

AGENDA
Council on Postsecondary Education
May 20, 2002, 8:30 a.m.
University Center
Northern Kentucky University
Highland Heights, Kentucky

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Other Business

Next Meeting – July 21-22, Centre College
Adjournment

Tours of the NKU Science Building and the Adult Education Mobile Unit are available after a buffet lunch.

MINUTES
Council on Postsecondary Education
March 25, 2002

The Council on Postsecondary Education met March 25, 2002, at 8:30 a.m. at the council offices in Frankfort. Chair Whitehead presided.

ROLL CALL

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

VIRTUAL
GROUNDBREAKING FOR
EKU ON-LINE MASTER'S IN
LOSS PREVENTION

Chair Whitehead, KYVU CEO Daniel Rabuzzi, and Gordon Davies joined Eastern Kentucky University President Joanne Glasser and other EKU representatives in the virtual groundbreaking for EKU's on-line master's degree program in loss prevention and safety. EKU developed the program using \$225,000 awarded to it from the Kentucky Virtual University revolving loan fund to cover part of the expenses.

SPECIAL AGENDA –
PREPARING KENTUCKIANS
FOR THE KNOWLEDGE-
BASED ECONOMY

Mr. Davies said that an important part of postsecondary education reform is educating women and men to become skilled and knowledgeable citizens and workers in a knowledge-based economy. The special agenda for this meeting focused on programs that increase access and seek to motivate participation in education beyond high school.

In June 2001, the council began a statewide public communication campaign to raise awareness and the need for more education and to involve communities across the state in convincing their citizens to continue their education. Faculty from several universities and the KCTCS worked with two communication firms, red7e and Guthrie Mayes, to design the campaign. Holly Turney with red7e presented highlights of the Go Higher media campaign.

Yvonne Lovell, director of the state GEAR UP grant (Gaining Early Awareness and Readiness for Undergraduate Programs), and Bob Sexton, executive director of the Prichard Committee, described this federally funded project. The Kentucky Board of Education, the Prichard Committee, and the council are partners in the grant. Their goal is to help thousands of economically disadvantaged students who are now in middle schools throughout Kentucky understand that they can and should go on to college. Rich Prewitt, principal of Whitley County Middle School, and Gail Yates, community education coordinator at Christian County Middle School, shared how GEAR UP is affecting students in their schools.

Julie Scoskie, director of the Jefferson County Adult Education Program, provided highlights of the work being done to raise educational levels and strengthen the workforce in her region of the state. She was joined by Pat O'Leary, human resource director at UPS in Louisville, and Bob Huffman, executive director of Kentuckiana Works.

Keith Byrd, KCTCS chancellor, described the system's work with high schools, employers, and four-year colleges to encourage Kentuckians to enroll in postsecondary education. He was joined by two employers – Jim Hart with Autoliv North America in Madisonville and Steve Kali with American Woodmark in Monticello – who discussed their partnerships with the KCTCS.

The special agenda concluded with Presidents Joanne Glasser and Jim Votruba discussing the ways in which the universities are preparing people for jobs in a knowledge-based economy, contributing to economic development, and working to improve Kentucky's communities. They were joined by Sylvia Lovely, president of the Kentucky League of Cities.

The minutes of the previous meeting were approved as distributed.

APPROVAL OF MINUTES

LEGISLATIVE UPDATE

Council staff member Bill Swinford gave an update on the legislative session. The Governor has signed House Bill 191, which will integrate the independent institutions into the postsecondary system and into postsecondary reform. This legislation gives the council the opportunity to contract with independent institutions to provide needs for particular programs. Another topic that received considerable discussion during the session is the funding of the Kentucky Educational Excellence Scholarship program. The program is funded adequately for this biennium, but the program should be addressed prior to the 2004 legislative session. Information about other legislation was provided for information.

Angie Martin, council vice president for finance, explained a handout showing the current status of the budget recommendations of the individual institutions and the council. At this time, only one of the council's priority funding projects – the enrollment growth and retention program – will not receive funding. Mr. Davies said that,

BUDGET UPDATE

compared to other parts of state government, postsecondary education has fared well.

A progress report was provided on the council's key indicators for measuring progress. Last March, the council established roughly 40 indicators of progress under the five questions. Over the course of the last year, the council has set goals for most of those. Institutional enrollment data is now available to help gauge progress toward the 2002 goals. Current information is available on the council's Web site.

PROGRESS REPORT ON
KEY INDICATORS

A report on the work of the P-16 Council was provided in the agenda book.

RECOMMENDATION: The staff recommends that the council approve the 2002-06 institutional goals for enrollment and retention, change the retention definition for Key Indicator 3.1, and eliminate Key Indicators 3.3 and 3.6.

P-16 COUNCIL UPDATE

KEY INDICATORS OF
PROGRESS – ENROLLMENT
AND RETENTION GOALS

With fall 2001 enrollments now known, several institutions have exceeded their 2002 and 2003 enrollment goals. Kentucky's colleges and universities could achieve the goal of enrolling 80,000 more undergraduate students by 2015, five years ahead of the original 2020 goal. The council staff asked the institutions to reconsider their 2002-06 goals. Tables showing the revised recommended goals were included in the agenda materials.

