



FIVE QUESTIONS – ONE MISSION
Better Lives for Kentucky's People

MEETING AGENDA

Council on Postsecondary Education
Executive Committee

November 2, 2005
Frankfort, KY



Wednesday, November 2, 2005

11 a.m. (ET) Executive Committee meeting
CPE Meeting Room A

Executive Committee

Ronald Greenberg, Louisville (chair)
John Turner, Lebanon (vice chair)
Peggy Bertelsman, Ft. Thomas
Joan N. Taylor, Lexington
Mark J. Wattier, Paducah

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AGENDA
Council on Postsecondary Education
Executive Committee

November 2, 2005
11 a.m. (ET)
Meeting Room A
Council on Postsecondary Education
Frankfort, KY

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MINUTES
Council on Postsecondary Education
Executive Committee
May 16, 2005

The Executive Committee of the Council on Postsecondary Education met May 16, 2005, at 11 a.m. at the Council offices in Frankfort. Chair Greenberg presided.

Mr. Greenberg welcomed several guests – Representative Harry Moberly, Fred Rice (chair of the ECU board of regents), and Orson Oliver (ECU regent and chair of the board’s finance committee).

ROLL CALL

The following members attended: Peggy Bertelsman, Richard Freed, Ron Greenberg, Joan Taylor, and John Turner. Other Council members in attendance: Walter Baker, Dan Flanagan, and Tony Stoeppel. Phyllis Maclin and Alois Moore joined by telephone.

Representatives of Murray State University were connected to the meeting by interactive television.

APPROVAL OF MINUTES

The minutes of the April 12 Executive Committee meeting were approved as distributed.

2005-06 TUITION AND FEES

President Tom Layzell said that at the April 12 Executive Committee meeting the Council heard detailed presentations from the institutions about their enacted or planned tuition and fee proposals for 2005-06. At the conclusion of that meeting, the Council staff was asked to prepare for the May Council meeting recommendations on tuition and fees for 2005-06 and also recommendations on a tuition-setting process going forward into the future. He said that the Council staff plans to submit the following recommendations for approval by the Council at its May 22 meeting and seeks advice from the Executive Committee.

1. The staff recommends approval of the 2005-06 tuition and required fees. The rates for Murray State University and the University of Louisville are estimates since final board action has not been taken in either case. (The MuSU board meets May 20 and the UofL board meets June 2.)
2. The staff recommends approval of the process for establishing tuition and required fees. The process will be used to establish tuition and required fees for the 2006-07 academic year.

A summary of the institutional responses regarding the proposed expenditure of 2006 increases in tuition and fee revenue and state general fund appropriations was included in the agenda materials. Almost 40 percent of the increases will be used for faculty and staff salary increases and new faculty and staff positions; 20 percent for fixed costs; 16 percent for merit- and need-based

financial aid; and 25 percent for a wide range of programmatic areas. The Council staff will provide additional information on how the institutions plan to expend the additional revenue at the May 22 Council meeting.

A comparison of Kentucky tuition and fees related to national and regional tuition and fees was included in the agenda materials. As of 2004-05, Kentucky's average tuition and fees for the four-year institutions in Kentucky lagged behind the national average by about \$800. This gap may be somewhat smaller but will continue in 2005-06. The two-year institutions are much closer to the U.S. average but, given the relatively modest increase enacted by KCTCS (6 percent), the 2005-06 numbers may fall below the national average. According to *Measuring Up*, the national report card for postsecondary education, while Kentucky's overall affordability slipped from 2000 and 2002, affordability at Kentucky institutions ranks high nationally.

Dr. Layzell reviewed the proposed process for establishing tuition and required fees for the 2006-07 academic year:

1. By October the Council will establish policies and criteria for determining tuition and required fees that will ensure that adequate justification exists for proposed rates of tuition and required fees based on affordability, fiscal responsibility, institutional missions, and other appropriate measures.
2. Beginning in the 2006-07 academic year, the Council will require the institutions to submit proposed rates in advance on a schedule that will be set by the Council. The schedule will provide adequate time for student notification and planning.
3. Both the Council and the institutions will provide an opportunity for public comment on the proposed rates.
4. The Council will establish procedures to review and approve rates of tuition and required fees for modifications based on changes in financial, operation, or programmatic circumstances.

MOTION: Mr. Freed moved that the recommendations be approved and considered by the Council at its May 22 meeting. Ms. Bertelsman seconded the motion.

Ms. Bertelsman asked that a reporting mechanism be put in place that shows what the institutions have accomplished with the additional revenue (number of faculty positions filled, etc.). This information will be helpful for the Council and the General Assembly in the years to come.

President Joanne Glasser discussed the plans for the additional revenue generated by the tuition increase at Eastern Kentucky University.

Mr. Greenberg said that a committee has been formed that will develop recommendations for a funding process for postsecondary education that is understandable, that is transparent, that is rational, and that includes

accountability for all the institutions. The Council is most concerned that postsecondary education in Kentucky remains affordable.

VOTE: The motion passed.

BENCHMARK
SELECTIONS

Dr. Layzell said that the benchmark selections will be considered by the Council at its May 22 meeting. The models used and the recommended lists for the comprehensive institutions and KCTCS were included in the agenda materials. The proposed benchmarks for UK and UofL were under review and are expected to be presented at the May 22 meeting.

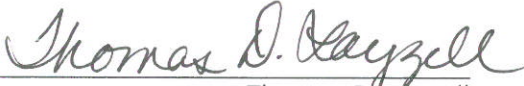
NEXT MEETING

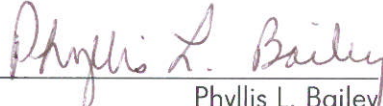
Mr. Greenberg said that the Council will meet Sunday, May 22, at 12:30 p.m. The meeting will be held at the Marriott Griffin Gate Resort in Lexington in conjunction with the Institute for Effective Governance Spring Board Development Seminar and the Annual Faculty Development Conference.

Mr. Stoepfel thanked the University of Louisville for inviting the Council members to attend its commencement exercises.

ADJOURNMENT

The meeting adjourned at 11:50 a.m.


Thomas D. Layzell
President


Phyllis L. Bailey
Associate, Executive Relations

MINUTES
Council on Postsecondary Education
Executive Committee
September 30, 2005

The Executive Committee of the Council on Postsecondary Education met by conference call September 30, 2005, at 8:30 a.m. (ET). Chair Greenberg presided.

ROLL CALL

The following members participated: Peggy Bertelsman, Ron Greenberg, Joan Taylor, John Turner, and Mark Wattier.

Others participating: Council staff members Sandy Woodley, Dennis Taulbee, Diann Donaldson, Ed Sergent, Terry Pruitt, and Phyllis Bailey. Allen Norvell and Todd Hamilton with the accounting firm of Moore, Stephens, Potter, LLP, also joined the conference call.

2005-06
AGENCY
AUDIT

The purpose of the meeting was to review the 2005-06 agency audit.

Mr. Norvell reviewed the audit report noting no cases of material weaknesses related to internal control.

The management letter was shared with the committee members. Mr. Norvell noted that during the audit the team became aware of several matters that are opportunities for strengthening operating efficiency. The letter summarized the comments and suggestions concerning:

- (1) Implementation of additional procedures to ensure that all programs are monitored properly to provide reasonable assurance that the subrecipient administers awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.
- (2) Development of a tickler system to track programs required to submit reports to the Council along with any deadlines. All reports should be stored in a central location with the memoranda of agreement for more efficient record management.

Mr. Norvell reviewed the two findings of the audit:

- (1) Subrecipients of federal awards are required to submit an annual audit report to the Council. Only 14 of 104 of these reports due to the Council for the fiscal year ended June 30, 2004, were received. Failure to collect the required reporting packages compromises the Council's ability to properly monitor the subrecipient's administration of the federal funds.

- (2) The Council expended funds under the Technology Initiative Trust Fund's Kentucky Postsecondary Education Network program above MOA authorizations or without MOA authorization.

Regarding the first finding, the Council staff said that the majority of these reports are associated with adult education programs. Some adult education providers submit reports to the local boards of education and these reports are available online. Other programs did not submit reports. The staff said that receiving the reports has been an ongoing problem. In accordance with the auditor's recommendation, the staff will develop a tickler system to ensure the receipt of all reports by the required deadline.

Regarding the second finding, Mr. Norvell said that the MOA has been amended to accurately represent the maximum amount payable under the agreement. The Council staff agrees that no payment should be made except where an agreement between the parties has been executed.

Mr. Greenberg asked the Council staff to provide the following information:

- (1) Resources available to ensure adequate oversight for a financial review of all programs.
- (2) Resources needed to evaluate the programs.
- (3) Clarification of responsibilities of each program.

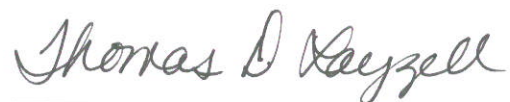
Mr. Greenberg asked the staff to develop a process for monitoring and evaluating the pass-through programs.

Mr. Norvell thanked the Council for the opportunity to serve as auditor and thanked the Council staff for their assistance during the audit.

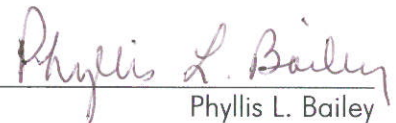
All of the Council members will have the opportunity to discuss the audit findings with Mr. Norvell prior to the approval of the audit at an upcoming Council meeting.

ADJOURNMENT

The meeting adjourned at 9:20 a.m.



Thomas D. Layzell
President



Phyllis L. Bailey
Senior Associate, Executive Relations

**Council on Postsecondary Education
Executive Committee
November 2, 2005**

**Postsecondary Education Budget Recommendation
for 2006-08**

The Council staff seeks the advice of the Executive Committee at its November 2 meeting regarding a draft recommendation for the 2006-08 postsecondary education budget recommendation. An executive summary is provided as a separate attachment.

The major components of the recommendation include:

- Council operations and initiatives
- Institutional operating budget recommendations pursuant to the benchmark funding model
- Special initiatives recommendations
- Trust funds and incentive funding program recommendations
- Capital budget recommendations

In addition, the Council staff will present a summary of all changes made to funding policies as a result of the 2004-05 comprehensive funding model review.

Staff preparation by Sandra Woodley

**Council on Postsecondary Education
Executive Committee
November 2, 2005**

Tuition Policy Update

A set of principles and objectives are being developed and discussed with institutional representatives as well as draft methodology for managing tuition rates in the future. Attachment A details the discussion draft of principles and objectives for the tuition policy which were discussed with institutional representatives in October. The Council staff will continue to work with the institutions over the next two months to finalize a recommendation on tuition policy and methodology to present to the Council. Final action on the tuition policy framework is expected at the January 2006 meeting.

Staff preparation by Sandra Woodley

Discussion Draft Regarding Tuition Policy Draft October 2005

Policy Principles for Tuition Policy

1. **(Access)** – College Education in Kentucky should be affordable for all Kentuckians and the Council should minimize price as a barrier for a student's choice of institution. Annual price fluctuations should be minimized to the extent possible.
2. **(Adequacy)** – Tuition policy decisions should align the tuition and fee revenue with state appropriations to provide adequate total public funding levels necessary for institutions to meet the objectives of the public agenda.
3. **(Aid)** – Tuition and student financial aid policies should be coordinated effectively to ensure sufficient financial aid for needy students.
4. **(Alignment)** – The following three policies should be aligned with each other and the public agenda: (1) general fund appropriations (including all benchmark model calculations); (2) financial aid; and (3) the establishment of tuition and required fees at the institutions.

