henry Clay High School in Lexington, Kentucky.

Status of the Recommendations from the B&H Report: KSU reported that nearly 50 percent of the B&H recommendations have been implemented or are underway. Priority has been given to the recommendations that are most critical to the immediate future of the university. The committee was concerned that the lack of an enacted budget is delaying the renovation of Young Hall dormitory, a resource needed by KSU to increase its enrollment. The university is exploring alternatives to renovating Young Hall. Other B&H report recommendations that KSU is implementing also were discussed.

KSU Board Appointments and Vacancies: Mrs. Yvette Haskins, retired, and Mr. Michael Alexander, Deputy General Counsel to the Governor, were appointed June 30, 2004, to six-year terms on the KSU Board of Regents. A third member, Ishmon Burks, recently resigned his appointment to the KSU Board of Regents to pursue other opportunities. Dr. Karen Bearden Payne was appointed October 4, 2004, to complete Mr. Burks' term expiring June 30, 2007.

The next meeting of the CPE/KSU Comprehensive Assessment Oversight Committee is December 6, 2004, at the Council offices.

Staff preparation by Sherron Jackson and Rana Johnson

Council on Postsecondary Education
November 8, 2004

Master's of Fine Arts in Creative Writing Murray State University

Universities are required to submit all new degree programs beyond their specified program bands to the Council for approval. The Master's of Fine Arts in Creative Writing proposed by Murray State University will prepare students for academic and professional positions in creative writing, publishing, advertising, editing, and teaching.

Action: The staff recommends that the Council approve the Master's of Fine Arts in Creative Writing (CIP 23.0501) proposed by Murray State University.

Murray State University proposes a Master's of Fine Arts in Creative Writing. The proposed program offers advanced instruction in creative writing, primarily through distance learning for those unable to pursue a traditionally structured graduate program.

The demand for graduate training in creative writing has increased consistently over the past decade. The number of MFA programs in creative writing in the United States increased from 55 in 1992 to 99 in 2001. MuSU has a long-standing commitment to arts education and a thriving creative writing program that serves undergraduate and traditional graduate students, as well as the general public, in western Kentucky. The English department sponsors the celebrated Reading Series and the annual Jesse Stuart Symposium that hosts national and international writers. The proposed MFA program is a natural extension of this university strength.

Students in the MFA in Creative Writing program will select a concentration in either fiction, poetry, or creative non-fiction. The program comprises 48 hours of graduate study, of which 27 hours will be conducted via distance learning and 12 hours completed in four 10-day intensive residencies completed within two years. The remaining course hours may be taken at any accredited graduate program. This program is designed to be balanced and flexible.

MuSU and Eastern Kentucky University have been working together since January 2003 to develop MFAs in creative writing to serve students across the state primarily through distance learning. The two universities signed a Memorandum of Understanding, outlining nine areas of collaboration. These include the sharing of faculty through distance learning and brief on-campus residencies. Visiting faculty from each campus will offer special workshops. The programs will offer joint invitations to high profile guest authors and coordinate their visits to each campus. This will result in increased efficiency and cost savings. To enhance distance learning offerings and avoid duplication, the universities will develop and organize online

courses available to students in both programs. They also will create and share electronic reserve materials. Finally, they will work together to complement, not duplicate, areas of specialization.

Program enrollment will reach a limit of 40 within six years. Eight adjunct faculty will be hired within six years for the distance learning components. The Kentucky Virtual University will facilitate the distance learning courses to increase flexibility, efficiency, and access.

The MuSU Board of Regents approved the program at its September 17, 2004, meeting.

Staff preparation by Bennett G. Boggs

Master's in Business Administration Kentucky State University

Universities are required to submit all new degree programs beyond their specified program bands to the Council for approval. The Master's in Business Administration proposed by Kentucky State University will prepare students for professional business and finance positions in for-profit and not-for-profit organizations.

Action: The staff recommends that the Council approve the Master's in Business Administration (CIP 52.0201) proposed by Kentucky State University.