Key Indicator 3.1 (one-year retention rate of first-time freshmen) will no longer be reported as a three-year average, but as an annual figure. Because the new retention indicator measures degree-, diploma-, and certificate-seeking students at two-year institutions retained in the system, Key Indicators 3.3 (one-year system wide retention rate of first-time freshmen) and 3.6 (one-year persistence rates of associate, diploma, and certificate students at the KCTCS) are no longer needed.

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

VOTE: The motion passed.

RECOMMENDATION: The staff recommends that the council approve the Enrollment Growth and Retention Program Guidelines, contingent upon review by SCOPE at its May 13, 2002, meeting.

In November 2001, the council asked the staff to look again at the Enrollment Growth and Retention Trust Fund guidelines. Mr. Davies pointed out that these guidelines might never be used because at this time there is no enrollment and retention growth program in the Governor's budget recommendation to the legislature.

ENROLLMENT GROWTH
AND RETENTION
GUIDELINES

MOTION: Ms. Adams moved that the recommendation be approved. Mr. Darrell seconded the motion.

VOTE: The motion passed.

The staff withdrew the item pertaining the KEES administrative regulation. This recommendation will be presented at the May council meeting.

A report of the Committee on Equal Opportunities was included in the agenda book. Kentucky continues to make progress toward achieving the commitments outlined in the Partnership Agreement with the U.S. Department of Education's Office for Civil Rights and the Kentucky Plan. The agreement is scheduled to be complete by December 31, 2002.

KEES ADMINISTRATIVE
REGULATION AMENDMENT

1997-2002 KY PLAN AND
OCR PARTNERSHIP

The West Virginia Higher Education Policy Commission has approached the KCTCS and the KYVU to explore collaboration in distance learning. The immediate goal is to open a limited number of KCTCS on-line courses and the Kentucky Virtual Library to a specified number of West Virginia students as early as fall 2002. By 2003, the two states together would develop on-line courses that neither offer now, collaborate on faculty training and exchange programs, and share student advising resources. The staff is expected to present a completed memorandum of agreement with the West Virginia Commission at the May council meeting.

WEST VIRGINIA/
KYVU MEMO OF
AGREEMENT

The staff was asked to provide a comparison of virtual universities at a future meeting.

RECOMMENDATION: The staff recommends that the council accept the final productivity reports of the KCTCS and Lexington Community College.

This review began in fall 2000. For the KCTCS and LCC, the council staff identified 22 percent of the total associate programs offered (32 of 146) as potentially low-productivity degree programs. The KCTCS will close five programs, alter 18, and retain six programs that provide other valuable services to the colleges. LCC has justified continuation of its three low-productivity programs. The technical colleges of

FINAL PROGRAM
PRODUCTIVITY REPORTS:
KCTCS AND LCC

the KCTCS were excluded from this review because they have no degree programs more than four years old.

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

VOTE: The motion passed.

As part of its delegation of responsibility to the universities and the KCTCS, the council authorized the institutions to initiate programs within broad bands of the curriculum without council approval. An on-line system of posting proposed degree programs has allowed the programs to be reviewed by all colleges and universities, both public and private, prior to their being initiated. Since spring 2000, 52 new programs have begun. During the same time, 157 degree programs have closed. This spring, the council staff is meeting with each institution to review campus program approval procedures. A report on these visits will be provided at the July council meeting.

NEW PROGRAM REPORT

In November 2001, the KYVU requested proposals for the development of on-line programs to be partially funded through the KYVU revolving loan fund. This fund is available to institutions to develop Web-based programs and then the institutions pay back the virtual university. A list of proposals was provided for information. This program was approved as part of the KYVU budget.

RECOMMENDATION: The staff recommends that the council amend the 2002-04 list of eligible programs for agency bond authority to include the University of Louisville's \$4.7 million fiber optic project and Western Kentucky University's \$1.5 million materials characterization center renovation project.

KYVU REVOLVING FUND PROGRAM DEVELOPMENT COMPETITION

Mr. Davies said that agency bonds are bonds issued by and paid off by the institutions. The state does not pay them off. Projects must be on the council's list in order to be eligible for agency bond funding. Amending the list of projects does not guarantee funding. The current 2002-04 list includes 46 projects, totaling \$270.3 million.

AMENDMENTS TO 2002-04 LIST OF PROJECTS ELIGIBLE FOR AGENCY BOND AUTHORITY

MOTION: Mr. Owen moved that the recommendation be approved. Mr. Darrell seconded the motion.

VOTE: The motion passed.

A status report was provided on student housing fire safety.

RECOMMENDATION: The staff recommends that the council approve the council Conflict of Interest Policy.

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

VOTE: The motion passed.

STUDENT HOUSING FIRE SAFETY COUNCIL CONFLICT OF INTEREST POLICY

RECOMMENDATION: The staff recommends that the council approve the submission by council staff of a \$450,000 three-year grant proposal to the Fund for the Improvement of Postsecondary Education, including all understandings and assurances required by FIPSE, and authorize Gordon Davies and Gene Ranvier, KYVU director of student services (as project director), to act in connection with the grant application.

