

MINUTES*

Council on Postsecondary Education September 21, 1997

The Council on Postsecondary Education met at 1:00 p.m. (ET) at the Louisville Marriott East. The meeting was held in conjunction with the Governor's Conference on Postsecondary Education Trusteeship. Chair Hardin presided.

ROLL CALL

The following members were present: Ms. Adams, Mr. Baker, Mr. Barger, Ms. Bertelsman, Ms. Edwards, Mr. Greenberg, Mr. Hackbart, Mr. Hardin, Ms. Helm, Ms. Menendez, Mr. Miller, Ms. Ridings, Mr. Todd, Ms. Weinberg, and Mr. Whitehead. Mr. Cody did not attend.

WKU PRESIDENT

Mr. Hardin introduced Gary Ransdell, the new president of Western Kentucky University. President Ransdell will assume his position at WKU in November.

APPROVAL OF MINUTES

There being no corrections, the minutes of the previous meeting were approved as distributed.

TUITION WAIVER POLICY

Mr. Greenberg asked if the interim tuition waiver policy adopted at the July 22 CPE meeting includes CPE staff. Mr. Cox explained that the Postsecondary Education Improvement Act of 1997 (HB 1) does not include CPE staff but the institutions could be asked to voluntarily offer those benefits to CPE employees. Mr. Cox will request the institutions to include the CPE staff in this policy.

ACCOUNTABILITY REPORT

Mr. Cox presented the following recommendation:

RECOMMENDATION: That the 1997 accountability report entitled *The Status of Kentucky Postsecondary Education: In Transition* be approved.

(Additional background information and a copy of the report are attached as Agenda Item C.)

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

HB 1 changed the way CPE will evaluate quality and effectiveness in Kentucky's postsecondary education system. The 14 performance indicators mandated under Senate Bill 109 (the previous accountability system) were eliminated, and the new legislation requires CPE to develop a system of public accountability related to the strategic agenda. An annual accountability report must be submitted to the Governor and the Legislative Research Commission (LRC) by December 1. In response to the legislation and based on CPE action in July 1997, staff reconceptualized the 1997 report as a transition year document showing the overall condition of postsecondary education.

MOTION: Ms. Bertelsman moved that the report be accepted. Mr. Miller seconded the motion.

VOTE: The motion passed.

CPE TRANSITION AGENDA

A discussion item was presented on the CPE transition agenda. At the CPE retreat in August, CPE members requested additional information on the transition issues identified in the retreat workbook. Staff prepared narratives describing the transition issues and grouped them into two categories. Category I items are issues that require CPE attention, discussion, and, in most cases, action within the next few months. Each issue has been assigned to the appropriate CPE committee(s) for further discussion and action. Category II items are current activities or policy issues that have no externally imposed deadlines and do not necessarily require immediate CPE action; however, they may require significant staff work over the next few months. A draft master calendar of critical dates associated with the transition issues was also presented for discussion.

Following is a summary of the urgency of each of the Category I transition issues included in the agenda materials.

1998/2000 Operating Budget Request, 1998/2000 Capital Projects Budget Request, Criteria for the Strategic Investment and Incentive Trust Funds. At the November meeting, CPE should be prepared to move forward with a request for funding levels within each of the trust funds, should be able to identify capital funding projects for each of the institutions, and should move forward with the identification of allocation criteria for each of the six trust funds. Capital projects were identified for all institutions – universities, community colleges, and Kentucky Tech System institutions – before the special session last May. The Kentucky Community and Technical College System (KCTCS) has not had the opportunity to discuss those projects which were put forward by the University of

Kentucky on behalf of the community colleges and by the Workforce Development Cabinet on behalf of the Kentucky Tech System. Staff suggested that CPE consider the newness of the KCTCS board and find a way to move forward together on identifying capital projects to be funded in that system over the next biennium.

Mr. Hardin asked the institutions to reexamine their capital projects requests, reprioritize the lists in light of HB 1, and resubmit the information to CPE staff by October 6.

Agency Budget Request. An agency budget request must be filed with the Executive and Legislative branches by November 15. CPE action on its agency budget request must be taken at its November meeting.

KCTCS Transition. CPE staff must maintain its current level of commitment to the transition process through the KCTCS Transition Team and its work groups to help ensure smooth incorporation of KCTCS into Kentucky's postsecondary education system.