Kentucky State University proposes a Master's in Business Administration. The proposed program targets state and local government workers, business and corporate employees within its six county service region, and recent KSU graduates. The proposed program meets the needs of nontraditional students by offering evening and weekend courses.

KSU has documented constituent interest in a graduate program in business administration. A survey of 18,000 state employees listed business administration as the number one interest among 32 choices. KSU administrators then interviewed the secretary of the Finance and Administration Cabinet, the auditor of Public Accounts, and the secretary of the Personnel Cabinet to discuss employee business education needs. Those offices have provided letters of support for the proposed program.

The proposed program is designed to appeal to students who may not have a management or business background. The program will accept academically qualified students with varied undergraduate degrees, especially in the liberal arts. The program also will collaborate closely with KSU's Master's in Public Administration program in five core areas and share elective courses for specialization areas. This will permit the MBA students to connect business with public sector studies making the program particularly attractive for government and other nonprofit employees. Students in the MPA program also may develop areas of secondary specializations in accounting, management, marketing, or general business, expanding their public sector focus to include selected business areas.

The KSU School of Business is committed to continuous assessment of the proposed program. The assessment plan will review the performance of students, graduates, and faculty. Key assessment data include student progress towards completion, graduate placement rates, regular surveys of graduates and employers, and faculty and curriculum reviews. In 1994, the Association of Collegiate Business Schools and Programs accredited the KSU undergraduate

business program. The faculty is developing a plan and timeline to expand the accreditation to include the graduate program.

The program expects to enroll 15–20 students per year. Currently, 13 KSU faculty are engaged in teaching business-related courses and offerings. The proposed program will require one additional faculty member.

The KSU Board of Regents approved the program at its June 7, 2004, meeting.

Staff preparation by Bennett Boggs, Sherron Jackson, and Rana Johnson

University of Kentucky Capital Project - Nutter Training Facility Outdoor Football Practice Fields

The following interim project recommendation will authorize the University of Kentucky to use private funds to renovate the outdoor football practice fields at the Nutter Training Facility on the University of Kentucky main campus.

Action: The staff recommends that the Council approve the request of the University of Kentucky to renovate the outdoor football practice fields at the Nutter Training Facility with \$2,250,000 of private funds.

The University of Kentucky proposes to renovate three outdoor football practice fields at the Nutter Training Facility using \$2,250,000 of private funds. *The project was approved by the University of Kentucky Board of Trustees at its meeting October 26, 2004.*

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing \$400,000 or more regardless of fund source that have been approved by an institution's governing board. Since the estimated cost of this project exceeds the \$400,000 threshold, the Council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated. During the interim, when the General Assembly is not in session, capital projects are evaluated under the requirements established by KRS 45.760(14) and KRS 45.763.

This project will fully renovate two grass football practice fields correcting subsurface engineering, grading, and drainage issues; install new synthetic infill surfaces to improve athlete safety, field play, and wearability; and convert a third grass practice field to a state-of-the-art synthetic infill surface. The fields are located off Cooper Drive near Commonwealth Stadium. This project was included in the university's 2004-06 biennial capital projects request, the Council's 2004-06 capital projects recommendation, and House Bill 395 as a project to replace Nutter Football Field (\$2.0 million). The project requires interim authorization because the 2004 General Assembly did not enact a 2004-06 biennial budget.

Project Financing: The University of Kentucky states that funding for the total project (\$2,250,000) will come from private funds held by the university's intercollegiate athletics quasi-endowment funds (K-Fund). The project meets the requirement of KRS 45.760(14) that the source of funds is at least 50 percent federal or private. UK's Capital Project Management Division will implement the project. The recurring costs of operations and maintenance of the facility are the responsibility of the University of Kentucky.

Following Council approval, 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

University of Kentucky Capital Project - Commonwealth Stadium Locker Rooms

The following interim project recommendation will authorize the University of Kentucky to use private funds to renovate the home locker rooms of Commonwealth Stadium.

Action: The staff recommends that the Council approve the request of the University of Kentucky to renovate the Commonwealth Stadium Locker Rooms with \$650,000 of private funds.

