

MINUTES
Council on Postsecondary Education
November 8, 1999

The Council on Postsecondary Education met November 8, 1999, at 10:20 a.m. at the Council offices in Frankfort. Chair Whitehead presided.

ROLL CALL

The following members were present: Norma Adams, Walter Baker, Steve Barger, Peggy Bertelsman, Ron Greenberg, Merl Hackbart, Leonard Hardin, Philip Huddleston, Kevin Listerman, Shirley Menendez, Marcia Ridings, Lee Todd, Lois Weinberg, and Charles Whitehead. Mr. Cody was represented by Randy Kimbrough.

**APPROVAL OF
MINUTES**

The minutes of the September 27 meeting were approved as distributed.

**PRESIDENT'S
REPORT**

A written report from the Council president was included in the agenda book. Mr. Davies said that the responses to the Governor's Conference on Postsecondary Education Trusteeship held in September were positive and the *Action Agenda 1999-2004* was well received.

PUBLIC HEALTH

Mr. Davies reported that the University of Kentucky and the University of Louisville have reached agreement on a school of public health. Academic public health programs will be offered and accredited at the University of Kentucky through the Kentucky School of Public Health under the governance of UK's board of trustees and the University of Louisville through its School of Medicine under the governance of UofL's board of trustees. UofL will start a Research Institute for Public Health and will be responsible for programs that focus primarily on research. UK will focus its programs primarily on the practitioners of public health. Mr. Davies thanked Presidents Wethington and Shumaker and their staffs for reaching this agreement.

BUDGET

Mr. Davies said that the Council will act at this meeting on the budget recommendations. The budget recommendations will be presented to the Strategic Committee on Postsecondary Education November 30. The process for developing the budget recommendations was discussed at the September 1 SCOPE meeting and these discussions will continue November 30. Depending on the reactions from SCOPE members, the Governor, and changes in the state's revenue situation, there may be a need for a special meeting of the Council to further discuss the Council's budget recommendations.

KCVL

Mr. Davies said that the Kentucky Commonwealth Virtual Library was officially launched November 1. He thanked Lee Todd and Shirley Menendez for their attendance and thanked Mr. Todd for his work the last two years in conceiving and shaping this venture. He also thanked Miko Pattie, Director of the KCVL, for her work.

KVHS

Mr. Davies said that the Governor recently announced the establishment of a Kentucky Virtual High School under the governance of the Kentucky Board of Education. The Council staff has been involved conceptually in this process. Mary Beth Susman, CEO of the KCVU, and others have assisted with the creation of the KVHS.

ACTION AGENDA
INSTITUTIONAL
RESPONSES

RECOMMENDATION: That the Council accept the institutions' responses to the questions that the *Action Agenda* posed to them.

Mr. Davies said that the plan has been to have an action agenda in which each institution has a page stating specifically what it will do during the next four years to bring the Commonwealth closer to achieving its goals for 2020. The responses included in the agenda book are revisions to the original versions discussed at the September Council meeting. The revised responses are more specific and focused.

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

VOTE: The motion passed.

EVALUATION OF
TOTAL CAMPUS
DIVERSITY

RECOMMENDATION: That the Council approve the Committee on Equal Opportunities' recommendation that:

- *The 1997-2002 Kentucky Plan for Equal Opportunities in Postsecondary Education* recognize that increased campus diversity may encourage more participation by Kentucky resident African American students.
- The value of diversity be considered in assessment of performance on the enrollment objective in *The 1997-2002 Kentucky Plan*.

MOTION: Mr. Barger made a motion to adopt the recommendation. Mr. Greenberg seconded the motion.

VOTE: The motion passed.

Mr. Barger said that this proposal was discussed at length by the CEO. The CEO thinks this action will enhance diversity while maintaining a commitment of access to postsecondary education to the residents of Kentucky.

STATUS REPORT ON
POSTSECONDARY
EDUCATION

RECOMMENDATION: That the Council accept the 1999 status report on postsecondary education and direct that the report be forwarded to the Governor and to the General Assembly.