Notes:

- The net price of a college education should be affordable for resident students at all Kentucky institutions. An affordability standard should consider both enrolled students and the population of each institution's service region.
- The benchmark model determines the Council's definition of adequacy of funding relative to each institution's set of national benchmarks. The benchmarks' total public funds could be used to determine the target amount of tuition revenue, which could then be moderated, if necessary, based on the ability to pay of students enrolled at the institution and/or population of the institution's service regions.
- The tuition policy should address the establishment of tuition and required fees for all students, including non-resident, graduate and undergraduate.
- The Council will make final approvals for all tuition rates and required fees prior to each biennium. Adjustments could be considered during the biennium if necessary.

THE FIVE QUESTIONS

1 Are more Kentuckians ready for postsecondary education?

2 Is Kentucky postsecondary education affordable for its citizens?

3 Do more Kentuckians have certificates and degrees?

4 Are college graduates prepared for life and work in Kentucky?

5 Are Kentucky's people, communities, and economy benefiting?

**Kentucky Council on Postsecondary Education
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**Council on Postsecondary Education
November 2, 2005**

**DRAFT RECOMMENDATIONS
Executive Summary
Postsecondary Education Budget Recommendation for
2006-08**

The Council on Postsecondary is authorized to submit the biennial budget recommendation for postsecondary education. The following sections outline the request components for the 2006-08 budget recommendation as follows: operating budgets for CPE, Adult Education, and the institutions, incentive funding, special initiatives, and capital funding. In addition, a joint budget proposal which will be submitted by the Education Cabinet is also detailed.

The major components of the request are prioritized and summarized in the following table:

<i>Priority</i>	<i>Description</i>	<i>FY 2006-07</i>	<i>FY 2007-08</i>	<i>Biennium</i>
1	Base Funding (Part A)	76,386,500	74,945,800	151,332,300
2	Strategic Trust Funds and Incentive Programs (Part B)	40,801,600	19,850,000	60,651,600
3	Special Initiatives/Pass-Through Programs (Part C)	2,160,700	10,135,500	12,296,200
4	Capital (Part D)		55,597,900	55,597,900

Attachment A provides a detailed overview of the budget request as summarized above.

Part A: Base Funding

(1) CPE Operations

- \$3,431,300 increase over the biennium to continue funding for several filled positions and to secure additional funding for vacant positions related specifically to the responsibilities of the Council staff to fulfill its responsibilities under House Bill 1. In addition, funds are requested for electronic database cost increases and expansion of additional databases and restoration of interlibrary loan service.

- Previous budget reductions to the Council have not been restored and responsibilities have increased related to Council activities, specifically the Kentucky Virtual Library and University, knowledge-based economy initiatives, and performance and accountability initiatives.

(2) Adult Education Program Funding

- \$6 million increase in program funding is requested for the biennium to continue and enhance program services related to adult education programs statewide.
- Funding will be allocated to county programs through grants for adult education services geared toward completion of GED, workforce/employment initiatives, basic literacy, participation and engagement in adult learning opportunities, and to transition students into postsecondary education.

(3) Benchmark Funding for Postsecondary Institutions

- The request seeks to increase the base funding for each institution to 5% above the average of benchmark peers as approved by the Council in 2005 over the next four years. Every institution’s request reflects at least a 5% annual increase.
- The request provides an alternative calculation for KSU based on small enrollments and diseconomies of scale.
- An additional 5% or 3.5 million is also requested for a performance component related directly to the key indicators of the public agenda in the second year of the biennium.

Summary of biennium increases recommendations by institution:

<i>Institution</i>	<i>Biennial Increase</i>
Eastern Kentucky University	\$ 7,362,200
KCTCS	\$ 39,815,400
Kentucky State University	\$ 1,920,500
Morehead State University	\$ 4,342,800
Murray State University	\$ 5,159,800
Northern Kentucky University	\$ 11,173,600
University of Kentucky	\$ 27,346,600
University of Louisville	\$ 27,556,700
Western Kentucky University	\$ 13,723,400

Part B: Strategic Trust Funds/Incentive Programs

The staff recommends that the Council request \$40,801,600 in FY 2006-07 and \$19,850,000 in FY 2007-08 for three trust funds and two incentive funding programs. A summary of the recommended increases by trust fund or funding program is provided in the table below.

<i>Trust Fund/Incentive Funding Program</i>	<i>Biennial Increase</i>
Endowment Match Program (Research Challenge)	\$ 12,000,000
Research Support Program	\$ 22,000,000
Science and Technology Funding Program	\$ 850,000
Stewardship of Place Funding Program	\$ 18,000,000
Technology Initiative Trust Fund	\$ 3,801,600
Postsecondary Workforce Development Trust Fund	\$ 4,000,000
TOTAL	\$ 60,651,600

(1) **Endowment Match Program (Research Challenge Trust Fund).** To encourage private investment in public higher education research activities to stimulate business development, generate increases in externally sponsored research, create better jobs and a higher standard of living, and facilitate Kentucky’s transition to a knowledge-based economy (Bucks for Brains).

(2) **Research Support Program.** To promote economic development, create high-tech jobs, and raise the average standard of living of Kentucky residents through strategic investments in research faculty, infrastructure, and initiatives at the University of Kentucky and the University of Louisville.

(3) Science and Technology Funding Program

- ConnectKentucky. To fund maintenance and enhancement of a data base connecting postsecondary researchers, research projects, and funding agencies.
- P-16 Joint Engineering Program. To enhance the P-16 pipeline for the production of engineers and engineering technologists to improve the economy and create economic development opportunities for the state.

(4) Stewardship of Place Funding Program. To promote regional or statewide economic development, livable communities, social inclusion, creative governance, and civic participation through public engagement activities initiated by postsecondary institution faculty and staff.

(5) Technology Initiative Trust Fund

- Kentucky Postsecondary Education Network (KPEN). To support internet, protocol optimized network specifically designed for higher educational requirements and applications that support high-demand, high access internet users and provides mechanism for future expansion.
- Education Leadership Redesign Initiative. To support university and school district efforts to redesign education leadership programs in Kentucky to produce a new generation of school leaders who are able to effectively address issues of curriculum design and delivery, assessment, and administration.
- College Access Initiative. To continue the successes of the “Go Higher Kentucky” communications campaign, with the main goals of this initiative to increase the educational attainment and income levels of the state’s citizens to the national average by 2020.
- Faculty Development Program. To provide professional development in research and teaching that better enable faculty to support the public agenda for postsecondary education.
- College-Level Learning Assessment Project. To support Kentucky’s participation in the National Center for Public Policy in Higher Education’s Measuring Up 2008 Learning Grade and to assess the quality of student learning in Kentucky’s postsecondary system
- Public Health Initiative. To support a collaborative effort among the Public Health Advisory Committee (composed of the deans from four Kentucky postsecondary institutions offering graduate programs in public health), the Commissioner for Public Health, and the Council on Postsecondary Education to implement the Strategic Plan for Public Health Education and Research (approved by the Council in July 2004).
- Academic Innovation and Collaboration Grants. To fund proposals that stimulate partnerships among postsecondary institutions, private and public sector organizations that expand academic programs addressing current and projected workforce needs.

(6) Postsecondary Workforce Development Trust Fund. To encourage private support of public postsecondary workforce development and transfer initiatives, to support the transfer of baccalaureate, degree-seeking KCTCS associate degree completers to Kentucky public and independent colleges, and to bolster KCTCS workforce development and transfer programs in areas of strategic benefit to the Commonwealth.

Part C: Special Initiatives and Pass-Through Programs

Institutional Initiatives:

The institutions submitted requests for special initiatives to the Council. These special initiatives were evaluated based on criteria related to the public agenda's goals and objectives. The following table summarizes the recommended initiatives and **Attachment B** provides details for each program:

<i>Special Institutional Initiatives</i>	<i>Biennial Increase</i>
Center for Instructional Technology (EKU)	\$ 500,000
Kentucky Early college (MoSU, KCTCS)	\$ 100,000
Improved Student Services at Regional Campuses (MoSU)	\$ 300,000
2+2 Middle School Math/Science Teacher Prep. (MuSU)	\$ 200,000
Academic Transformation (NKU)	\$ 300,000
Kentucky Academy of Math and Science (WKU)	\$ 2,000,000
University Center of the Mountains (KCTCS)	\$ 900,000
Kentucky School of Craft (KCTCS)	\$ 500,000
TOTAL	\$ 4,800,000

Council Initiatives and Pass-Through Programs:

<i>Council Initiatives</i>	<i>Biennial Increase</i>
Retention/Affordability Initiative	\$ 4,000,000
Commonwealth of Kentucky Principal Leadership Institute	\$ 2,000,000
Contract Spaces	\$ 922,300
Governors Minority Student College Prep	\$ 240,500
SREB Doctoral Scholars Program	\$ 233,400
KY Early Math Testing Program	\$ 100,000
TOTAL	\$7,496,200

- Retention/Affordability Initiative- To support initiatives related specifically to reform questions 1, 2 and 3 of the Public Agenda targeted for institutions that specifically enroll larger numbers of low income students and who serve low income service regions of the Commonwealth.

- Commonwealth of Kentucky Principal Leadership Institute- Collaborative enterprise among Kentucky universities that have education leadership programs to improve K-12 student learning by providing specialized training to principals.
- Contract Spaces- To fund spaces in veterinary medicine and optometry for Kentucky students in programs in other states since these programs do not exist in Kentucky.
- Governor's Minority Student College Preparation Program- To provide academic enrichment activities for middle and high school minority students, to encourage pursuit of higher education, and to prepare them for college level work.
- SREB Doctoral Scholars Program- Cooperative, interstate venture that encourages minority students to enroll in and complete doctoral degree programs.
- Kentucky Early Math Testing Program-Statewide on-line diagnostic test to help high school students identify academic deficiencies that they should correct before entering college to minimize remediation.

PART D Capital

Attachment C details capital project funding by institution.

The recommendation includes capital project financing as follows:

State General fund dollars:

- State funding of \$15 million in projects for capital renewal and maintenance
- State funding of \$465.8 million in projects to construct new space and to renovate existing educational and general facilities (projects are priority ranked)
- State funding of \$25 million for an information technology and equipment pool

Other sources of funds:

- \$501.7 million in institutionally- funded agency projects for the highest institutional priorities
- Restricted agency funded projects for life safety, major maintenance, equipment acquisitions, and infrastructure repair and upgrades institutionally funded agency projects
- Nine institutionally- funded projects to improve energy efficiency

Staff preparation by Sandra Woodley

Summary of 2006-08 Budget Recommendation for Postsecondary Education

Draft Recommended Priorities	Enacted FY 2005-06	Requested FY 2006-07	Dollar Increase FY 2006-07	Requested 2007-08	Dollar Increase FY 2007-08	Dollar Increase Biennium
1						
Base Funding:						
Institutional Benchmark Funding						
Eastern Kentucky University	77,470,800	81,151,900	3,681,100	84,833,000	3,681,100	7,362,200
KCTCS	206,328,400	226,236,100	19,907,700	246,143,800	19,907,700	39,815,400
Kentucky State University	25,248,300	26,688,700	1,440,400	27,168,800	480,100	1,920,500
Morehead State University	44,839,500	47,010,900	2,171,400	49,182,300	2,171,400	4,342,800
Murray State University	54,954,200	57,535,700	2,581,500	60,114,000	2,578,300	5,159,800
Northern Kentucky University	51,333,500	56,920,300	5,586,800	62,507,100	5,586,800	11,173,600
University of Kentucky	314,302,200	328,024,400	13,722,200	341,648,800	13,624,400	27,346,600
University of Louisville	183,687,900	197,179,800	13,491,900	211,244,600	14,064,800	27,556,700
Western Kentucky University	78,038,800	84,900,500	6,861,700	91,762,200	6,861,700	13,723,400
Performance Funding						
Total Institutional Benchmark Funding	1,036,203,600	1,105,648,300	69,444,700	1,178,104,600	72,456,300	141,901,000
Council Operations	10,936,800	13,878,600	2,941,800	14,368,100	489,500	3,431,300
Adult Education Program	22,026,000	26,026,000	4,000,000	28,026,000	2,000,000	6,000,000
2						
Trust Funds/Incentive Funding Programs						
Endowment Match (Research Challenge) ¹	-	12,000,000	12,000,000	12,000,000	-	12,000,000
Research Support Program ¹		22,000,000	22,000,000	22,000,000		22,000,000
Science and Technology	10,005,900	10,605,900	600,000	10,855,900	250,000	850,000
Stewardship of Place	-	3,000,000	3,000,000	18,000,000	15,000,000	18,000,000
Technology Trust Fund	2,050,500	4,752,100	2,701,600	5,852,100	1,100,000	3,801,600
Workforce/Transfer ¹	-	500,000	500,000	4,000,000	3,500,000	4,000,000
3						
Special Initiatives/Pass Through						
Council Initiatives/Pass Through	6,228,300	7,889,000	1,660,700	13,724,500	5,835,500	7,496,200
Institutional Special Initiatives	-	500,000	500,000	4,800,000	4,300,000	4,800,000
Total Recurring General Fund	1,087,451,100	1,176,299,600	88,848,500	1,281,230,900	104,931,300	188,979,800
Total Non-Recurring General Fund		30,500,000	30,500,000	30,500,000	-	30,500,000
4						
Capital:						
Capital Renewal ²	-	-	-	1,578,000	1,578,000	1,578,000
E&G Projects ²	-	-	-	31,076,700	31,076,700	31,076,700
Research & Economic Projects ²	-	-	-	17,908,200	17,908,200	17,908,200
Information/Tech Equipment Purchase ²	-	-	-	5,035,000	5,035,000	5,035,000
Research & Economic Project Design ³	-	-	-	9,184,000	9,184,000	9,184,000
Total Capital				64,781,900	64,781,900	64,781,900