Remedial Education Study. At its January 1996 meeting, the Council authorized two policy studies. The first study, an analysis of student time and credits to degree, was presented at the March 24 meeting. Completion of the second study, a comprehensive analysis of remedial education in Kentucky, was delayed by the 1997 Special Session and the appointment of the new CPE. The draft report will soon be distributed to the institutions for comment and should be ready for CPE review at its November meeting. Related to this issue, during the 1997 Special Session, the General Assembly passed House Joint Resolution (HJR) 6, which directs CPE to "review the policies of higher education institutions for identification and placement of students in remedial and developmental courses and make a recommendation for establishing a statewide standard." CPE must submit a report to the Governor, LRC, and the Interim Joint Committee on Education no later than November 1, 1997.

Following a request by Ms. Bertelsman for additional time for CPE to examine and discuss the findings of the remedial education study before taking any related action, staff will seek an extension of the November 1 deadline.

SCOPE/CPE Relationship. The most immediate duty of the Strategic Committee on Postsecondary Education (SCOPE) is to act as the search committee for the first CPE president. Staff representatives of the legislative branch, executive branch, and CPE

plan to work together to review responses to a request for proposals and will recommend three to four search firms to be interviewed by SCOPE. It is anticipated that SCOPE will meet later in October to interview and select a search firm. At that time, updates will be provided to SCOPE on the work of CPE.

Strategic Agenda. The strategic agenda needs to provide direction to all members of the postsecondary education community in implementing virtually every aspect of the reform. It must be completed in time to guide the 2000/2002 biennial budget process. It was suggested that outside consultants be hired to help with the process for developing the strategic agenda.

1998/2000 Tuition Rates. CPE is required by statute to establish tuition rates for the public postsecondary institutions, including the technical institutions beginning in 1998/99. In the past, tuition rates for the upcoming biennium have been submitted along with the biennial funding request to the Governor and the General Assembly. Unless CPE decides not to follow this procedure, tuition rates must be set at the November CPE meeting.

Equal Opportunities Plan Implementation. KRS 164.020(18) requires CPE to postpone consideration of any new academic program proposal from a state postsecondary educational institution unless the institution makes satisfactory progress toward or has met its equal educational opportunity goals established by CPE as part of the *1997-2002 Kentucky Plan for Equal Opportunities* (Kentucky Plan). The process of implementing the Kentucky Plan and establishing each institution's calendar year 1998 program eligibility status must be completed and communicated to the institutions before the end of calendar year 1997. In addition, the new Kentucky Plan does not include Kentucky's postsecondary technical institutions, which will come under CPE coordination on July 1, 1998. CPE needs to consider and determine in 1998 whether postsecondary technical institutions will be included in the Kentucky Plan during calendar year 1999.

Virtual University. The establishment of a Commonwealth Virtual University (CVU) is mandated by HB 1. The legislation also calls for the establishment of a technology initiative trust fund, which will facilitate expansion of the state's distance learning technology infrastructure, and the establishment of a Distance Learning Advisory Committee (DLAC). Committee members shall be the presidents of the nine postsecondary institutions, Executive Director of Kentucky Educational Television, a representative of the independent colleges

and universities, and other members as deemed necessary by CPE. Mr. Hardin will appoint the DLAC soon and asked Lee Todd to assume a leadership role on the committee. This is another area where outside staff assistance may be needed in the near future.

Academic Program Policies. Three factors account for an urgent need for CPE to decide how to handle proposals for new academic programs. First, effective July 1, 1998, CPE will assume responsibility for approving new academic programs offered at the technical institutions. Second, uncertainty surrounding the special session caused Chair Hardin to notify university presidents on April 24 that only programs for which a compelling need could be documented would be considered by CPE. This action caused the CPE to postpone consideration of six programs at its July meeting. Also, current Program Advisory Statements include 57 programs that are under development at the institutions, not including the technical institutions. Finally, decisions about new programs are tied to other CPE decisions such as the development of incentive fund criteria and the creation of the CVU.

Accountability System. To meet its December 1, 1998, legislated deadline, CPE must approve a plan for producing the 1998 interim accountability report. Extensive work with the postsecondary technical institutions will be required to bring their accountability reporting process in line with that of CPE.

Pre-College Curriculum. The Kentucky State Board of Education recently received legislative approval for more stringent minimum high school graduation requirements. These requirements are now more strict than minimum college admissions requirements (i.e., pre-college curriculum). Another reason to adjust the PCC stems from CPE's new responsibility to set minimum admission requirements for the technical institutions.

Role of Independent Institutions. Decisions need to be made as to how the role of independent colleges and universities will be incorporated in CPE's decisionmaking process.