Mr. Davies said the report's revised format is an effort to produce material that citizens will actually read to get a sense of what has happened in the state during the past year.

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

Mr. Greenberg asked about retention and remediation rates. The staff will develop information about any trends and will add it to the status report.

VOTE: The motion passed.

REVIEW OF
RESEARCH
CHALLENGE
PROGRAMS AND
PROGRAMS OF
DISTINCTION

An update was included in the agenda book on the review of the research challenge programs and programs of distinction. Mr. Davies said that staff member Daniel Rabuzzi is meeting with administrators, faculty, and students on each campus to assess how well the programs are meeting their first-year goals. A first report will be presented at the January 2000 Council meeting.

P-16 COUNCIL
REPORT

An information item was presented on the activities of the P-16 Council. At its September meeting, the group continued to address its broad agenda of teacher quality and alignment of P-12 and postsecondary standards. Ms. Adams, a member of the P-16 Council, said that the group is making progress in discussing the various common issues of the Department of Education and the Council on Postsecondary Education, and she urged Council members to attend meetings of this group. Ms. Adams said that she recently attended a national meeting and is excited about the conversations and activities taking place in Kentucky.

KCVU
DEMOGRAPHICS

Mr. Davies called attention to a report on the demographics of the Kentucky Commonwealth Virtual University's first class of students. Enrollment is distributed across all of Kentucky and includes students from four states. Inquiries have been received from other countries but no students have enrolled.

Ms. Menendez asked if the curriculum of the Kentucky Virtual High School will be aligned with the Kentucky core curriculum. Mr. Davies answered in the affirmative. He said that initially courses in mathematics, science, foreign language, and English as a second language will be offered, but other courses will be added as soon as possible.

Ms. Adams presented the report of the Academic Affairs Committee.

STREAMLINING
PROGRAM POLICIES

RECOMMENDATION: That the Council approve the guidelines for new program approval, program review, and extended-campus activities.

Ms. Adams said that the Academic Affairs Committee amended the policies to retain the Council's approval authority for associate degree programs at the four-year institutions.

MOTION: Ms. Adams made a motion to approve the policies as amended. Ms. Bertelsman seconded the motion.

Mr. Hackbart asked how the program bands will be identified. Sue Moore said that the Council staff is negotiating with each institution to construct bands based on existing program offerings. If an institution has a critical mass of programs in a specific CIP code, it will be part of the institution's band. If the institution desires to implement new programs in its band, the governing board of that institution will have the final authority to approve the programs rather than the Council. If there are programs that an institution wishes to offer that do not represent the mission of that institution, they will come to the Council for approval. The staff will provide the negotiated band areas for each institution at the January Council meeting.

Ms. Adams added that new programs under consideration, regardless of whether they are inside or outside the institutional bands, will be posted on the Council's website for electronic review and discussion with all institutions and the chief academic officers.

VOTE: The motion passed.

NEW PROGRAM PROPOSALS

RECOMMENDATIONS:

- That the Doctor of Philosophy program in Mechanical Engineering and the Doctor of Philosophy program in Electrical Engineering proposed by the University of Louisville be approved and registered in CIP 14.1901 (Mechanical Engineering) and CIP 14.1001 (Electrical, Electronics, and Communication Engineering), respectively.
- That the joint Associate of Applied Science program in Respiratory Care proposed by Western Kentucky University and Bowling Green Technical College be approved and registered in CIP 51.0908 (Respiratory Therapy Technician).
- That the Associate in Applied Science program in Interdisciplinary Early Childhood Education proposed by Western Kentucky University be approved and registered in CIP 13.1204 (Pre-Elementary/Early Childhood/Kindergarten Teacher Education).

MOTION: Ms. Adams made a motion to approve the four new programs. Ms. Menendez seconded the motion.

VOTE: The motion passed.

SYSTEMWIDE ASSESSMENT AND PLACEMENT POLICY

RECOMMENDATION: That the Council approve the systemwide assessment and placement policy and declare its intent to promulgate an administrative regulation that will formalize this policy.

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

VOTE: The motion passed.