¹ Funds are nonrecurring with the exception of \$4M for the Research Support Program and \$500,000 for the Workforce/Transfer Program.

² These funds are General Fund appropriations for debt service totaling \$55,957,900 to support \$505.8 M in state bonds related to 15 E&G projects, 4 Research/Economic Development projects and two statewide projects.

³ These funds are not General Fund appropriations for project planning and design related to two research/economic development projects.

ATTACHMENT B

Institutional Special Initiatives

<i>Special Initiative</i>	<i>Description/Modification of Funding Request</i>	2006-07	2007-08
Commonwealth Center for Instructional Technology and Learning	<p><u>Description:</u> EKU proposes to establish a Web-based delivery system that provides a wide range of evidence-based PK-12 instructional interventions, curricular and instructional strategies, as well as Web-based advisors to Kentucky's teachers.</p> <p><u>Modification:</u> Move to the second year of the biennium.</p>	\$0	\$500,000
Kentucky Early College	<p><u>Description:</u> A collaborative project among MoSU, KCTCS (Big Sandy CTC), and the Pike County Board of Education. It entails establishing an early college at Pike County High School that will allow participating students to earn up to two years of college credit while in high school. The proposal includes distance learning for teacher professional development as well.</p> <p><u>Modification:</u> Move to the second year of the biennium.</p>	\$0	\$100,000
Improved Student Services at Regional Campuses	<p><u>Description:</u> An initiative that will allow MoSU to appoint experienced student counselors at each of its five regional campuses. Currently these campuses do not have sufficient staffing to counsel students in financial aid or study skills, or to provide other key student services.</p> <p><u>Modification:</u> Move to the second year of the biennium.</p>	\$0	\$300,000
2+2 Middle School Math and Science Teacher Preparation Program	<p><u>Description:</u> MuSU proposes to increase the number of certified teachers in critical shortage areas (i.e., middle school math and science) by enhancing 2+2 baccalaureate program offerings in Henderson, Hopkinsville, Madisonville, and Paducah. Program funding will be used to hire full-time assistant professors to teach math and science portions of program curricula. This program will afford nontraditional students the opportunity to complete baccalaureate degrees in their local communities and will enhance collaboration between the university, public schools, and community colleges in the region.</p> <p><u>Modification:</u> Move to the second year of the biennium.</p>	\$0	\$200,000
Academic Transformation	<p><u>Description:</u> Supports a university-wide initiative aimed at transforming the ways in which courses are designed and taught at NKU. The purposes of the program are to reduce costs, expand capacity, and improve student learning and success.</p> <p><u>Modification:</u> Move to the second year of the biennium.</p>	\$0	\$300,000

ATTACHMENT B

<i>Special Initiative</i>	<i>Description/Modification of Funding Request</i>	2006-07	2007-08
Kentucky Academy of Math and Science	<p><u>Description:</u> The Academy is a residential, early-admissions program for high school-aged Kentucky students who are high achievers interested in mathematics and science. Its mission is to allow young people who are gifted in math and science to continue learning at challenging levels and to help meet the Commonwealth's need for leadership in STEM careers.</p> <p><u>Modification:</u> Move to the second year of the biennium.</p>	\$500,000	\$1,500,000
University Center of the Mountains	<p><u>Description:</u> Gives citizens of southeast Kentucky direct access to a public four-year education. The absence of a conveniently located university has limited access in this region to bachelor's and master's degrees (KCTCS).</p> <p><u>Modification:</u> Move to the second year of the biennium</p>	\$0	\$900,000
Kentucky School of Craft	<p><u>Description:</u> A regional community collaboration and partnership that will provide training for various craft skills, a critical component of the economic development plan of Hindman and Knott counties (KCTCS).</p> <p><u>Modification:</u> Move to the second year of the biennium.</p>	\$0	\$500,000
TOTAL		\$500,000	\$4,300,000

Council on Postsecondary Education
November 2, 2005

2006–08 Capital Budget Recommendation

Table 1	Capital Renewal and Maintenance Pool
Table 2	Information Technology & Equipment Pool
Table 3	State Funded Capital Projects
Table 4	Institutional Agency Bond Authority
Table 5	Restricted Agency Funds Projects
Table 6	Guaranteed Energy Savings/Performance Contracting

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TABLE 1

Capital Projects Recommendations Capital Renewal and Replacement Pool Projects Eligible for Funding

Institution and Project Title	Project Scope	General Funds	Institution Funds
Eastern Kentucky University			
1 Construct E&G Life Safety Begley Elevator	\$ 750,000	\$ 750,000	
2 Miscellaneous Maintenance Pool - E&G	10,000,000	10,000,000	
Subtotal - EKU	\$ 10,750,000	\$ 10,750,000	\$ -
Kentucky State University			
1 Capital Renewal & Maintenance Pool	\$ 1,899,000	\$ 1,899,000	
2 Roof Repairs & Replacement Pool	1,920,000	1,920,000	
3 Life Safety Upgrade Pool	1,040,000	1,040,000	
Subtotal - KSU	\$ 4,859,000	\$ 4,859,000	\$ -
Kentucky Community and Technical College System			
1 Capital Renewal & Deferred Maintenance Pool	\$ 15,000,000	\$ 15,000,000	\$ -
Morehead State University			
1 Expand Life Safety: Claypool - Young Bldg.	\$ 600,000	\$ 600,000	
2 Comply with ADA - E&G	1,700,000	1,700,000	
3 Capital Renewal & Maintenance Pool - E&G	3,480,000	3,480,000	
4 Replace Boiler Tubes	800,000	800,000	
5 Replace Power Plant Pollution Control System	3,540,000	3,540,000	
	0		
Subtotal - MoSU	\$ 10,120,000	\$ 10,120,000	\$ -
Murray State University			
1 Complete Capital Renewal: E&G Pool < \$400,000	\$ 12,457,000	\$ 12,457,000	
2 Complete Life Safety Project: E&G Pool < \$400,000	590,000	590,000	
3 Complete ADA Compliance: E&G Pool < \$400,000	3,092,000	3,092,000	
Subtotal - MuSU	\$ 16,139,000	\$ 16,139,000	\$ -
Northern Kentucky University			
1 Replace Power Distribution Infrastructure	\$ 4,800,000	\$ 4,800,000	
2 Restore Albright Center Roof	680,000	680,000	
3 Replace BEP Center Roof	680,000	680,000	
4 Replace Air Handlers	980,000	980,000	
5 E&G Minor Projects Pool 2006-2008	3,200,000	3,200,000	
Replace Elevators Landrum Hall/Lucas Administration Center	990,000	990,000	
Repair Structural Floor Heaving/E&G Buildings	4,000,000	4,000,000	
6 Replace E&G Fire Alarm Systems	1,400,000	1,400,000	
Subtotal - NKU	\$ 16,730,000	\$ 16,730,000	
University of Kentucky			
1 Improve Life Safety Project Pool	\$ 4,650,000	\$ 4,650,000	
2 Upgrade Pharm. Fume Hoods I - Life Safety	5,040,000	5,040,000	
3 Upgrade Elevator Controls in Nursing Building	740,000	740,000	
4 Upgrade Fume Hoods TH Morgan - Life Safety	3,188,000	3,188,000	
5 Upgrade HVAC - CAER Ph. III - Life Safety	910,000	910,000	
6 Improve IAQ - Phase I - Life Safety	500,000	500,000	
7 Abate Asbestos LC II - Life Safety	500,000	500,000	
8 Improve Accessibility Project Pool	437,000	437,000	
9 Replace Steam and Condensate Pipe	5,500,000	5,500,000	
10 Replace Central Fire Alarm System	2,500,000	2,500,000	

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TABLE 1

**Capital Projects Recommendations
Capital Renewal and Replacement Pool
Projects Eligible for Funding**

Institution and Project Title	Project Scope	General Funds	Institution Funds
11 Repair Concrete Phase I General Campus	750,000	750,000	
12 Repair Blacktop Phase I General Campus	750,000	750,000	
13 Replace High Voltage Wiring	775,000	775,000	
14 Replace McVey Hall HVAC	3,520,000	3,520,000	
15 Replace Mathews Building HVAC	1,438,000	1,438,000	
16 Replace HVAC Slone Building	2,917,000	2,917,000	
17 Replace HVAC Kastle Hall	3,100,000	3,100,000	
18 Replace Fine Arts HVAC	4,500,000	4,500,000	
19 Replace Three Elevators MI King South	1,130,000	1,130,000	
20 Replace Steam Line MC Htg - Hosp Drive Pit 2	2,114,000	2,114,000	
21 Replace Steam Line Lime Tunnel - Main Gate Pit	3,100,000	3,100,000	
22 Replace Steam Line Lime Tunnel - POT Tunnel	1,060,000	1,060,000	
23 Replace Steam Line Main Gate Pit-Anderson Pit	2,750,000	2,750,000	
24 Replace Steam Line Kastle -Chem/Phys Pit 28	775,000	775,000	
25 Capital Renewal Maintenance Pool Phase 1	31,607,000	31,607,000	
26 Improve Oswald Building, Capital Renewal	1,600,000	1,600,000	
27 Upgrade Fume Hood in Sanders Brown-Life Safety	2,600,000	2,600,000	
28 Replace Air Handling Units in Research # 1	1,935,000	1,935,000	
29 Replace Air Handling Units Central Computing Facility	600,000	600,000	
30 Upgrade AHUs - Med Ctr Campus	2,000,000	2,000,000	
Subtotal - UK	\$ 92,986,000	\$ 92,986,000	\$ -
University of Louisville			
1 Capital Renewal and Maintenance Pool	\$ 22,000,000	\$ 22,000,000	
Subtotal - UofL	\$ 22,000,000	\$ 22,000,000	\$ -
Western Kentucky University revised 9.13.05			
1 Renovate Ag. Expo Center HVAC System	\$ 930,000	\$ 930,000	
2 Replace Steam Line	3,000,000	3,000,000	
3 Miscellaneous Maintenance Pool	10,195,000	10,195,000	
4 Renovate ES&T HVAC & Electrical Systems	2,000,000	2,000,000	
5 Renovate Electrical Distribution - Phase V	4,500,000	4,500,000	
6 Renovate Faculty House	500,000	500,000	
Subtotal - WKU	\$ 21,125,000	\$ 21,125,000	\$ -
System Total	\$ 209,709,000	\$ 209,709,000	\$ -