This grant would create critical parts of an on-line counseling and advising system to augment the efforts of high school guidance counselors. If approved, this service would extend the council's and the virtual university's help desk capacity to students and potential students all over the state.

MOTION: Ms. Weinberg moved that the recommendation be approved.

FIPSE PROPOSAL

Ms. Guess seconded the motion.

VOTE: The motion passed.

Mr. Whitehead appointed a nominating committee of Ms. Adams, Ms. Weinberg, Mr. Barger, and himself to select the council's chair and vice chair for the coming year. Recommendations will be brought to the May council meeting.

Mr. Whitehead announced the appointment of Charlie Owen to the Strategic Committee on Postsecondary Education.

The council will meet May 19 and 20 at Northern Kentucky University.

Mr. Baker expressed concern about the scores received on the PRAXIS exams by students enrolled in the teacher preparation programs at Kentucky State University. He asked Mr. Davies to meet with KSU representatives to determine steps to correct this.

NOMINATING COMMITTEE

The council members were encouraged to attend the afternoon meeting of the Chief Academic Officers to discuss collaboration.

The meeting adjourned at 12:55 p.m.

SCOPE APPOINTMENT

NEXT MEETING

KSU

Gordon K. Davies
President

Phyllis L. Bailey
Secretary

COLLABORATION
DISCUSSION

ADJOURNMENT

Council on Postsecondary Education
March 25, 2002

Fund for the Improvement of Postsecondary Education Grant Proposal

Action: The staff recommends that the council approve the submission by council staff of a \$450,000 three-year grant proposal to the Fund for the Improvement of Postsecondary Education (FIPSE), including all understandings and assurances required by FIPSE, and authorize Gordon Davies and Gene Ranvier, KYVU Director of Student Services (as project director), to act in connection with the grant application.

If awarded, this FIPSE grant would partially fund the creation of the Kentucky Virtual University Coordinated Advising Network ("U CAN"), which will be an interactive, single point of contact for Kentucky learners for pre-admission, academic, career, and financial aid counseling services. U CAN's purpose is to help increase the college-going rate, student retention, and graduation, and to improve access to GED courses and workplace skills training.

Core partners in U CAN's first phase will include the Kentucky Department of Education, the Kentucky Department for Adult Education and Literacy, the Kentucky Higher Education Assistance Authority, and the Kentucky Community and Technical College System. All Kentucky colleges and universities will be welcome to join U CAN. The council is the legal applicant and, if the grant is awarded, would be project leader and fiscal agent. The council would provide \$406,000 in match, including the allocation of staff resources to work on U CAN.

At the November 5, 2001, council meeting, council staff informed the council of the intent to submit a proposal to FIPSE. Details of the proposed grant have changed since then: the total proposed grant amount is lower; the match proposed is higher; and the proposal no longer includes the private company SmarThinking.

The Fund for the Improvement of Postsecondary Education is a unit of the U.S. Department of Education. On a competitive basis, FIPSE funds proposals intended to support innovative educational reform projects that can serve as national models for the improvement of postsecondary education.

Staff preparation by Daniel A. Rabuzzi

MINUTES
Council on Postsecondary Education
April 2, 2002

The Council on Postsecondary Education met in a special meeting April 2, 2002, at 10 a.m. at the council offices in Frankfort. Chair Whitehead presided.

ROLL CALL

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

Mr. Whitehead said that the purpose of the meeting is to discuss a personnel matter, as announced in the meeting agenda.

MOTION: Mr. Barger moved that the council meet in executive session. Mr. Freed seconded the motion.

VOTE: The motion passed.

The meeting reconvened at approximately 11:10 a.m.

**PRESIDENT'S
CONTRACT**

Mr. Whitehead said that President Gordon Davies' contract expires June 15, 2002, and the council discussed the contract during the executive session.

MOTION: Mr. Barger moved that Gordon Davies' contract not be extended beyond June 15, 2002, and that the chair be authorized to negotiate final terms and conditions. Ms. Taylor seconded the motion.

VOTE: The motion passed without opposition.

**APPOINTMENT OF
INTERIM PRESIDENT**

MOTION: Mr. Baker moved that the Council on Postsecondary Education appoint Sue Hodges Moore interim president effective June 16, 2002, and authorize Chairman Whitehead to execute an employment agreement with Dr. Moore. Ms. Bertelsman seconded the motion.

VOTE: The motion passed with no opposition.

Mr. Whitehead read the following statement, which was released to the press.

On behalf of the Council on Postsecondary Education, I want to express our sincere appreciation to Gordon Davies for the vision and determination he has brought to the work of

postsecondary education reform.

We have made great progress. There are 25,000 more people attending college in Kentucky today than there were just four years ago. Twelve thousand more Kentuckians are enrolled in adult education programs since 1999. The Kentucky Virtual University and the Kentucky Virtual Library are important and expanding points of access to learning and knowledge for people all across Kentucky. Our research universities are building Kentucky's intellectual capital by recruiting researchers through Bucks for Brains and attracting more federal research dollars than ever before.

We are making progress. We are improving lives. Without Gordon's leadership, we would not be where we are today.