The University of Kentucky proposes to renovate the Commonwealth Stadium Locker Rooms using \$650,000 of private funds. *The project was approved by the University of Kentucky Board of Trustees at its meeting October 26, 2004.*

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing \$400,000 or more regardless of fund source that have been approved by an institution's governing board. Since the estimated cost of this project exceeds the \$400,000 threshold, the Council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated. During the interim, when the General Assembly is not in session, capital projects are evaluated under the requirements established by KRS 45.760(14) and KRS 45.763.

This project will fully renovate and combine the space in the home team's offensive and defensive locker rooms at Commonwealth Stadium. The project will renovate 3,000 square feet of space and create 1,000 square feet of new space. The total project will consist of 4,000 square feet. The facility, constructed in 1972, is located off of Cooper Drive. The renovated locker rooms will allow the full football team to assemble in a single locker room space. The project requirements are based on a feasibility study conducted by Ross Tarrant in August 2003.

Project Financing: The University of Kentucky states that funding for the total project (\$650,000) will come from private funds held by the university's intercollegiate athletics quasi-endowments (K-Fund). The project meets the requirement of KRS 45.760(14) that the source of funds is at least 50 percent federal or private. UK's Capital Project Management Division will implement the project. The recurring costs of operations and maintenance of the facility are the responsibility of the University of Kentucky.

Following Council approval, 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

University of Kentucky Capital Project - Biomedical/Biological Sciences Research Building

The following interim project recommendation will authorize the University of Kentucky to use private funds to design the fit-up of the 4th floor of the Biomedical/Biological Sciences Research Building on the University of Kentucky main campus.

Action: The staff recommends that the Council approve the request of the University of Kentucky to design the fit-up of the 4th floor of the Biomedical/Biological Sciences Research Building with \$850,000 of federal and private funds.

The University of Kentucky proposes to design the fit-up of the 4th floor of the Biomedical/Biological Sciences Research Building using \$850,000 of federal and private funds. *The project was approved by the University of Kentucky Board of Trustees at its meeting October 26, 2004.*

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing \$400,000 or more regardless of fund source that have been approved by an institution's governing board. Since the estimated cost of this project exceeds the \$400,000 threshold, the Council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated. During the interim, when the General Assembly is not in session, capital projects are evaluated under the requirements established by KRS 45.760(14) and KRS 45.763.

This project will allow the university to design the fit-up of 32,750 square feet of shelled space for wet-bench, support, and dry computational laboratories. The 210,000 square foot building is currently under construction and is scheduled to be complete in late 2004. The space will be used to house existing researchers and newly recruited researchers. Vacated space will be renovated, if needed, and reassigned. This project was included in the university's 2004-06 biennial capital projects request, the Council's 2004-06 Capital Projects recommendation, and House Bill 395 at a total scope of \$11 million in restricted and federal funds. The project requires interim authorization because the 2004 General Assembly did not enact a 2004-06 biennial budget. The university plans to seek full authority to complete the project from the 2005 Session of the General Assembly.

Project Financing: The University of Kentucky states that funding for project design (\$850,000) will come from a federal grant (\$425,000) from the National Center for Research Resources Extramural Research Facilities Improvement Program and private funds (\$425,000) from the

University of Kentucky Research Foundation, Inc. The project meets the requirement of KRS 45.760(14) that the source of funds is at least 50 percent federal or private. The university does not envision debt financing any portion of this project. UK's Capital Project Management Division will implement the project. The university may request General Funds to support the recurring costs of operations and maintenance of the space (\$426,000).

Following Council approval, 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

Western Kentucky University Capital Project - Transportation Center

The following interim project recommendation will authorize Western Kentucky University to use funds available from a federal grant, a Kentucky Transportation Cabinet grant, and university restricted funds to purchase buses, acquire land, and construct a transportation center on the university's main campus.

Action: The staff recommends that the Council approve the request of Western Kentucky University to purchase buses, acquire land, and construct a bus transportation center with \$3,069,561 of federal funds, Kentucky Transportation Cabinet funds, and university restricted funds.