**Capital Projects Recommendations
Information Technology Pool
Projects Eligible for Funding**

Institution/Institution Priority / Project Title	Project Scope	State Funds	Restricted Funds
Eastern Kentucky University			
1 Expand, Upgrade Campus Data Network	\$ 13,212,000	11,212,000	2,000,000
2 Purchase Networked Education System Component	6,950,000	6,950,000	
3 Upgrade Academic Computing	4,900,000	2,900,000	2,000,000
4 Upgrade Administrative Computing System	3,150,000	3,150,000	
Subtotal - EKU	\$ 28,212,000	24,212,000	\$ 4,000,000
Kentucky State University revised 9.13.05			
1 KSU Online Infrastructure Upgrades	\$ 2,190,000	2,190,000	
2 KSU Online Security	1,500,000	1,500,000	
3 KSU Online Voice-Centrex Replacement	587,000	587,000	
Subtotal - KSU	\$ 4,277,000	4,277,000	\$ -
Kentucky Community and Technical College System			
1 KCTCS Information Technology Infrastructure Upgrade - KCTCS System	\$ 12,000,000	12,000,000	
2 KCTCS Equipment Pool - KCTCS System	20,000,000	20,000,000	
Subtotal - KCTCS	\$ 32,000,000	32,000,000	\$ -
Morehead State University			
1 Upgrade and Expand Distance Learning	\$ 1,500,000	1,500,000	
2 Purchase Instructional Tech Initiatives	1,621,600	1,621,600	
3 Upgrade Instruct. PCs/LANs/Peripherals	5,000,000	5,000,000	
4 Upgrade Administrative Office Systems	2,500,000	2,500,000	
5 Purchase Instructional and Support Equipment	620,000	620,000	
6 Enhance Library Automation Resources	670,000	670,000	
7 Purchase ICP-OES	110,000	110,000	
8 Enhance Network/Infrastructure Resources	4,750,000	4,750,000	
Subtotal - MoSU	\$ 16,771,600	\$ 16,771,600	\$ -
Murray State University			
1 Central Processing Computer System Upgrade	\$ 522,000	522,000	
2 Telephone Switching System	1,525,000	1,525,000	
3 Online Centralized Data Access / Warehouse	520,000	520,000	
4 Campus Backbone 10 GigE Upgrade	775,000	775,000	
5 Administrative Enterprise Resource Planning System	8,000,000	8,000,000	
6 Centralized Technology Refresh Program	2,600,000	2,600,000	
Subtotal - MuSU	\$ 13,942,000	\$ 13,942,000	\$ -
Northern Kentucky University			
1 Enhance Info Technology Infrastructure	\$ 2,900,000	2,900,000	
2 Enhance Instructional Info Technology	3,800,000	3,800,000	
Subtotal - NKU	\$ 6,700,000	\$ 6,700,000	\$ -

Table 2

**Capital Projects Recommendations
Information Technology Pool
Projects Eligible for Funding**

Institution/Institution Priority / Project Title	Project Scope	State Funds	Restricted Funds
University of Kentucky			
1 Lease/Purchase ERP System - Phase II	\$ 20,000,000	-	20,000,000
2 Purchase Pharmaceutical Analysis System	200,000	200,000	-
3 Lease Purchase High Performance Research Computing	6,500,000	-	6,500,000
4 Lease Purchase Large Scale Computing	3,500,000	-	3,500,000
5 Lease Purchase Enterprise Storage System	1,200,000	-	1,200,000
6 Lease Purchase Campus Infrastructure Upgrade	3,500,000	-	3,500,000
7 Replace Hospital Mainframe Computer	800,000	-	800,000
8 Expand Hospital Data Storage	600,000	-	600,000
9 Lease Purchase Data Warehouse	600,000	-	600,000
10 Expand Kentucky Clinic Network	800,000	-	800,000
11 Install Perioperative Information Management System	1,200,000	-	1,200,000
12 Install Fetal Monitoring Information System	1,200,000	-	1,200,000
13 Lease Purchase Tape Library	500,000	-	500,000
14 Implement Medication Bar Coding System	1,750,000	-	1,750,000
15 Upgrade PACS System	2,000,000	-	2,000,000
16 Purchase Upgraded Integrated Library System	700,000	700,000	-
17 Replace Radiology Information System	2,000,000	-	2,000,000
18 Implement On-Site Digital Radiology Archive	700,000	-	700,000
19 Purchase Police Communications Equipment	600,000	600,000	-
20 Implement PACS System in Hospital O.R.	800,000	-	800,000
21 Lease Purchase Network Security Hardware	1,500,000	-	1,500,000
22 Implement Automated Bed Management System	1,000,000	-	1,000,000
23 Lease Purchase Telephone Switch Convergence	12,000,000	-	12,000,000
24 Purchase Digital Media Distribution System	186,000	186,000	-
25 Lease Purchase Unix Cluster	600,000	-	600,000
26 Lease Purchase Video Switch Expansion	250,000	-	250,000
27 Purchase Integrated Imaging System	130,000	130,000	-
28 Purchase Network Infrastructure Restructuring	160,000	160,000	-
29 Purchase GIS Remote Sensing Teaching Lab	160,000	160,000	-
30 Purchase Redundant Disk Server System	170,000	170,000	-
31 Purchase Shared Desktop Environment	250,000	250,000	-
32 Lease Purchase UK/UofL/Frankfort Research Network	6,000,000	-	6,000,000
33 Purchase Patient System Enterprise	4,640,000	-	4,640,000
34 Purchase Upgrade for Servers	800,000	-	800,000
35 Purchase Upgrade - HIS Computing Facil.	2,900,000	-	2,900,000
36 Purchase Compressed Video-Hazard	141,000	141,000	-
37 Purchase Clinical System Enterprise	5,800,000	-	5,800,000
38 Purchase Computing Infrastructure Update	2,500,000	-	2,500,000
39 Purchase Data Storage Facility Upgrade	750,000	-	750,000
40 Purchase Dig. Medical Record Expansion	4,640,000	-	4,640,000
41 Purchase Managed Care Enterprise	1,160,000	-	1,160,000
42 Purchase Data Storage Equip & Software I	500,000	-	500,000
43 Purchase Telecommunications Equipment I	250,000	-	250,000
44 Purchase PACS Data Storage Equip & Software	500,000	-	500,000
45 Purchase Patient Classification Equipment	260,000	260,000	-

Table 2

**Capital Projects Recommendations
Information Technology Pool
Projects Eligible for Funding**

Institution/Institution Priority / Project Title	Project Scope	State Funds	Restricted Funds
46 Purchase IS Security Equipment I	150,000	-	150,000
47 Purchase Data Center Printers I	350,000	-	350,000
48 Purchase Data Storage Equip & Software II	250,000	-	250,000
49 Purchase Telecommunications Equipment II	200,000	-	200,000
50 Purchase Mainframe Computer	400,000	-	400,000
51 Purchase IS Security Equipment II	150,000	-	150,000
52 Purchase Fiber Channel Network System	200,000	200,000	-
53 Purchase Data Center Printers II	300,000	-	300,000
54 Purchase Knowledge-based Transcription	450,000	-	450,000
55 Purchase Knowledge-based Charting System	400,000	-	400,000
56 Purchase Consumer Web Interaction System	400,000	-	400,000
57 Purchase Data Storage Equip & Software III	150,000	-	150,000
58 Purchase Telecommunications Equipment III	150,000	-	150,000
59 Purchase Comm. Infrastructure in Young Library	1,014,000	1,014,000	-
60 Purchase Dentistry Patient Mgmt System-Phase II	3,000,000	-	3,000,000
61 Purchase Pharmaceutical Analysis System	200,000	200,000	-
62 Lease Purchase High Performance Research Computing	6,500,000	-	6,500,000
63 Purchase Integrated Imaging System	130,000	130,000	-
64 Lease Purchase UK/UofL/Frankfort Research Network	6,000,000	-	6,000,000
Subtotal - UKMC	\$ 116,791,000	\$ 4,501,000	\$ 112,290,000
University of Louisville			
1 Lease - Digital Output System	\$ 1,000,000	\$ 1,000,000	
2 Lease/Purchase - Visualization System	1,000,000	1,000,000	
3 Purchase - Analytical Scanning Electron Microscope	500,000		\$ 500,000
4 Purchase - Animal Husbandry Core	552,000		552,000
5 Purchase - Artificial Turf - Practice Field Facility	750,000	750,000	
6 Purchase - Biocontainment Cage Autoclave	125,000	125,000	
7 Purchase - Cage Washing Equipment	525,000	525,000	
8 Purchase - Cardiology Equipment to study Cardio	1,160,000		1,160,000
9 Purchase - CIPHERGEN Protein Chip Biology System	300,000	300,000	
10 Purchase - Cleanroom Wet Processing System	400,000		400,000
11 Purchase - Computer Processing System	2,000,000	2,000,000	
12 Purchase - Confocal Live Cell Imaging Station	450,000	450,000	
13 Purchase - Digital Communications System	4,000,000	4,000,000	
14 Purchase - Digital Micro-Luminography System	135,000	135,000	
15 Purchase - Electronic Research Information System	1,080,000	1,080,000	
16 Purchase - Enterprise Application System	2,000,000	2,000,000	
17 Purchase - Equipment Replacement Research & Inst	5,000,000	5,000,000	
18 Purchase - Focused Ion Beam / Scanning Electron M	1,000,000		1,000,000
19 Purchase - Four Temperature & Humidity Control	150,000	150,000	
20 Purchase - Gatan Cathodluminescence Detector for	250,000		250,000
21 Purchase - High Resolution SEM with Backscatter	316,000	316,000	
22 Purchase - Hot Embosser	150,000		150,000
23 Purchase - HRDS Computer	700,000	700,000	
24 Purchase - Imaging Core	1,528,000		1,528,000
25 Purchase - Inhalation Chamber	325,000		325,000

**Capital Projects Recommendations
Information Technology Pool
Projects Eligible for Funding**

Institution/Institution Priority / Project Title	Project Scope	State Funds	Restricted Funds
26 Purchase - Intermediate Voltage Transmission Ele	605,000	605,000	
27 Purchase - Library Chairs and tables	100,000	100,000	
28 Purchase - Linux Cluster Computer System	125,000	125,000	
29 Purchase - LPCVD/Oxidation/Diffusion Furnace System	750,000		750,000
30 Purchase - MALDI-TOF - TOF Mass Spectrometer	250,000	250,000	
31 Purchase - MTS Structural Actuator	200,000		200,000
32 Purchase - Multi-Photon Confocal Microscope	200,000	200,000	
33 Purchase - Networking System	3,000,000	3,000,000	
34 Purchase - New Computers for CBPA	300,000	300,000	
35 Purchase - Olympus FV1000 Confocal	314,000	314,000	
36 Purchase - Patch Clamp System	120,000		120,000
37 Purchase - PC's Printers, Scanners	200,000	200,000	
38 Purchase - PECVD System	250,000		250,000
39 Purchase - Profilometer	300,000		300,000
40 Purchase - Radiographic Fluoroscopic X-Ray System	350,000	350,000	
41 Purchase - Reactive Chamber Attachment to TEM	250,000		250,000
42 Purchase - Reactive Ion Etch System	200,000		200,000
43 Purchase - Real Estate Near HSC - Parcel II	3,875,000	3,875,000	
44 Purchase - Real Estate Near HSC & Renovate Offices	20,500,000	20,500,000	
45 Purchase - Real-Time PCR Analysis Equipment	576,000		576,000
46 Purchase - Robotic Cranes (2) for Automated Book	1,700,000	1,700,000	
47 Purchase - Robotic Telescope system	1,000,000		1,000,000
48 Purchase - Sputtering System	250,000		250,000
49 Purchase - Squid Magnetometer	250,000		250,000
50 Purchase - Storage System	1,000,000	1,000,000	
51 Purchase - Thin Film X-Ray Diffractometer	180,000		180,000
52 Purchase - Transmission Electron Microscope	1,400,000		1,400,000
2 Purchase - Wavelength Dispersive Spectroscopy	200,000		200,000
Subtotal - UofL	\$ 63,841,000	\$ 52,050,000	\$ 11,791,000
Western Kentucky University			
1 Convert WKUY-NPR and WKUY-PS to Digital	\$ 500,000	500,000	
Subtotal - WKU	\$ 500,000	\$ 500,000	\$ -
Total Institutions	\$ 283,034,600	\$ 154,953,600	\$ 128,081,000
Council On Postsecondary Education			
1 Statewide Software License Pool	\$ 500,000	500,000	
2 Purchase KYVL Integrated Library System	4,000,000	4,000,000	
3 Purchase Knowledge Resource Management System	5,000,000	5,000,000	
4 Interactive Video Conferencing System	500,000	500,000	
Subtotal - CPE	\$ 10,000,000	\$ 10,000,000	\$ -
System Total	\$ 293,034,600	\$ 164,953,600	\$ 128,081,000