CATS STUDY

RECOMMENDATION: That the Council and the Department of Education conduct a study to examine whether the Commonwealth Accountability Testing System can predict a student's performance in college.

MOTION: Ms. Adams made a motion to approve the recommendation. Ms. Menendez seconded the motion.

Ms. Ridings said that the secondary schools should be informed the test scores could be used as a performance measure and the schools should convey the importance of the tests to the students. She said that students may not take the test seriously because the results have no significance to them.

Ms. Adams said that if the test is proven to be an adequate measure for predicting success it will be used for that purpose and will have more importance. But the validity of the test has to be determined before it can be used for assessment.

VOTE: The motion passed.

EISENHOWER MATHEMATICS AND SCIENCE EDUCATION FUNDS

RECOMMENDATION: That the Council award federal Dwight D. Eisenhower Mathematics and Science Education funds to support the selected projects for federal year 1999 (October 1, 1999-September 30, 2000).

MOTION: Ms. Adams made a motion to approve the recommendation. Mr. Todd seconded the motion.

VOTE: The motion passed.

Mr. Baker presented the report of the Finance Committee.

2000-2002 OPERATING BUDGET REQUEST

RECOMMENDATIONS:

- That the Council approve a state appropriation recommendation to the Governor and General Assembly in the amount of \$928,657,800 in 2000-01 and \$972,949,900 in 2001-02 for the universities, the Kentucky Community and Technical College System, and Lexington Community College. This recommendation includes in each year of the biennium:
 - Base increases using the benchmark funding system.
 - Base changes for state-supported debt service, operation and maintenance of previously approved facilities coming on-line, the transfer of the 1999-2000 Research Challenge and Regional Excellence Trust Funds to the bases of the universities, and the

transfer of selected pass-through programs from the Council's base to the institutional bases.

- Special initiative funding for proposals submitted by the Kentucky Community and Technical College System, Northern Kentucky University, the University of Louisville, and Western Kentucky University.
- That the Council approve a state appropriation recommendation to the Governor and General Assembly in the amount of :
 - \$8,000,000 in 2000-01 and \$58,100,000 in 2001-02 for five current incentive trust funds.
 - \$22,350,000 in 2000-01 and \$37,500,000 in 2001-02 for statutory increases in the Kentucky Educational Excellence Scholarship program in the Student Financial Aid Trust Fund.
 - \$2,000,000 in 2000-01 and \$11,250,000 in 2001-02 for the Adult Education and Literacy Trust Fund and the Science and Technology Trust Fund.

Each trust fund is described in the background section of the agenda item. These trust funds, as listed in the agenda materials, would be appropriated to the Council.

- That the Council approve a biennial budget recommendation to the Governor and General Assembly for the Council agency budget request as follows:
 - State general funds in the amount of \$4,340,700 in 2000-01 and \$4,449,900 in 2001-02 to operate the agency.
 - State general funds in the amount of \$6,775,100 in 2000-01 and \$7,425,700 in 2001-02 and \$1,355,000 in restricted agency funds in each year of the biennium for the Kentucky Commonwealth Virtual University and the Kentucky Commonwealth Virtual Library.
 - State general funds in the amount of \$10,701,900 in 2000-01 and \$11,180,800 in 2001-02 for pass-through programs to be allocated to the institutions and other public agencies.
 - \$1,100,000 in federal funds in each year of the biennium for the Eisenhower Mathematics and Science program.
 - State general funds in the amount of \$331,800 in 2000-01 and \$337,300 in 2001-02 and federal funds in the amount of \$3,243,200 in 2000-01 and \$3,250,900 in 2001-02 for the Kentucky Commission on Community Volunteerism and Service, which is attached to the Council for administrative purposes only.

MOTION: Mr. Baker moved that the recommendations be approved. Mr. Hackbart seconded the motion.

VOTE: The motion passed.

2000-2002 CAPITAL
PROJECTS
RECOMMENDATION

RECOMMENDATIONS:

- That the Council recommend to the Governor and the General Assembly the projects and pools listed in the agenda materials using state and agency bonds with associated debt service.
- That the Council list other projects that the institutions might do or equipment they might acquire with their own money in 2000-02.