CPE Presidential Search. CPE must be in a position to provide SCOPE with input during the search process and must develop an approach to selecting a president upon receiving from SCOPE the names of the three final candidates.

Category II transition issues include public education support, baccalaureate program transfer frameworks, technology assessment,

comprehensive data base, uniform financial reporting, regional advisory groups, extended-campus policy, and common electronic admissions.

Mr. Greenberg asked that uniform financial reporting be included in the Category I list of urgent issues. He anticipates that the Investments and Incentives Committee will address the issue within the next 60 days.

(Additional background information on Category I and Category II transition issues is included as Agenda Item D.)

*KENTUCKY PLAN
FOR EQUAL
OPPORTUNITIES*

Mr. Whitehead, Chair of the CPE Committee on Equal Opportunities (CEO), made a presentation on the *Kentucky Plan for Equal Opportunities*. The Council has been involved in equal opportunity planning since 1981 when the Commonwealth was asked by the U. S. Office for Civil Rights to develop a voluntary desegregation plan. Since that time, three five-year plans have been developed, the most recent adopted at the July 21, 1997, CPE meeting. The new plan continues through the year 2002. The goal of the plan is to have a system of postsecondary education that is student centered, where choice of institutions is unfettered; success is realizable for everyone regardless of race; and, all perspective students are provided an undergraduate educational opportunity regardless of social, ethnic, or economic circumstances. The CEO will review the process for incorporating the Kentucky Tech institutions into the new Kentucky Plan during fall 1997 and spring 1998.

CEO is composed of 13 members appointed by the Chair of CPE and includes four CPE members, a legislator, and eight citizen members representing broad statewide representation. Mr. Hardin will make new appointments to CEO in the next few weeks.

Ms. Weinberg asked that the incentive funds somehow be tied to the institution's progress toward EEO plan objectives.

(Additional background information, along with a summary of the desegregation and equal opportunity activities through August 1997, is attached as Agenda Item E.)

KCTCS

Martha Johnson, Chair of the KCTCS Board of Regents, and Jim Ramsey, Acting President of KCTCS, provided an update on the progress in establishing KCTCS and on the search for a permanent president.

Included in the \$15 million for the incentive funds is \$3 million for the Kentucky Tech institutions. The criteria for the distribution of that money are the responsibility of CPE, and KCTCS will need guidance from CPE on how to distribute these funds.

On August 24, KCTCS selected the Association of Community College Trustees to conduct the search for its president. It is anticipated that a president will be selected by March or April of 1998.

The KCTCS Transition Team has appointed work groups to study student financial aid issues, systems development, and a communication plan.

Mr. Ramsey reported that Jack Moreland is working with KCTCS as its chief operating officer, Sandy Gubser is assisting with the Kentucky Tech institutions, and Tony Newberry is working with the community colleges. Other staff has been borrowed from various state agencies on an as-needed basis to assist KCTCS in various capacities.

*TECHNICAL
SCHOOLS*

Delmus Murrell was scheduled to give a presentation on the postsecondary technical institutions; however, due to lack of time, Mr. Murrell was asked to make his presentation at a future CPE meeting.

*OPERATING &
CAPITAL BUDGET
DEVELOPMENT &
INCENTIVE FUNDS*

Aims McGuinness, the primary consultant to the Task Force on Postsecondary Education, discussed the form and function of incentive funding as anticipated by HB 1. Dr. McGuinness was asked to attend the next CPE meeting to continue his discussion with CPE members on prioritizing their duties and defining their role.

(Additional background information is attached as Agenda Item H.)

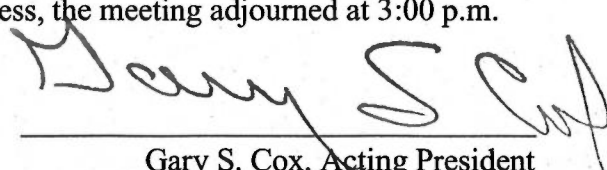
*CPE MISSION
STATEMENT
DEVELOPMENT*

CPE mission statement development was not discussed but will be undertaken at a future meeting.

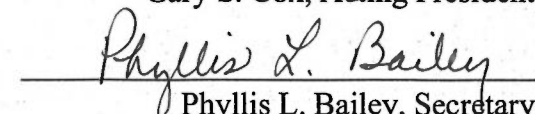
(Additional background information is attached as Agenda Item I.)

ADJOURNMENT

There being no further business, the meeting adjourned at 3:00 p.m.



Gary S. Cox, Acting President



Phyllis L. Bailey, Secretary