**Council on Postsecondary Education
General Fund Capital Project Priorities
DRAFT Recommendation 2006-08**

Table 3

System Priority	Institution/Project Name	General Funds	Banks Report Project Phasing	Debt Serv./Cash Research 100%
Project Category: Current Infrastructure Repairs/Replacement/Improvements				
1	Capital Renewal and Maintenance Pool	\$ 15,000,000	\$ 15,000,000	\$ 1,578,000
2	Information Technology/Instructional Equipment Purchase Pool	25,000,000	25,000,000	5,035,000
	Total	\$ 40,000,000	\$ 40,000,000	\$ 6,613,000
Project Category: E&G and Postsecondary Ed Center Projects				
1	MoSU Construct Center for Health, Education, and Research (1)	\$ 15,000,000	\$ 15,000,000	\$ 1,578,000
2	KCTCS Construct Science/Allied Health Bldg Jefferson Community (2)	25,557,000	25,557,000	2,687,000
3	KCTCS Construct Allied Health/Tech Ed Bldg, Somerset CC Laurel (3)	13,815,000	13,815,000	1,453,000
4	NKU Renovate Old Science Building (1)	15,000,000	15,000,000	1,578,000
5	MuSU Construct New Science Complex Phase III(1)	15,000,000	15,000,000	1,578,000
6	WKU Renovate Science Campus, Phase III (2)	7,000,000	7,000,000	737,000
7	NKU Construct Health Innovation Center (3)	30,900,000	20,085,000	2,111,200
8	KSU Hathaway Hall Renovation, Phase III (1)	4,920,000	4,920,000	520,000
9	EKU Construct Science Building (1)	83,243,000	54,107,950	5,687,500
10	NKU Construct Center for Informatics (2)	33,500,000	21,775,000	2,289,300
11	UK Construct Gatton Building Complex (2)	62,235,000	40,452,750	4,252,300
12	EKU/UK Dairy Research Project (Meadowbrook) (2)	5,300,000	5,300,000	559,000
13	UofL Renovate Life Sciences Building (4)	18,240,000	18,240,000	1,918,000
14	KCTCS Construct Emerging Tech Cntr West KY Comm & Tech (1)	16,518,000	16,518,000	1,737,000
15	WKU Replace College of Education - Tate Page Hall Building (1)	35,000,000	22,750,000	2,391,350
	Total - (E&G) General Fund Projects Requested	\$ 381,228,000	\$ 295,520,700	\$ 31,076,650
Project Category: Research & Economic Development Projects @ 100%				
1	UK Construct Biological/Pharmaceutical Complex, Phase II (1)	\$ 79,892,000	\$ 79,892,000	\$ 8,399,000
2	UofL Construct HSC Research Facility IV (1)	69,680,000	69,680,000	7,325,000
3	WKU Construct Materials Characteristics, Phase II (4)	4,500,000	4,500,000	476,000
4	MuSU Construct New Breathitt Veterinary Center (3)	25,000,000	16,250,000	1,708,200
	Total - (R&ED) General Fund Projects Requested	\$ 179,072,000	\$ 170,322,000	\$ 17,908,200
Project Category: Project Planning and Design				
1	UofL Renovate Medical Dental Research Building, Phase IV (2)	\$ 19,800,000	\$	\$ 1,584,000
2	UK Construct Bio-Medical Research Building (4)	95,000,000		7,600,000
	Total - Planning & Design	\$ 114,800,000	\$ -	\$ 9,184,000
	System Total - General Fund Projects recommendation	\$ 715,100,000	\$ 505,842,700	\$ 64,781,850
	Debt Service Amount		\$	\$ 55,597,850

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Table 4

Capital Projects Recommendations Agency Bond Authority 2006-08

Institution and Project Title	Project Scope	Agency Bonds	Institution or Other Funds	Revenue Stream For Debt Service	Board Action (2)	Status of Existing Fee (3)	Est. Date to Issue Debt
Eastern Kentucky University							
1 Construct New Student Housing	\$ 10,520,000	10,520,000		Auxiliary Housing & Dining Fees	N/A	Available Now	May-07
Subtotal - EKV	\$ 10,520,000	\$ 10,520,000	\$ -				
Kentucky State University							
1 Construct Parking Structure	\$ 7,000,000	\$ 7,000,000		New Parking Fee	To be determined	N/A	December 2006
2 Construct New Residence Hall (Privatized)	20,000,000	20,000,000		New Housing Fee	To be determined	N/A	December 2007
Subtotal - KSU	\$ 27,000,000	\$ 27,000,000	\$ -				
Morehead State University							
1 Construct Student Recreation Center	\$ 17,000,000	\$ 17,000,000		New Student Fee (Student Gov 5/2005)	Jun-05	Available Now	Dec-06
2 Construct Apartment Housing Complexes-Phase II	6,000,000	6,000,000		Revenue from Rental of Housing	Annually	Available Now	Dec-07
3 Construct Parking Structure	7,000,000	7,000,000		Sale of Aux. Goods/Services/Parking Fees	Annually	Available Now	Mar-08
4 Renovate Student Housing Facilities	10,000,000	10,000,000		Revenue from Rental of Housing	Annually	Available Now	Aug-06
Subtotal - MoSU	\$ 40,000,000	\$ 40,000,000	\$ -				
Murray State University							
1 Replace Richmond Hall	\$ 13,077,000	13,077,000		Residential Housing Fees	5/1/2005 (TBD)	Will increase fee	Sep-06
2 Renovate Waterfield Library	8,000,000	4,000,000	4,000,000	Student Mandatory Fee	May-05	Available Now	Jul-06
3 Replace Franklin Hall	13,077,000	13,077,000		Residential Housing Fees	To be determined	N/A	Sep-07
4 Renovate Curris Center and T-Room	750,000	750,000		Dining Fees	May-05	N/A	Sep-06
Subtotal - MuSU	\$ 34,904,000	\$ 30,904,000	\$ 4,000,000				
Northern Kentucky University							
1 Construct New Student Union	\$ 16,250,000	\$ 16,250,000		Student Fee	March 2003	Available Now	FY 2006-07
2 Construct Parking Garage #3	15,400,000	15,400,000		Parking Regis/Daily fees	To be determined		FY 2006-07
3 Construct Parking Garage #4	9,200,000	9,200,000		Parking Regis/Daily fees	To be determined		FY 2006-07
4 Construct New Residence Hall	23,000,000	23,000,000		Housing Fees	To be determined		FY 2006-07
5 Expand Norse Commons	1,400,000	1,400,000		Resident Dining Fees	To be determined		FY 2006-07
Subtotal - NKU	\$ 65,250,000	\$ 65,250,000	\$ -				

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Table 4

Capital Projects Recommendations Agency Bond Authority 2006-08

Institution and Project Title	Project Scope	Agency Bonds	Institution or Other Funds	Revenue Stream For Debt Service	Board Action (2)	Status of Existing Fee (3)	Est. Date to Issue Debt
University of Kentucky							
1 Construct Patient Care Facility Phase II	\$ 175,000,000	\$ 150,000,000	\$ 25,000,000	Hospital Revenue	December, 2004	N/A	December, 2006
2 Renovate Blazer Hall Cafeteria	3,010,000	3,010,000		Dining Income	June, 2005		September, 2006
3 Install HVAC in Keeneland Hall	7,013,000	7,013,000		Housing Income	June, 2005		September, 2006
4 Renovate Student Center Food Court	1,643,000	1,643,000		Dining Income	June, 2005		September, 2006
5 Renovate K-Lair Building	4,650,000	4,650,000		Dining Income	June, 2005		Undetermined
6 Construct Track & Field Facility	7,139,000	7,139,000		Private Gifts/Ticket Sales/Student Athletics Fee	June, 2005		Undetermined
7 Construct Hagan Baseball Clubhouse	4,000,000	4,000,000		Private Gifts/Ticket Sales/Student Athletics Fee	June, 2005		Undetermined
Subtotal - UK	\$ 198,455,000	\$ 177,455,000	\$ 25,000,000				
University of Louisville							
1 Construct - Center for Predictive Medicine	\$ 35,200,000	\$ 13,000,000	\$ 22,200,000		To be determined		Sep-06
2 Construct - HSC Parking Structure II	26,113,000	26,113,000		Parking Revenue	To be determined		Sep-06
3 Construct - Residence Hall, 500 Bed	33,172,000	33,172,000		Housing Revenue	To be determined		Jul-06
4 Construct - Basketball Practice Facility, Phase II	16,140,000	16,140,000		Athletics (Private Funds)	To be determined		Jul-06
5 Expand - Trager Field Hockey Stadium	1,900,000	1,900,000		Athletics (Private Funds)	To be determined		Jul-06
6 Purchase - Support Service Land (Northeast Quad)	5,095,000	5,095,000		Current Lease Payments	To be determined		Sep-06
Subtotal - UofL	\$ 117,620,000	\$ 95,420,000	\$ 22,200,000				
Western Kentucky University							
1 Renovate Academic/Athletic #2	\$ 28,500,000	\$ 25,500,000	\$ 3,000,000	Campus rebuilding fee	4/29/2005	Available	7/1/2006
2 Renovate Van Meter Hall	16,000,000	16,000,000		Campus rebuilding fee	4/29/2005	Available	7/1/2006
3 Renovate Ivan Wilson Center	8,000,000	8,000,000		Increase to campus rebuilding fee	Jan-06		7/1/2007
4 Expand Preston Center	10,000,000	10,000,000		Increase to campus rebuilding fee	Jan-06		7/1/2007
5 Acquire Prop. & Con. Parking	4,000,000	4,000,000		Line item in budget allocations, FY 06	6/17/2005	Budget line available	7/1/2006
Subtotal - WKU	\$ 66,500,000	\$ 63,500,000	\$ 3,000,000				
System Total	\$ 560,249,000	\$ 510,049,000	\$ 54,200,000				