The remarkable story of postsecondary reform now begins its next chapter. We want to start the search for Gordon's successor now so that he or she will have the opportunity to work with the architect of this reform, Governor Paul Patton. The next president of the council must be someone who can maintain the momentum of reform, build on its success, and bring stability to the transition from Governor Patton to the next administration.

I cannot emphasize too strongly our gratitude to Gordon for what he has helped us accomplish. We owe him a great deal.

The meeting adjourned at 11:18 a.m.

Gordon K. Davies
President

Phyllis L. Bailey
Secretary

Council on Postsecondary Education
May 20, 2002

Executive Summary

Cross-Cutting Issues

Both the regular session of the General Assembly and the special session called by the Governor ended with the two chambers unable to agree on a budget for 2002-04. Several pieces of legislation also fell prey to disagreement between the two chambers. On balance, it was a session about which the best thing to be said is that nothing really bad happened except for some unfortunate budget decisions. We'll have a summary of the bills we tracked at the council meeting.

At this time, Kentucky does not have a budget for 2002-04. Having failed to agree on a budget bill during the regular session, the General Assembly met from April 22 to May 1 in a special session but again was unable to agree. The leaders of both chambers of the General Assembly appear to have agreed that the Governor should not call another special session until after the May 28 primary election. We shall not have a budget report by May 20 although, if council members wish, we can summarize those areas on which agreement appears to have been reached.

The 2002-04 budget bill probably will include an agency bond pool for the colleges and universities, although it will be much smaller than that originally proposed by the Governor in January. As in the past, the bill probably will say that the council is to recommend individual projects to be funded with the agency bond pool. The staff has prepared a suggested list of

priorities for discussion at the May meeting. Action is not required until July. Versions of the budget bill that have been considered during the past several months have included language that directs the council to develop guidelines for institutions that want to use any unmatched funds from the 2000-02 capital renewal and maintenance pool. The staff provides draft guidelines for council discussion (see page 15). Again, action is not required until July.

In 2000, a state-by-state report card on higher education was released. Another version will be released this fall. The report, entitled *Measuring Up 2000*, gave all 50 states an “incomplete” in student learning. The National Center for Public Policy and Higher Education determined that there were no comparable data across all states to assign grades.

Since the release of the first report card, the National Center has been working to identify data that would permit it to grade student learning. Kentucky has been extensively involved in these efforts and recently was asked to be a model for the 2002 report card. We are a bit ahead of most states in collecting data that can be used to measure student learning and the report card will include an essay proposing a common method to be used by all states. The project is described in more detail beginning on page 23 of this agenda book.

2002-04 Capital Projects Priorities and Guidelines

House Bill 1 of the 2002 Extraordinary Session of the General Assembly was introduced April 22 and passed by the House April 25. It did not become law because the House and Senate could not agree on its provisions. The bill says that the Council on Postsecondary Education is to recommend individual projects to be funded with the agency bond pool. The staff recommends that the council establish priorities for the distribution of the funds. In addition, HB 1 says that the council is to develop guidelines for institutions to access any unmatched funds in the 2000-02 Capital Renewal and Maintenance Pool. The council staff presents priorities and guidelines for discussion.

Postsecondary Education Agency Bond Pool

HB 1 includes authorization for a \$31.3 million agency bond pool for postsecondary education institutions. The debt service for these bonds will be supported with institutional funds. The staff suggests that the council's recommendation on projects to be funded with the 2002-04 agency bond pool be based on the following priorities:

1. Completion of the requirements of the Partnership Agreement between the Commonwealth and the U. S. Department of Education Office for Civil Rights.
2. Completion of student housing fire safety projects.
3. Mandated compliance with safety and health codes and timetables set by federal and state agencies for compliance.
4. Major and minor maintenance projects that maintain a facility's condition, including infrastructure and utility needs.
5. Construction of new facilities or infrastructure.

The list of eligible projects is presented in Table 1. Based on the May 20 discussion, and if a budget for 2002-04 is enacted, the council staff will present priorities and a list of recommended projects to be funded for council approval in July.

Postsecondary Education Capital Renewal and Maintenance Pool

The 2000 General Assembly appropriated \$30 million in state bonds for the Capital Renewal and Maintenance Pool for educational and general facilities at postsecondary education institutions. The institutions were required to match the funds \$1 to \$1 for specific projects. The bond funds became available to the institutions in February 2001. As shown on Table 2, approximately 75 percent of the state bond pool has been matched and distributed or encumbered.

HB 1 currently includes the following language: "Each postsecondary education institution may access any unmatched funds allocated from the Capital Renewal and Maintenance Pool to that institution after entering into an agreement with the Council on Postsecondary Education

agreeing to fulfill the matching requirement by June 30, 2004. The Council on Postsecondary Education shall develop guidelines for the agreements.”

The council staff offers the following guidelines for discussion:

- The bond funds shall be used to complete projects from the list of eligible projects approved by the council August 31, 2000.
- To access the bond funds, the institution must commit to spending an equal amount (1:1 match) on specific projects from the eligible list by June 30, 2004.
- The matching projects must be completed with institutional funds. The match excludes projects completed through energy performance contracts or capital cost avoidance.