Western Kentucky University proposes a project to purchase buses, acquire land, and construct a transportation center for maintenance and storage of the buses using \$3,069,561 of federal funds, Kentucky Transportation Cabinet funds, and university restricted funds.

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing \$400,000 or more regardless of fund source that have been approved by an institution's governing board. Since the estimated cost of this project exceeds the \$400,000 threshold, the Council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated. During the interim, when the General Assembly is not in session, capital projects are evaluated under the requirements established by KRS 45.760(14) and KRS 45.763.

This project will include purchasing new buses, acquiring land, constructing a maintenance facility, and purchasing and installing equipment. The project will allow the university to use remote parking serviced by a reliable bus transportation system to help relieve a shortage of campus parking and congestion in the central campus area. Also, the project will allow the university to preserve green space.

The project was reviewed and approved by the WKU Board of Regents at its meeting May 9, 2003. The project was included in the university's 2004-06 biennial capital projects request and included in the Council's 2004-06 biennial capital projects recommendation. Also, the project was included in the Governor's 2004-06 capital recommendation to the 2004 General Assembly (HB 395). Because the proposed 2004-06 Executive Branch Budget (HB 395) was not enacted, the university is requesting interim authority to complete the project.

Project Financing: Western Kentucky University states that funding for the project (\$3,069,561) will come from a federal grant (\$2,455,649) from the USDOT/Federal Transit Administration, a state grant (\$306,956) from the Kentucky Transportation Cabinet, and university restricted funds (\$306,956). The university indicates that all agreements necessary to access the external funds are in place. The project meets the requirement of KRS 45.760(14) that the source of funds is at least 50 percent federal or private. The university does not envision debt financing any portion of this project. The contracts to complete the project will be awarded by WKU and will be consistent with prevailing wage rates. Completing the project will not increase the need for operations and maintenance costs from the state General Fund.

Following Council approval, 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
November 8, 2004

2003-04 Agency Audit

Action: The Executive Committee recommends that the Council accept the 2003-04 agency audit as submitted by the firm of Moore Stephens Potter LLP.

The Council contracted with the firm of Moore Stephens Potter LLP to perform a financial and management audit of the Council for fiscal year 2003-04. The Council received an unqualified opinion. The audit report contains no reportable conditions or instances of material noncompliance related to either the financial statements or the federal awards.

The executive committee received a draft of the Financial Statements and Independent Auditor's Report and reviewed it with Moore Stephens Potter LLP and Council staff via a September 29 conference call.

The executive committee also requested that the auditors review travel for selected management level employees as a special report.

The audit was conducted in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Staff preparation by F. Diann Donaldson

Council on Postsecondary Education
November 8, 2004

WE CAN: Working to Earn College Access Now

WE CAN is a comprehensive scholarship program that promotes educational attainment for students beginning at grade seven through post-baccalaureate employment. WE CAN is a unique partnership between Murray State University, selected schools in western Kentucky, and two GEAR UP programs.

The GEAR UP grant requires projects to establish partnerships between schools, colleges, and businesses and community organizations. Here in Kentucky, these partnerships have been providing a framework to expand and sustain services to students far beyond federal funding. For example, college partners have created campus visitation programs for middle school students. Previously the exclusive focus of such programs was on high school students. Participating institutions include the Kentucky State University, Morehead State University, and the University of Louisville. Other institutions offer summer programs on college campuses for middle school students. Those include the statewide GEAR UP college awareness academy and the academic readiness academy conducted for the last two years by Eastern Kentucky University.

Other GEAR UP partnerships link to local and statewide initiatives to address student achievement and school improvement. For example, Owensboro Community College and Hazard Community and Technical College work with Owensboro High School and Leslie County High School, respectively, to ensure **that** targeted at-risk students are prepared for

college level work by the time they graduate from high school. GEAR UP partnerships also focus on creating a college going culture in schools by helping school personnel acquire the skills necessary to prepare all students for college level work. As a result, GEAR UP schools work intentionally with their university partners to identify the right opportunities for teacher professional development and student academic enrichment programs that promote college readiness. For example, Cumberland College faculty worked the last two summers with Whitley County High School teachers in a program for students who failed algebra in ninth grade, and Northern Kentucky University faculty worked with Holmes High School faculty and tenth grade students from three Northern Kentucky districts in a field science summer enrichment program. GEAR UP has become an umbrella under which to coordinate efforts and align resources to ensure college readiness.