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
Eastern Kentucky University			
1 Arlington Renovation and Addition	\$ 4,000,000	\$ 4,000,000	
2 Expand and Renovate Presnell Building	2,200,000	2,200,000	
3 Expand Indoor Tennis Facility	1,100,000	1,100,000	
4 Library Studio for Academic Creativity	1,500,000	1,500,000	
5 Purchase of Property	3,000,000	3,000,000	
6 Renovate Watts Property (Elmwood)	2,000,000	2,000,000	
Subtotal - EKU	\$ 13,800,000	\$ 13,800,000	\$ -
Kentucky State University			
1 Construct Aquaculture Production Technologies Lab	\$ 1,200,000	\$ 1,000,000	\$ 200,000
2 Expand Aquaculture Pond	1,430,000		1,430,000
3 Construct Land Grant Farm Projects (pavilion, welcome ctr, apiculture)	1,400,000		1,400,000
4 Construct Center for Families and Children (Rosenwald)	2,022,000		2,022,000
5 Construct Cntr for Training/Experiential Learning in Food and Ag. Science	2,755,000		2,755,000
Subtotal - KSU	\$ 8,807,000	\$ 1,000,000	\$ 7,807,000
Kentucky Community and Technical College System			
1 Const. Child Development Center - Henderson C&TC	\$ 2,635,000	\$ 2,635,000	
2 Purchase Emergency Care Simulator - System	250,000	250,000	
3 Existing Lease Applied Technology Program - Henderson CTC	240,000	240,000	
4 Existing Lease Jefferson Education Center - Jefferson CTC	334,520	334,520	
5 Existing Lease Purchase - City of Versailles - KCTCS System Office	677,700	677,700	
6 New Lease Automotive MFG Training Center - Bluegrass CTC	200,000	200,000	
Subtotal - KCTCS	\$ 4,337,220	\$ 4,337,220	\$ -
Morehead State University			
1 Construct Law Enforcement Complex	\$ 5,215,000		\$ 5,215,000
2 Capital Renewal & Maintenance Pool-Auxiliary	1,618,000	1,618,000	
3 Comply with ADA - Auxiliary	1,200,000	1,200,000	
4 Acquire Land Related to Campus Master Plan	2,000,000	2,000,000	
5 Construct East KY Animal Science Ctr	8,000,000		8,000,000
Subtotal - MoSU	\$ 18,033,000	\$ 4,818,000	\$ 13,215,000
Murray State University			
1 Construct Electrical Generation Plant (New)	\$ 5,000,000	\$ 5,000,000	
2 Abate Asbestos: H&D Pool < \$400,000	276,000	276,000	
3 Complete Capital Renewal: H&D Pool < \$400,000	5,445,000	5,445,000	
4 Complete Life Safety Project: H&D Pool < \$400,000	300,000	300,000	
5 Complete ADA Compliance: H&D Pool < \$400,000	615,000	615,000	
6 Acquire Land Related to Campus Master Plan	3,962,000	3,962,000	
7 Renovate White Hall HVAC System	1,000,000	1,000,000	
Subtotal - MuSU	\$ 16,598,000	\$ 16,598,000	\$ -

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
Northern Kentucky University			
1 Coach Bus	\$ 690,000	\$ 690,000	
2 Construct Alumni/Welcome Center	7,800,000	7,800,000	
3 Construct Soccer Stadium	5,500,000	5,500,000	
4 Construct Track and Field Stadium	5,500,000	5,500,000	
5 Direct Image Platesetter	150,000	150,000	
6 Enhance Softball Field	600,000	600,000	
7 Housing/Minor Projects Pool	2,200,000	2,200,000	
8 Large Format Color Press	325,000	325,000	
9 Reconstruct Central Plaza Phase II	4,900,000	4,900,000	
10 Acquire Land Related to Campus Master Plan 2006-08	6,000,000	6,000,000	
11 Construct Intramural Fields	1,900,000	1,900,000	
Subtotal - NKU	\$ 35,565,000	\$ 35,565,000	\$ -
University of Kentucky			
1 Renovate Lab for Coating and Surface Inspection	\$ 8,000,000	\$ 8,000,000	
2 Renovate PSC Building	750,000	750,000	
3 Renovate-Expand Boone Faculty Center	6,200,000	6,200,000	
4 Lease/Purchase ERP System - Phase II	20,000,000	20,000,000	
5 Seal/Waterproof Commonwealth Stadium Concrete	2,500,000	2,500,000	
6 Install Scoreboards Memorial Col./Hagan Stadium	1,500,000	1,500,000	
7 Extend Virginia Avenue	4,000,000	4,000,000	
8 Upgrade the Vivarium in Sanders Brown Building	6,720,000	3,360,000	\$ 3,360,000
9 Lease Purchase High Performance Research Computing	6,500,000	6,500,000	
10 Expand Cancer Infusion Suites	1,964,000	1,964,000	
11 Replace Memorial Coliseum Playing Surface	725,000	725,000	
12 Expand Ophthalmology Clinic	3,100,000	3,100,000	
13 Paint Commonwealth Stadium Steel	750,000	750,000	
14 Lease Purchase Large Scale Computing	3,500,000	3,500,000	
15 Expand Outpatient Radiology	2,000,000	2,000,000	
16 Renovate Soccer/Softball Facilities	1,400,000	1,400,000	
17 Lease Purchase Enterprise Storage System	1,200,000	1,200,000	
18 Renovate Hospital Nursing Units	2,000,000	2,000,000	
19 Lease Purchase UPS System	941,000	941,000	
20 Renovate Hospital Cafeteria	631,000	631,000	
21 Renovate Memorial Coliseum	4,731,000	4,731,000	
22 Lease Purchase Campus Infrastructure Upgrade	3,500,000	3,500,000	
23 Fit Up Gill Bldg. Ground Floor	1,250,000	1,250,000	
24 Construct Commonwealth Stadium Suite Addition	2,300,000	2,300,000	
25 Upgrade Clinical Services	2,000,000	2,000,000	
26 Construct Horticulture Research & Ed. Facilities	1,600,000	1,600,000	
27 Upgrade Outpatient Services	2,000,000	2,000,000	
28 Acquire Land	15,000,000	15,000,000	
29 Upgrade Hospital Data Network	826,000	826,000	
30 Replace Hospital Mainframe Computer	800,000	800,000	
31 Expand Hospital Data Storage	600,000	600,000	
32 Lease Purchase Data Warehouse	600,000	600,000	
33 Expand Kentucky Clinic Network	800,000	800,000	
34 Install Perioperative Information Management System	1,200,000	1,200,000	
35 Install Fetal Monitoring Information System	1,200,000	1,200,000	

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
36 Lease Purchase Tape Library	500,000	500,000	
37 Implement Medication Bar Coding System	1,750,000	1,750,000	
38 Construct New Alumni Center	17,344,000	17,344,000	
39 Upgrade PACS System	2,000,000	2,000,000	
40 Replace Radiology Information System (QuadRIS replacement)	2,000,000	2,000,000	
Purchase Furnishing/Equipment - Patient Care Facility Phase II	27,000,000	27,000,000	
41 Lease Purchase Fire Suppression Upgrade	1,000,000	1,000,000	
42 Implement On-Site Digital Radiology Archive	700,000	700,000	
43 Implement PACS System in Hospital O.R.	800,000	800,000	
44 Lease Purchase Network Security Hardware	1,500,000	1,500,000	
45 Implement Automated Bed Management System	1,000,000	1,000,000	
46 Upgrade Global Ventilation Controls - Hospital	3,000,000	3,000,000	
47 Purchase High Res Transmission Electron Microscope	2,500,000	-	2,500,000
48 Lease Purchase Telephone Switch Convergence	12,000,000	12,000,000	
49 Expand Surgical Services - Hospital	4,545,000	4,545,000	
50 Lease Purchase Unix Cluster	600,000	600,000	
51 Purchase/Lease Ambulance	180,000	180,000	
52 Create Universal Nursing Unit - Hospital	1,180,000	1,180,000	
53 Lease Purchase Video Switch Expansion	250,000	250,000	
54 Construct Facilities Support Bldg - Hospital	14,728,000	14,728,000	
55 Purchase Angiography Unit	1,740,000	1,740,000	
56 Purchase Angiography Unit	1,276,000	1,276,000	
57 Upgrade Outpt Surgical Suite - Hospital	2,500,000	2,500,000	
58 Purchase Gamma Knife	2,330,000	2,330,000	
59 Modify Nursing Unit XI - Hospital	1,390,000	1,390,000	
60 Purchase Cardiac Cath. Image Mgmt. Sys.	957,000	957,000	
61 Construct Multi-Care Clinic Building	28,452,000	28,452,000	
62 Modify Nursing Unit XII - Hospital	4,806,000	4,806,000	
63 Purchase Radiation Therapy Unit Upgrade	400,000	400,000	
64 Construct Imaging Facility - Hospital	10,079,000	10,079,000	
65 Purchase Biplane Angiography	1,160,000	1,160,000	
66 Upgrade Cancer Ctr Radiologic Svcs - Hospital	6,000,000	6,000,000	
67 Purchase Nuclear Medicine Camera	1,000,000	1,000,000	
68 Construct Cancer Urgent Treatment Fac - Hospital	12,728,000	12,728,000	
69 Purchase Epilepsy Monitoring System	500,000	500,000	
70 Upgrade Surgical Suite - Hospital	2,945,000	2,945,000	
71 Purchase Open MRI Unit	1,000,000	1,000,000	
72 Construct Radiation Medicine Facility - Hospital	6,069,000	6,069,000	
73 Purchase Radiology Information System	800,000	800,000	
74 Upgrade Transport Systems V - Hospital	800,000	800,000	
75 Purchase RIS (Quadris) Upgrade	500,000	500,000	
76 Expand Operating Room Suites - Hospital	3,559,000	3,559,000	
77 Purchase C-Arm X-Ray Unit	275,000	275,000	
78 Purchase C-Arm X-Ray Unit	440,000	440,000	
79 Upgrade Building/Site IV - Hospital	800,000	800,000	
80 Purchase Cardiac Ultrasound	1,600,000	1,600,000	
81 Upgrade HVAC II - Hospital	3,500,000	3,500,000	
82 Renovate Imaging Center, I	706,000	706,000	
83 Purchase CR PAC Server	275,000	275,000	
84 Construct Radiation Med Facility II - Hospital	2,955,000	2,955,000	

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
85 Lease Purchase UK/UofL/Frankfort Research Network	6,000,000	6,000,000	
86 Purchase Electrophysiology Lab	5,800,000	5,800,000	
88 Upgrade Utility Systems VI - Hospital	1,500,000	1,500,000	
89 Purchase EMG Unit	250,000	250,000	
90 Purchase Filmless Radiation System	150,000	150,000	
91 Replace AHU I - Hospital	16,165,000	16,165,000	
92 Purchase Scanning Dosimetry System	100,000	100,000	
93 Replace AHU I - Roach	1,200,000	1,200,000	
94 Renovate Imaging Center, II	1,257,000	1,257,000	
95 Purchase MC Treatment Planning	150,000	150,000	
96 Replace AHU II - Roach	1,200,000	1,200,000	
97 Purchase Pneumatic Tube System Upgrade	750,000	750,000	
98 Construct Police & Parking and Transportation Bldg	10,426,000	10,426,000	
99 Construct Cancer Hospice Facility - Hospital	5,145,000	5,145,000	
100 Construct Cancer Education Facility - Hospital	2,000,000	2,000,000	
101 Purchase Peds TE Echo Unit	200,000	200,000	
102 Construct Cancer Infusion Suites - Hospital	10,688,000	10,688,000	
103 Improve Spindletop Hall Facilities, Capital Renewal	2,450,000	2,450,000	
104 Construct Remote Cancer Clinic - Hospital	12,880,000	12,880,000	
105 Purchase Angiography Unit	2,000,000	2,000,000	
106 Construct Physicians Svcs Facilities - Hospital	2,000,000	2,000,000	
107 Replace Agr North primary electrical service	1,000,000	1,000,000	
108 Upgrade Information Systems Svcs - Hospital	4,206,000	4,206,000	
109 Construct Alumni Roundabouts	2,630,000	2,630,000	
110 Purchase Digital Radiographic Unit	1,800,000	1,800,000	
111 Upgrade Diagnostic Radiology - Hospital	3,530,000	3,530,000	
112 Purchase Nuclear Medicine Upgrade	900,000	900,000	
113 Renovate Dietetics - Hospital	6,000,000	6,000,000	
114 Purchase Web Imaging Product	500,000	500,000	
115 Upgrade Communications Services	1,126,000	1,126,000	
116 Purchase Interoperative CT	1,100,000	1,100,000	
117 Construct Business Facility II - Hospital	14,082,000	14,082,000	
118 Purchase Adult Echocardiology Unit	200,000	200,000	
119 Construct Outpt Care Fac II - Hospital	11,157,000	11,157,000	
120 Purchase Adult Echocardiology Unit	200,000	200,000	
121 Construct Outpt Diag/Treat Fac II - Hospital	24,271,000	24,271,000	
122 Purchase Peds Echocardiology Probe	200,000	200,000	
123 Construct Bldg Connectors III - Hospital	3,059,000	3,059,000	
124 Purchase Diagnostic Radiology Unit	330,000	330,000	
125 Construct Primary Care Ctr II - Hospital	17,237,000	17,237,000	
126 Purchase Digital Enhancement	1,085,000	1,085,000	
127 Construct Patient Care Fac II	15,909,000	15,909,000	
128 Purchase Digital Imaging	957,000	957,000	
129 Upgrade Nutrition Services II - Hospital	1,278,000	1,278,000	
130 Purchase EKG Unit	440,000	440,000	
131 Upgrade Support Services II - Hospital	1,000,000	1,000,000	
132 Purchase EKG Unit	400,000	400,000	