Based on the May 20 discussion, council staff will present guidelines for council approval in July.

Staff preparation by Sherron Jackson

**2002-04 Capital Projects Recommendation
Agency Bond Pool
Summary of Projects Eligible for Funding**

Table 1

<u>Project Category, Institution, and Project Title</u>	<u>Project Scope</u>	<u>Agency Bonds</u>	<u>Institutional Funds</u>
Priority 1: Partnership Agreement between the Commonwealth and the U. S. Department of Education, Office for Civil Rights.			
<i>Kentucky State University</i>			
Renovate Young Hall Dormitory	\$9,886,000	\$9,886,000	
Total Partnership Agreement	\$9,886,000	\$9,886,000	
Priority 2: Student Housing Fire Safety Projects			
<i>Eastern Kentucky University</i>			
Replace Student Housing, Brockton	\$8,250,000	\$8,250,000	
<i>Morehead State University</i>			
Expand Life Safety: Auxiliary Facilities	3,000,000	3,000,000	
<i>Murray State University</i>			
Renovate Springer Hall - Water Piping, Fixtures, etc.	\$800,000	\$800,000	
Replace Water Piping, Fixtures, Etc. (5 Buildings)	3,100,000	3,100,000	
Subtotal MuSU	<u>\$3,900,000</u>	<u>\$3,900,000</u>	
<i>University of Kentucky</i>			
Replace Student Housing - Fraternity House #1	\$6,000,000	\$6,000,000	
Total Student Housing Fire Safety	\$21,150,000	\$21,150,000	

**2002-04 Capital Projects Recommendation
Agency Bond Pool
Summary of Projects Eligible for Funding**

Table 1

<u>Project Category, Institution, and Project Title</u>	<u>Project Scope</u>	<u>Agency Bonds</u>	<u>Institutional Funds</u>
Priority 3: Life Safety and Code Improvement Projects			
<i>Morehead State University</i>			
Comply with ADA - Auxiliary Facilities	\$1,200,000	\$1,200,000	
<i>Murray State University</i>			
Renovate Clark Hall - Electrical	\$400,000	\$400,000	
Remove Ceiling Asbestos Elizabeth and Hester Halls	900,000	900,000	
Renovate Elizabeth Hall - Electrical	550,000	550,000	
Renovate Franklin Hall - Electrical	400,000	400,000	
Renovate Hart Hall - Electrical	650,000	650,000	
Renovate Hester Hall - Electrical	580,000	580,000	
Renovate Regents Hall - Electrical	650,000	650,000	
Renovate Richmond Hall - Electrical	1,000,000	1,000,000	
Renovate Springer Hall - Electrical	600,000	600,000	
Renovate White Hall - Electrical	700,000	700,000	
Upgrade College Courts Electrical System	1,200,000	1,200,000	
Subtotal MuSU	<u>\$7,630,000</u>	<u>\$7,630,000</u>	
<i>University of Kentucky</i>			
Renovate Labs in Pharmacy Building	\$1,400,000	\$1,400,000	
Replace Holmes Elevator	585,000	585,000	
Subtotal UK	<u>\$1,985,000</u>	<u>\$1,985,000</u>	
Total Life Safety and Code Improvement	\$ 10,815,000	\$ 10,815,000	

**2002-04 Capital Projects Recommendation
Agency Bond Pool
Summary of Projects Eligible for Funding**

Table 1

<u>Project Category, Institution, and Project Title</u>	<u>Project Scope</u>	<u>Agency Bonds</u>	<u>Institutional Funds</u>
Priority 4: Major Renovations, Replacements, and Infrastructure Upgrade Projects			
<i>Murray State University</i>			
Renovate Clark Hall - HVAC, and Interior	\$1,500,000	\$1,500,000	
Renovate College Courts and Interiors (12 buildings)	5,636,000	5,636,000	
Renovate Elizabeth Hall - HVAC, and Interior	1,900,000	1,900,000	
Renovate Franklin Hall - HVAC, and Interior	1,600,000	1,600,000	
Renovate Hart Hall - Interior	6,200,000	6,200,000	
Renovate Hester Hall - HVAC, and Interior	1,700,000	1,700,000	
Renovate Regents Hall - HVAC, and Interior	1,800,000	1,800,000	
Renovate Richmond Hall - HVAC and Interior	2,400,000	2,400,000	
Renovate Springer Hall - HVAC and Interior	2,000,000	2,000,000	
Renovate White Hall - HVAC, and Interior	1,600,000	1,600,000	
Repair Winslow Cafeteria Exterior and Replace Mechanical Eq.	1,000,000	1,000,000	
Replace Clark Hall	8,000,000	8,000,000	
Replace Franklin Hall	8,000,000	8,000,000	
Replace Chiller, Boilers, Towers, Domestic Water Piping (3 buildings)	2,300,000	2,300,000	
Replace Richmond Hall	8,000,000	8,000,000	
Subtotal MuSU	<u>\$53,636,000</u>	<u>\$53,636,000</u>	