WE CAN is a collaborative scholarship and early intervention program that will be offered by MuSU to students who attend cooperating schools in the Kentucky Department of Education Regions 1 and 2 served by either GEAR UP Kentucky or the local GEAR UP and SOAR partnership managed by the West Kentucky Educational Cooperative. MuSU will offer minimum \$1,000 renewable scholarships to seventh grade students who agree to participate in the program and meet the criteria established. Students who participate in the program will take part in college awareness programs, receive developmental services to support their academic achievement, enroll in appropriate academic subjects that will prepare them for college level work by high school graduation, and achieve at high levels on the ACT college admissions test. Both schools and parents will share the commitment of assuring that students are adequately

prepared for college and work. Recruitment for the program will begin in the fall 2005 if either of the GEAR UP grants is approved for the next cycle. The attached matrix outlines the program.

GEAR UP Kentucky will work with the other postsecondary institutions to develop similar programs across the state. WE CAN, combined with KEES and need-based scholarship programs, will help ensure that the thousands of low-income GEAR UP students across Kentucky can afford to go to college and will be well prepared when they enroll.

Staff preparation by Yvonne Lovell

WE CAN — Working to Earn College Access Now

Participant	Recruitment/Selection	WE CAN Requirements	Scholarships/Eligibility
STUDENT	<ul style="list-style-type: none"> • Voluntary participation • Minimum GPA 2.5 • Score 50 or above on 6th grade CTBS/NCE—total battery at grade level • Attendance record - 96% • Parental commitment to program 	<ul style="list-style-type: none"> • Overall 3.0 GPA by end of 9th grade • Enroll in rigorous curriculum—pre college • Annual review of individual academic plan • Take EXPLORE, PLAN, ACT college readiness assessments • Participate in academic support activities • Participate in college awareness activities • No criminal record • Remain enrolled in cooperating GEAR UP school • Acceptable classroom behavior 	<ul style="list-style-type: none"> • Score 23 or better on ACT • Achieve 3.0 GPA or rank in top half of class • Complete college application • Complete federal financial aid application
PARENTS, GUARDIANS	<ul style="list-style-type: none"> • Complete parent training • Agree to attend student/parent/school conferences 	<ul style="list-style-type: none"> • Monitor student's academic progress • Ensure students participate in support activities • Attend GEAR UP academic planning, financial aid activities • Review students' academic plan annually 	<ul style="list-style-type: none"> • Complete all required financial application forms
COOPERATING SCHOOLS	<ul style="list-style-type: none"> • Assist in identifying 7th grade students • Document and report on student progress 	<ul style="list-style-type: none"> • Develop and sustain services to address identified needs • Assess students' need for additional support • Conduct annual activity to review individual academic plan with students/parents 	<ul style="list-style-type: none"> • Provide counseling activities about college readiness and financial aid
GEAR UP and SOAR	<ul style="list-style-type: none"> • Identify schools • Interview parents and students • Completed application • Provide signed commitment • Secure appropriate releases 	<ul style="list-style-type: none"> • Monitor student progress (7th-12th grade) • Provide tutoring and other support services • Facilitate mentoring programs • Provide early intervention activities • Ensure schools provide college preparatory curriculum for students • Provide supplemental academic programs • Facilitate annual review of student academic planner 	<ul style="list-style-type: none"> • Conduct financial aid information/activities in middle and high schools
MURRAY STATE UNIVERSITY	<ul style="list-style-type: none"> • Select 7th grade students 	<ul style="list-style-type: none"> • Monitor student progress • Conduct financial aid information/activities for middle school • Provide Rhode Scholar mentors for students • Provide MuSU student mentors for GEAR UP high school students • Provide academic support in college years 	<ul style="list-style-type: none"> • Award \$1,000 renewable scholarships • Distribute scholarship certificates