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
133 Expand Data Systems III - Hospital	700,000	700,000	
134 Lease Purchase Equipment Pool	5,030,000	5,030,000	
135 Implement Land Use Plan IV - Hospital	2,500,000	2,500,000	
136 Purchase Endoscopic Ultrasound	440,000	440,000	
137 Upgrade Diagnostic Services XII - Hospital	1,000,000	1,000,000	
138 Purchase Endoscopic Video System	300,000	300,000	
139 Construct Outpatient Svs. III - Hospital	10,775,000	10,775,000	
140 Purchase Endoscopic Video Ultrasound	275,000	275,000	
141 Upgrade Diagnostic Serv XI - Hospital	1,500,000	1,500,000	
142 Purchase Intracardiac Laser	550,000	550,000	
143 Renovate Medical Records Suite I - Hospital	700,000	700,000	
144 Purchase Intracardiac Laser	500,000	500,000	
145 Purchase Image Guided Surgery System	600,000	600,000	
146 Purchase Laboratory Analyzer	500,000	500,000	
147 Purchase OB Ultrasound	350,000	350,000	
148 Purchase Patient System Enterprise	4,640,000	4,640,000	
149 Purchase QuadRIS Upgrade	300,000	300,000	
150 Purchase Mobile Fluoroscopic Unit	250,000	250,000	
151 Purchase Rad. Med. Software/System	350,000	350,000	
152 Purchase C-Arm X-Ray Unit	350,000	350,000	
153 Purchase Washer	350,000	350,000	
154 Purchase Mobile Radiology Unit	250,000	250,000	
155 Purchase Vascular Ultrasound	900,000	900,000	
156 Purchase MRI Upgrade	500,000	500,000	
157 Purchase Vascular Ultrasound	300,000	300,000	
158 Purchase Upgrade for Servers	800,000	800,000	
159 Purchase Upgrade - HIS Computing Facil.	2,900,000	2,900,000	
160 Purchase Surgical C-Arm(ISS)System	650,000	650,000	
161 Purchase Radiographic Unit	350,000	350,000	
162 Construct University Conference Center	24,233,000	24,233,000	
163 Purchase Radiographic Unit	400,000	400,000	
164 Purchase Radiology Ultrasound	440,000	440,000	
165 Purchase Ultrasound Image Management	800,000	800,000	
166 Purchase Laboratory Analyzer	200,000	200,000	
167 Purchase Genetic Analyzer	200,000	200,000	
168 Purchase HDR Brachy Therapy System	350,000	350,000	
169 Purchase Interoperative MRI	1,500,000	1,500,000	
170 Purchase Neuroangiography Unit	1,800,000	1,800,000	
171 Purchase Magneoenkephalogy Unit	2,100,000	2,100,000	
172 Purchase Ultrasound Units	840,000	840,000	
173 Purchase Digital Radiology	1,020,000	1,020,000	
174 Purchase Digital Radiology	4,060,000	4,060,000	
175 Purchase Fluoroscopy Unit	550,000	550,000	
176 Purchase Gen. Rad./Fluoroscopic Unit	500,000	500,000	
177 Purchase Linear Accelerator	2,050,000	2,050,000	
178 Purchase Portal Imaging System	200,000	200,000	
179 Purchase CT Scanner	1,000,000	1,000,000	
180 Purchase MR Monitoring Equipment	100,000	100,000	
181 Purchase Portal Imaging System	250,000	250,000	
182 Purchase Gen. Rad./Fluoroscopic Unit	550,000	550,000	

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
183 Purchase Digital Orbitor Camera	275,000	275,000	
184 Purchase CT Simulator	1,200,000	1,200,000	
185 Purchase Accelerator	1,600,000	1,600,000	
186 Purchase Teleradiology	200,000	200,000	
187 Purchase SPECT System	1,000,000	1,000,000	
188 Purchase Mobile MRI	1,500,000	1,500,000	
189 Purchase CR Readers	750,000	750,000	
190 Purchase CR Reader	300,000	300,000	
191 Purchase ATL Ultrasound	220,000	220,000	
192 Purchase CT Scanner	1,914,000	1,914,000	
193 Purchase CT Simulator	1,160,000	1,160,000	
194 Purchase CT/PET Simulator	2,000,000	2,000,000	
195 Purchase CT/PET Simulator	4,000,000	4,000,000	
196 Purchase Clinical System Enterprise	5,800,000	5,800,000	
197 Purchase Computing Infrastructure Update	2,500,000	2,500,000	
198 Purchase Data Storage Facility Upgrade	750,000	750,000	
199 Purchase Dig. Medical Record Expansion	4,640,000	4,640,000	
200 Purchase Intraoperative Radiation Therapy	1,300,000	1,300,000	
201 Purchase Managed Care Enterprise	1,160,000	1,160,000	
202 Renovate Clinical Teaching Space in Nursing	1,220,000	1,220,000	
203 Purchase Minimally Invasive Room	1,700,000	1,700,000	
204 Purchase OR Periop. IS Doc.Syst. Upgrade	150,000	150,000	
205 Purchase Steam Autoclave	450,000	450,000	
206 Purchase Sterrad Sterilizer	450,000	450,000	
207 Purchase Surgical Laser	500,000	500,000	
208 Purchase Surgical Microscope	500,000	500,000	
209 Purchase Data Storage Equip & Software I	500,000	500,000	
210 Purchase Telecommunications Equipment I	250,000	250,000	
211 Purchase PACS Data Storage Equip & Software	500,000	500,000	
212 Purchase IS Security Equipment I	150,000	150,000	
213 Purchase Data Center Printers I	350,000	350,000	
214 Purchase Data Storage Equip & Software II	250,000	250,000	
215 Purchase Telecommunications Equipment II	200,000	200,000	
216 Purchase Mainframe Computer	400,000	400,000	
217 Purchase IS Security Equipment II	150,000	150,000	
218 Purchase Data Center Printers II	300,000	300,000	
219 Purchase Knowledge-based Transcription	450,000	450,000	
220 Purchase Knowledge-based Charting System	400,000	400,000	
221 Purchase Consumer Web Interaction System	400,000	400,000	
222 Purchase Data Storage Equip & Software III	150,000	150,000	
223 Purchase Telecommunications Equipment III	150,000	150,000	
224 Purchase Peds Echocardiology Unit	200,000	200,000	
225 Expand Arboretum Visitor Center	2,870,000	2,870,000	
226 Lease Purchase UPS Upgrade for Communications	800,000	800,000	

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
227 Upgrade Critical Care Center HVAC - Hospital	7,649,000	7,649,000	
228 Upgrade Surgical Services	4,500,000	4,500,000	
229 Upgrade Transport Systems - Med Ctr Campus	1,000,000	1,000,000	
230 Expand Emergency Services	6,100,000	6,100,000	
231 Purchase Dentistry Patient Mgmt System-Phase II	3,000,000	3,000,000	
Subtotal - UKMC	\$ 655,526,000	\$ 649,666,000	\$ 5,860,000
University of Louisville			
1 Construct - Cardinal Club Golf Practice Facility	\$ 685,000	\$ 685,000	
2 Construct - Diversity Center for Excellence	5,898,000	5,898,000	
3 Construct - Executive MBA / Business Program	26,540,000	26,540,000	
4 Construct - Glass & Visual Arts Research Center	3,015,000	3,015,000	
5 Construct - Utilities, Remove Overhead Lines	2,957,000	2,957,000	
6 Expand - Ambulatory Care Bldg. Academic Addition	43,950,000	43,950,000	
7 Expand & Renovate - Dental School	37,170,000	37,170,000	
8 Expand & Renovate - Founders Union Building	12,190,000	12,190,000	
9 Expand & Renovate - Kornhauser Library	12,710,000	12,710,000	
10 Expand & Renovate - Oppenheimer Hall	7,930,000	7,930,000	
11 Renovate - Chemistry Fume Hood Redesign, Ph II	4,610,000	4,610,000	
12 Renovate - Code Improvement Pool	3,191,000	3,191,000	
13 Renovate - Ekstrom Library	22,081,000	22,081,000	
14 Renovate - Housing - Capital Renewal Pool	3,920,000	3,920,000	
15 Renovate - Kersey Library	4,630,000	4,630,000	
16 Renovate - Medical School Tower - 55A, Phase II	4,225,000	4,225,000	
17 Renovate - Natural Science Building	13,380,000	13,380,000	
18 Renovate - PJCS Scoreboard/Video Replacement	1,800,000	1,800,000	
19 Shelby Campus Dormitories Demolition	436,000	436,000	
20 Utility Distribution - South Belknap Campus	6,821,000	6,821,000	
21 Lease - Digital Output System	1,000,000	1,000,000	
22 Lease/Purchase - Visualization System	1,000,000	1,000,000	
23 Purchase - Analytical Scanning Electron Microscope	500,000		\$ 500,000
24 Purchase - Animal Husbandry Core	552,000		552,000
25 Purchase - Artificial Turf - Practice Field Facility	750,000	750,000	
26 Purchase - Biocontainment Cage Autoclave	125,000	125,000	
27 Purchase - Cage Washing Equipment	525,000	525,000	
28 Purchase - Cardiology Equipment to study Cardio	1,160,000		1,160,000
29 Purchase - CIPHERGEN Protein Chip Biology System	300,000	300,000	
30 Purchase - Cleanroom Wet Processing System	400,000		400,000
31 Purchase - Computer Processing System	2,000,000	2,000,000	
32 Purchase - Confocal Live Cell Imaging Station	450,000	450,000	
33 Purchase - Digital Communications System	4,000,000	4,000,000	
34 Purchase - Digital Micro-Luminography System	135,000	135,000	
35 Purchase - Electronic Research Information System	1,080,000	1,080,000	
36 Purchase - Enterprise Application System	2,000,000	2,000,000	
37 Purchase - Equipment Replacement Research & Inst	5,000,000	5,000,000	
38 Purchase - Focused Ion Beam / Scanning Electron M	1,000,000		1,000,000
39 Purchase - Four Temperature & Humidity Control	150,000	150,000	
40 Purchase - Gatan Cathodluminescence Detector for	250,000		250,000
41 Purchase - High Resolution SEM with Backscatter	316,000	316,000	
42 Purchase - Hot Embosser	150,000		150,000