**2002-04 Capital Projects Recommendation
Agency Bond Pool
Summary of Projects Eligible for Funding**

Table 1

<u>Project Category, Institution, and Project Title</u>	<u>Project Scope</u>	<u>Agency Bonds</u>	<u>Institutional Funds</u>
<i>University of Kentucky and Lexington Community College</i>			
Install HVAC (Boyd, Holmes, Jewell, and Keeneland)	\$7,667,000	\$7,667,000	
Expand Plant Capacity/Infrastructure	15,000,000	15,000,000	
Renovate outpatient clinic in KY Clinic	2,000,000	2,000,000	
Renovate Cooperstown - Phase IV and IVA	1,705,000	1,705,000	
Renovate Education Space in Medical Science	2,300,000	2,300,000	
Renovate Parking Structure #1	7,714,000	7,714,000	
Replace Cooling Plant Chillers	5,000,000	5,000,000	
Expand Patient Parking in Structure #3	7,000,000	7,000,000	
UK Hospital: Renovate Roach Building 4th Floor	3,990,000	3,990,000	
Subtotal UK	<u>\$52,376,000</u>	<u>\$52,376,000</u>	
<i>Western Kentucky University</i>			
Renovate Downing University Center	\$11,320,000	\$11,320,000	
Renovate Materials Characterization Center	10,000,000	1,500,000	\$8,500,000 *
Subtotal WKU	<u>\$21,320,000</u>	<u>\$12,820,000</u>	<u>\$8,500,000</u>
Total Major Renov., Replacements, and Infrastructure Upgrade	\$127,332,000	\$118,832,000	\$8,500,000

* Includes \$4.0 million in economic development bonds authorized by the 2000-2002 budget of the Commonwealth.

**2002-04 Capital Projects Recommendation
Agency Bond Pool
Summary of Projects Eligible for Funding**

Table 1

<u>Project Category, Institution, and Project Title</u>	<u>Project Scope</u>	<u>Agency Bonds</u>	<u>Institutional Funds</u>
Priority 5: Construction of New Facilities			
<i>Eastern Kentucky University</i>			
Construct Greek Row	\$1,800,000	\$1,800,000	
<i>Morehead State University</i>			
Construct Family Housing Complexes Phase II	\$4,000,000	\$4,000,000	
Construct Parking Structure	6,000,000	6,000,000	
Subtotal MoSU	<u>\$10,000,000</u>	<u>\$10,000,000</u>	
<i>Murray State University</i>			
Construct Student Recreation Center	\$10,000,000	\$10,000,000	
Construct New Dormitories	10,154,000	10,154,000	
Subtotal MuSU	<u>\$20,154,000</u>	<u>\$20,154,000</u>	
<i>Northern Kentucky University</i>			
Construct Parking Deck	\$9,100,000	\$9,100,000	
Construct Village Housing	20,000,000	20,000,000	
Subtotal NKU	<u>\$29,100,000</u>	<u>\$29,100,000</u>	
<i>University of Kentucky</i>			
Construct Parking Structure	\$16,280,000	\$16,280,000	
UK Hospital: Design Patient Bed Tower	10,000,000	10,000,000	
Subtotal UK	<u>\$26,280,000</u>	<u>\$26,280,000</u>	
<i>University of Louisville</i>			
Construct Cardinal Park Natatorium	\$19,824,000	\$7,335,000	\$12,489,000
Expand HSC Parking Garage - Add Two Floors	4,794,000	4,794,000	
UofL and UK Fiber Optics Purchase	4,650,000	4,650,000	
Subtotal UofL	<u>\$29,268,000</u>	<u>\$16,779,000</u>	<u>\$12,489,000</u>
Total Construction of New Facilities	\$116,602,000	\$104,113,000	\$12,489,000
Total Agency Bond Pool Projects	\$285,785,000	\$264,796,000	\$20,989,000

Table 2

2000-2002 Capital Renewal and Maintenance Pool
\$30 million General Fund Supported Bonds
\$1 for \$1 Match Required
As of January, 2002

	Allocation of CR&M Pool	CR&M Projects Completed		Total Completed	Projects Underway: Jan 02		Percent Matched
		State Funds	Institutional Funds		State Funds	Institutional Funds	
EKU	\$2,814,000				\$809,500	\$809,500	28.8%
KSU	759,000						0.0%
MoSU	1,625,000	\$634,953	\$634,953	\$1,269,906	910,047	910,047	95.1%
MuSU	2,532,000	336,773	336,773	673,546	1,260,000	1,260,000	63.1%
NKU	1,359,000	451,207	451,207	902,414	773,793	773,793	90.1%
UK	8,929,000	3,971,463	3,971,463	7,942,926	4,017,537	4,017,537	89.5%
UL	4,553,000	511,907	511,907	1,023,814	3,922,760	3,922,760	97.4%
WKU	2,343,000						0.0%
KCTCS	5,086,000	3,834,000	3,834,000	7,668,000	952,000	952,000	94.1%
	\$30,000,000	\$9,740,303	\$9,740,303	\$19,480,606	\$12,645,637	\$12,645,637	74.6%

Council on Postsecondary Education
May 20, 2002

Measuring Up 2002

Measuring Up 2000, the state-by-state report card on higher education published by the National Center for Public Policy and Higher Education, assigned grades to states in five areas: preparation, participation, affordability, completion, and benefits. All states received a grade of “incomplete” in the sixth category, student learning. The NCPPHE staff stressed the importance of assessing student learning but found that states lacked information on the educational performance of college students that would allow for systematic comparisons.