The priorities in this recommendation support the objectives of the Kentucky Postsecondary Education Improvement Act of 1997 and the *1999-2004 Action Agenda*.

A. State-Funded Projects:

1. Fund a capital renewal and maintenance pool to provide \$30 million in state bonds with a required dollar-for-dollar match from institutions resulting in \$60 million in capital projects being completed. Debt service for the bonds is included in the Facilities Capital Renewal Trust Fund. Only projects in education and general facilities are eligible for funding from the pool. If possible, the Council staff will allocate the \$30 million pool among the institutions based on the condition of facilities and the institutions' financial commitment to capital renewal and maintenance. If an acceptable allocation strategy using these indicators has not been developed by the time it is needed, the staff will use the same allocation strategy used in the current biennium: based on the amount of educational and general space of each institution. The projects would be authorized in 2000-01.
2. Fund major renovations or replacements and infrastructure projects totaling \$103.4 million in state bonds for projects listed in Table 2 of Agenda Item E-2. This includes a KCTCS renovation pool to provide \$31.6 million in state bonds to fund major renovation projects across the Kentucky Community and Technical College System. The projects would be authorized in 2000-01 with \$10.4 million debt service in 2001-02.
3. a) Fund phase one (\$10 million in state bonds) of a new KCTCS community-technical college in northern Kentucky. The project would be authorized in 2000-01 with \$1 million debt service in 2001-02.

b) Fund new research facilities at the University of Kentucky (\$39 million in state bonds and \$26 million in agency bonds or agency funds) and the University of Louisville (\$25 million in state bonds and \$16.4 million in agency bonds or agency funds). The projects would be authorized in 2000-01 with \$6.4 million debt service in 2001-02. Recommendation of each of the research facilities is contingent upon agreement by each of the institutions to match state funding in the amounts specified (60 percent state and 40 percent institution).

4. Fund a research and instructional equipment replacement pool of \$20 million in state bonds with state debt service in 2001-02. To access this trust fund, institutions will have to maintain at least their current levels of financial support for instructional and research equipment replacement. Institutions will match dollar-for-dollar trust funds used to replace research equipment. Matching funds may be from sponsored research funds or other sources, but may not be from the Research Challenge Trust Fund or any other trust fund. Required debt service of \$3.8 million for the bonds is included in the Technology Trust Fund. Specific equipment items to be funded from the pool will be identified by the institutions.

B. Agency-Funded Projects:

Agency-funded capital projects are funded by the institutions from fund sources other than state general funds. Capital construction projects costing \$400,000 or more and equipment items costing \$100,000 or more need to be listed in the biennial appropriations bill to allow the institutions to complete the construction project or buy the equipment.

1. Authorize a \$75 million agency bond project pool in 2000-01 with debt service supported by agency funds. This pool would provide funding for individual projects to be approved by the Council during the biennium and recommended to the Secretary of the Finance and Administration Cabinet. Projects eligible for funding from this pool are included in Table 3 of Agenda Item E-2.
2. List agency-funded projects totaling \$501,668,700 in 2000-01 to address life safety, major maintenance, equipment acquisitions, infrastructure repair and upgrades, and new construction. These projects will be funded using federal, private, or funds other than state funds available to the institutions and are included in Table 4 of Agenda Item E-2.

MOTION: Mr. Baker made a motion to approve the recommendations, including two amendments passed by the Finance Committee. Mr. Barger seconded the motion.

Ken Walker of the Council staff explained the two amendments. One amendment allows the proposed new research facilities at the University of Kentucky and the University of Louisville to advance independently one from the other if the match funding is achieved. The second amendment includes an \$11 million authorization for Western Kentucky University for agency bonds to partially fund the Thompson Science Complex Replacement and Renovation, Phase I. With this addition, the list of eligible projects totals \$107 million, but the recommendation remains that the Council seek \$75 million in bonding authority.

VOTE: The motion passed.