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Table 5

Capital Projects Recommendations Restricted Agency Funds 2006-08

Institution/Institution Priority / Project Title	Project Scope	Institution or Other Funds	Federal Funds
43 Purchase - HRDS Computer	700,000	700,000	
44 Purchase - Imaging Core	1,528,000		1,528,000
45 Purchase - Inhalation Chamber	325,000		325,000
46 Purchase - Intermediate Voltage Transmission Ele	605,000	605,000	
47 Purchase - Library Chairs and tables	100,000	100,000	
48 Purchase - Linux Cluster Computer System	125,000	125,000	
49 Purchase - LPCVD/Oxidation/Diffusion Furnace System	750,000		750,000
50 Purchase - MALDI-TOF - TOF Mass Spectrometer	250,000	250,000	
51 Purchase - MTS Structural Actuator	200,000		200,000
52 Purchase - Multi-Photon Confocal Microscope	200,000	200,000	
53 Purchase - Networking System	3,000,000	3,000,000	
54 Purchase - New Computers for CBPA	300,000	300,000	
55 Purchase - Olympus FV1000 Confocal	314,000	314,000	
56 Purchase - Patch Clamp System	120,000		120,000
57 Purchase - PC's Printers, Scanners	200,000	200,000	
58 Purchase - PECVD System	250,000		250,000
59 Purchase - Profilometer	300,000		300,000
60 Purchase - Radiographic Fluoroscopic X-Ray System	350,000	350,000	
61 Purchase - Reactive Chamber Attachment to TEM	250,000		250,000
62 Purchase - Reactive Ion Etch System	200,000		200,000
63 Purchase - Real Estate Near HSC - Parcel II	3,875,000	3,875,000	
64 Purchase - Real Estate Near HSC & Renovate Offices	20,500,000	20,500,000	
65 Purchase - Real-Time PCR Analysis Equipment	576,000		576,000
66 Purchase - Robotic Cranes (2) for Automated Book	1,700,000	1,700,000	
67 Purchase - Robotic Telescope system	1,000,000		1,000,000
68 Purchase - Sputtering System	250,000		250,000
69 Purchase - Squid Magnetometer	250,000		250,000
70 Purchase - Storage System	1,000,000	1,000,000	
71 Purchase - Thin Film X-Ray Diffractometer	180,000		180,000
72 Purchase - Transmission Electron Microscope	1,400,000		1,400,000
73 Purchase - Wavelength Dispersive Spectroscopy	200,000		200,000
Subtotal - UofL	\$ 281,980,000	\$ 270,189,000	\$ 11,791,000
Western Kentucky University			
1 Construct Agriculture Research Services Lab	\$ 22,825,000		22,825,000
2 Purchase Property for Campus Expansion	3,000,000	3,000,000	
3 Renovate Kentucky Building - Phase III	11,330,000	11,330,000	
4 Renovation/Expansion of Carol Knicely Center	3,500,000	3,500,000	
5 Renovate Garrett Conference Center	10,000,000	10,000,000	
6 Upgrade IT Infrastructure	2,000,000	2,000,000	
Subtotal - WKU	\$ 52,655,000	\$ 29,830,000	\$ 22,825,000
System Total	\$ 1,087,301,220	\$ 1,025,803,220	\$ 61,498,000

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Table 6

**Capital Projects Recommendations
Guaranteed Energy Savings/Performance Contracting Projects
2006-08**

Institution and Project Title	Project Scope (1)
Eastern Kentucky University	N/A
Kentucky Community and Technical College System	N/A
Kentucky State University	N/A
Morehead State University	N/A
Murray State University	N/A
Northern Kentucky University	N/A
University of Kentucky	N/A
University of Louisville	N/A
Western Kentucky University	N/A

Note:

1. A scope amount is not required for this project.

Comprehensive Funding Review Comparison of Issues

2004-2005 Project

ATTACHMENT D

Description of Change	Rationale for Change	Previous Model	Revised Model
<p>Benchmark Selection</p> <p>CPE ACTION: <i>January - model</i> <i>March - refinement</i> <i>April - drafts</i> <i>May/July - benchmarks</i> <i>Nov - request</i></p>	<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. To enhance consistency between KCTCS and other institutions. To appropriately differentiate for UK and UofL House Bill 1 mandate. 	<ul style="list-style-type: none"> Cluster analysis based on 20 criteria. Not constrained by Carnegie Classification. Significant differences between benchmark lists and statistical model results (similarity measures not applied uniformly). Benchmark negotiations determined resulting benchmark lists. No performance component. 	<ul style="list-style-type: none"> Revised benchmark selection criteria. Constrained within two Carnegie Classifications. Strict and consistent adherence to statistical model results for selection of benchmarks. Weighting of criteria used to more effectively address differences in mission. Flexibility to select 19 out of the most similar 30 on statistical ranking lists for four-year institutions; 19 out of 23 state systems for KCTCS. Open process to discuss final selection parameters and proposed choices. Separate model for UK and UofL to address House Bill 1 mandate (based on specific measures and analyses).
<p>Funding Distribution Methodology (FDM)</p> <p>CPE ACTION: <i>Approved Jan 05</i></p>	<ul style="list-style-type: none"> Current model makes M&O for new facilities and proportional increases too high a priority. Funding would have to reach too high a level before even one dollar is distributed to benchmark equity. Change in priorities allows past enrollment growth to be funded at a higher priority when funds are limited. Change in Equity Index to more appropriately address funding gaps and past enrollment growth. 	<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 (not M&O). Priority 2 - 50%/50% proportional/Benchmark Equity up to current services increase of net base funding level. Priority 3 - Fully fund M&O and if funds remain they revert back to priority 2. The current services rate specified in the FDM for capping purposes regarding proportional increases will be 2% for 2006-08 biennium
<p>Performance Incentive</p> <p>CPE ACTION: <i>Nov 05-earmark</i> <i>Jan 06-indicators/methodology</i></p>	<ul style="list-style-type: none"> To reward performance. To link funding model to the public agenda and campus action plans. 	<ul style="list-style-type: none"> No performance component in base model. 	<ul style="list-style-type: none"> Request 5% of 2008 recommendation for performance component distribution by the Council. Performance metrics and methodology will be developed and presented to the Council for approval in January 2006 Performance metrics will be consistent with public agenda, key indicators, and the campus action plans. If the Council's request is not fully funded, the Council will recommend that in the second year of the biennium no less than \$1 million or 5%, whichever is higher, of amount distributed to the institutions be earmarked in the Council's budget for performance.

Comprehensive Funding Review Comparison of Issues

2004-2005 Project

ATTACHMENT D

<i>Description of Change</i>	<i>Rationale for Change</i>	<i>Previous Model</i>	<i>Revised Model</i>
<p>(Tuition Deduction)</p> <p><i>CPE ACTION:</i> <i>November 05</i></p>	<ul style="list-style-type: none"> To equitably and accurately account for revenue available for student funding. Standard deductions no longer reflected reality of the share of tuition to total public funds and therefore more General Funds than needed to fully fund total public funds were requested under a standard deduction (over \$100 million (or one third) of 2004-06 funding gap was related to revenue above the standard deduction which was not counted). To ensure that the calculations of funding need in the benchmark model are accurately impacted by the Council's tuition policy currently under development (including tuition decisions regarding non-resident students). Tuition policy changes should be captured automatically in the benchmark calculations 	<ul style="list-style-type: none"> Uses standard deduction, so tuition and fee revenue higher than standard percentage is not counted in the model thereby inflating General Fund recommendation. Standard deduction was 37% for all institutions except for KCTCS and KSU, which is 30%. Differentiation in price for non-resident student tuition were not fully captured by the benchmark calculation Model allowed the recommendation, in some instances, to extend beyond the total need generated by the model 	<ul style="list-style-type: none"> The benchmark model determines adequacy of funding based on the total public funds of the benchmark institutions. Since only general funds are requested, tuition amounts must be deducted to determine the general funds target. The new tuition deduction is the simple average of tuition percentages in each benchmark list. This is tuition and fee reciprocal to the general fund need contained in the total public funds of the benchmark objective The funding gap calculation is capped at 105% of the total public funds objective identified by the model.
<p><i>Measure of Central Tendency (Standard Funding Level)</i></p> <p><i>CPE ACTION:</i> <i>November 05</i></p>	<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." The funding level will be based on funding levels of benchmark peer institutions and is recommended for FY 2006-08 to be at 5% above the average of the benchmarks

Comprehensive Funding Review Comparison of Issues

2004-2005 Project

ATTACHMENT D

<i>Description of Change</i>	<i>Rationale for Change</i>	<i>Previous Model</i>	<i>Revised Model</i>
<p>Mandated Program Deduction</p> <p><u>CPE ACTION:</u> <u>May 05</u></p>	<ul style="list-style-type: none"> Deduction for various mandated programs may be 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 may be reasonable to assume that these institutions have similar mandated programs (however, Kentucky has fewer major research universities so Kentucky data may be higher than benchmark peers). To the extent that the data are biased, this component could inflate the funding objective; if data are not biased, better collection procedures could be implemented. 	<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"> Maintain current practice, but implement more effective collection procedures to minimize potential data bias.
<p>Small Institution Adjustment</p> <p><u>CPE ACTION:</u> <u>November 05</u></p>	<ul style="list-style-type: none"> To address the issue of diseconomies of scale facing smaller institutions with headcount enrollments of less than 4,000. Based on Baker Hostetler report and Council analysis, the benchmark model underestimates the funding need for institutions as small as KSU and this new calculation should be substituted for the benchmark calculation 	<ul style="list-style-type: none"> No fixed cost adjustment. Benchmark model showed a negative funding need and as a result only a 2% increase was recommended for KSU in previous biennia 	<ul style="list-style-type: none"> Using methodology developed from the Alabama funding model a small institution adjustment is calculated based on cost factors Half of the total calculation is requested as a first priority base adjustment and the remaining half distributed over the remainder of the four-year funding plan

Comprehensive Funding Review Comparison of Issues

2004-2005 Project

ATTACHMENT D

CAPITAL

<i>Description of Change</i>	<i>Rationale for Change</i>	<i>Previous Model</i>	<i>Revised Model</i>
<p>Institutional Match to Construct Research Space</p> <p><u>CPE Action:</u> <u>November 05</u></p>	<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 and the debt capacity for postsecondary competes for limited debt capacity. • To recognize changing grant funds environment and ability of institutions to fund the match. • Many states fall into the 40% to 100% category of institutional support to construct research space, however, many states have significantly front-loaded 100% state paid research 	<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 the Council and the Governor, and funded by the General Assembly as a shared responsibility. • In the 2004-06 budget process, the Council recommended 60/40. In January 2004, the Governor requested 50/50, but the General Assembly did not pass a budget that year. 	<ul style="list-style-type: none"> • Council will continue to analyze the need for a match in research space for future biennia in light of limited debt capacity for postsecondary projects and the ability of these projects to generate revenue • For the 2006-08 biennia, only 50% of the scope of the research and economic development projects is recommended, therefore, if the Council determines a match is required, it can be implemented with the recommendation in the 2008-10 biennium when the remaining project scopes are likely to be funded.

Comprehensive Funding Review Comparison of Issues

2004-2005 Project

ATTACHMENT D

<i>Description of Change</i>	<i>Rationale for Change</i>	<i>Previous Model</i>	<i>Revised Model</i>
<p>Institutional Match to Access State Funds in Capital Renewal and Maintenance Pools</p> <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"> Policy 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. 	<ul style="list-style-type: none"> Continue the current policy to require an institutional match to access state funds in capital renewal pool with match ranges between \$0.60 - \$1 per each \$1 of state funds. Strengthen the evaluation of institutional performance on postsecondary education maintenance standard. 	
<p>Capital Projects Planning and recommendation priorities</p> <p><u>CPE Action:</u> <u>May 2005</u></p>	<ul style="list-style-type: none"> Responds to a request by the Capital Planning Advisory Board and implements a policy adopted by the Council in July 2001. The planning priorities reported to the CPAB may change when a capital projects recommendation is made to the Governor. 	<ul style="list-style-type: none"> The Council typically provides capital priority categories to the Capital Planning Advisory Board. Projects recommended by the Council in the prior biennial recommendation not authorized by the General Assembly are typically identified as the priorities for the upcoming biennium. 	<ul style="list-style-type: none"> Statewide capital priorities are established by an model based on evaluative criteria consistent with the goals and objectives of the public agenda This model was used to rank projects for the 2006-08 biennium Research and economic development projects are categorized and evaluated separately from academic projects