Since the release of the report card, the staff at the National Center has been working to identify sources of data that will permit assessments of academic achievement at state and national levels. Kentucky is extensively involved in these efforts. Sue Hodges Moore serves on a National Center advisory committee overseeing preparations for *Measuring Up 2002*, the next edition of the report card. Kentucky has been designated a demonstration state for its efforts to “unpack” the report card: turning the five letter grades into instruments of public policy. The data are being broken down from the aggregate state level to look at individual institutions and regions of the state.

Kentucky was recently asked to be a model state for the student learning component of *Measuring Up 2002*. Because of the key indicator system, Kentucky is farther along than most other states in collecting the right kinds of information. Members of the council staff met with the staff from the National Center and the National Center for Higher Education Management Systems in April to begin to construct a student learning measurement from the data available for Kentucky and to consider the feasibility of expanding the range of information collected. The 2002 report card will include a chapter that features the work being done in Kentucky. From 2002 to 2004, Kentucky will be one of six or seven pilot states to administer common surveys and exams and bring together test scores and pass rates identified by the states and the National Center.

The council staff is working with the National Center and the Kentucky postsecondary institutions to collect the data necessary to proceed with this important work. Much of this information has been gathered previously in support of key indicators and other projects, including licensure and certification pass rates and results from the National Survey of Student Engagement and the National Assessment of Adult Literacy. Collection of additional data integral to this project will require an expanded commitment on the part of the council and the institutions. These data include results from graduate entrance exams, Work Keys assessments, the Community College Survey of Student Engagement, and a nationally referenced alumni satisfaction survey.

Staff preparation by Christina Whitfield

Council on Postsecondary Education
May 20, 2002

Executive Summary

1. Are more Kentuckians ready for
postsecondary education?

The staff recommends that the council approve the adult education budget for 2002-03, authorizing allocation of \$11,648,637 of the \$12 million available in the Adult Education and Literacy Trust Fund for 2002-03 to support continued implementation of the adult education agenda. (For details, see page 29.)

In November 2000, the council approved a strategic agenda and a nine-point plan for adult education in Kentucky. Since that action, enrollment in adult education programs reached a record of 62,734 in 2000-01 and is on track to reach 75,000 in 2001-02. The goal for 2002-03 is 90,000 enrollments. The 2002-03 budget continues the strategic agenda and the nine-point plan. It focuses on workforce training, statewide technology, family literacy, and continued improvements in base funding for the county learning centers. If approved, the council's action will release \$11,648,637 of the \$12 million available in the adult education and literacy trust fund for 2002-03, contingent upon passage of a state budget. We recommend that the council act in May so the staff can begin allocating money July 1 if there is a budget.

We are very pleased that Mr. James Parker of the United States Department of Education is visiting Kentucky. Cheryl King, associate vice president for adult education and director of the Department of Adult Education and Literacy, will introduce Mr. Parker.

A mobile adult education unit will be parked outside the new NKU Science Building. We encourage you to visit this vehicle; it's part of our continuing effort to go where the people are who need adult education services.

Another attempt to extend access and increase the efficiency of teaching adults, the Kentucky Virtual University is working with the Kentucky Department of Adult Education and Literacy to provide Web-based services. Cheryl King and Daniel Rabuzzi, KYVU chief executive officer, will introduce KYVAE.org, the adult education Web portal. Ms. Peg Ramsey, the director of adult education in Kenton County, has been invited to speak briefly about the value of this venture.

In another piece of KYVU news, I am pleased to report that the Fund for the Improvement of Postsecondary Education, an agency of the United States Department of Education, has accepted our pre-proposal for the project we discussed at the March council meeting. FIPSE received 1,324 pre-proposals and has asked some 190 – ours included – to submit a final proposal. This means that we have passed the first screening and are in the final competition. (We understand that the public health collaborative program proposal submitted by the University of Louisville, the University of Kentucky, Eastern Kentucky University, and Western Kentucky University also made the cut. We congratulate them and wish them luck in the final competition.) Our project is to develop further the advising capacity of the KYVU so we can provide academic advice electronically to all students who need and can benefit from it. The council's partners in this project are the Department of Education (the Kentucky Virtual High School), the Kentucky

Higher Education Assistance Authority, the Department of Adult Education and Literacy, and the KCTCS. We think a comprehensive advising network will be an essential ingredient of successful distance learning systems. The final proposal is due in the week following the council meeting and we expect to hear from FIPSE later this summer. The Distance Learning Advisory Committee endorsed this project at its meeting earlier this month.

Also at its May meeting, DLAC discussed the functions of the Kentucky Virtual University call center and reviewed the KYVU's recent selection of WebCT and CyberLearning Lab/Angel as course management system software.

The Intel International Science and Engineering Fair returns to Kentucky May 12-18, 2002, for its 53rd annual high school student mathematics, science, and engineering competition.

Kentucky hosted the fair in 1997. This "Olympics of science fairs" is a world-class event with 1,238 national and international student finalists competing for over \$4 million in prizes and scholarships. With 15 percent of the projects already patented, or with patents pending when those students arrive in Louisville, competition will be intense.

The Governor's Office, the Kentucky Department of Education, the Council on Postsecondary Education, and local and industrial leaders are providing cash and in-kind support for the 2002 fair. Kentucky institutions are providing judges to select the winners of the international competition as well as staff and students to serve in essential volunteer roles as interpreters, technicians, and special event coordinators. "Bucks for Brains" and "Program of Distinction" faculty are active participants in student interviews and judging.

Kentucky colleges and universities are offering 60 scholarships in the 14 academic areas of competition, worth over \$1.7 million. Graduate scholarships will be awarded for the first time in the history of the fair. The University of Kentucky will award graduate scholarships and fellowships and the University of Louisville will offer two MD/PhD scholarships that include annual stipends.

Council on Postsecondary Education
May 20, 2002

2002-03 Adult Education Budget

Action: The staff recommends that the council approve the adult education budget for 2002-03, authorizing allocation of \$11,648,637 of the \$12 million available in the Adult Education and Literacy Trust Fund for 2002-03 to support continued implementation of the adult education agenda.

In November 2000, the council approved a strategic agenda and nine-point plan for adult education in Kentucky. (See page 33 for results to date.) The 2002-03 budget continues the implementation of that plan and focuses on workforce training, statewide technology, family literacy, and continued improvements in base funding efforts. The council's action will release \$11,648,637 of the \$12 million available in the Adult Education and Literacy Trust Fund for 2002-03, contingent upon passage of a state budget for 2002-03.

The chart below summarizes the proposed allocations:

Plan Components	Proposed 2002-03 Allocation
1. Public Communication Campaign	\$ 500,000
2. New Opportunity Grants	Funded 2000-01
3. Economic Development and Workforce Training	\$ 1,000,000
4. Local Needs Assessment and Community Development	\$ 200,000
5. Professional Development	\$ 1,106,037
6. Statewide Information Technology and Distance Learning	\$ 852,600
7. Tuition Discounts and Employer Tax Credits	\$ 150,000
8. Statewide Competency-Based Assessment and Certification for Workplace Skills	Funded 2001-02
9. Base Funding, Rewards, Audits, Research, and Family Literacy	\$ 7,840,000
Total Proposed Allocation	\$ 11,648,637

Public Communication Campaign

\$ 500,000

Advertising agency red7e and public relations partner Guthrie/Mayes are leading the campaign along with the assistance of an oversight committee and a group of campaign partners. For

2002-03, \$500,000 of adult education trust funds will continue the campaign built on “Education Pays.”

To date, the campaign consists of three phases. Phase one began in May 2001 with “Go GED” rallies in Lexington and Louisville targeting 17,000 Kentuckians who had taken the GED but have not passed all sections of the test. Phase two, which began in September 2001, focused on literacy and the importance of postsecondary education and life-long learning. Phase three urges middle and high school students to stay in school and promotes the adult education website (KYVAE.org) and the Workforce Alliance.

New Opportunity Grants

No new funds

New Opportunity Grants fund pilot adult education programs that may be replicable in other localities or serve as statewide delivery models. Nine grants were awarded in spring 2001. Programs will be evaluated upon completion in 2003. No additional funding is requested in 2002-03.

Economic Development and Workforce Training

\$ 1,000,000

Learning at work is the focus of this initiative. Guided by the Workforce Alliance, the goal is to enroll 24,000 workers by 2002-03 in basic skills and technical training courses offered through distance learning technologies and on site. The alliance consists of representatives of the Economic Development Cabinet, Workforce Development Cabinet, and postsecondary education working together to increase effectiveness and avoid duplication. \$1 million is requested for 2002-03.

Local Needs Assessment and Community Development

\$ 200,000

In conjunction with the public communication campaign, ten communities received \$20,000 for local needs assessment and community development in 2001-02. The communities are encouraged to form P-16 councils and to increase participation in education programs at all levels. Strategic plans are due to the council staff in fall 2002. The communities were chosen based on low levels of literacy, high drop out rates, the demonstrated strength and leadership of the adult education program, participation in GEAR UP Kentucky, geographic distribution, county population, and proximity to media markets. For 2002-03, \$200,000 is requested to add more communities to the program.

Professional Development

\$ 1,106,037

A statewide professional development plan will train more than 900 full- and part-time educators to serve an increasing number of adult learners. Implementation of the plan will be coordinated by:

- The Adult Education Academy for Professional Development located at Morehead State University (\$597,692).
- The Kentucky Adult Education Literacy Institute located with the Collaborative Center for Literacy Development, University of Kentucky (\$358,345).

- The Kentucky Institute for Family Literacy located with the National Center for Family Literacy, Louisville (\$150,000).

These entities will work closely with the Department for Adult Education and Literacy, Kentucky's postsecondary education institutions, and Kentucky Educational Television. The total allocation requested for 2002-03 is \$1,106,037.

Statewide Information Technology and Distance Learning **\$ 852,600**

A first for the nation, the Kentucky Virtual University and Virtual Library provide a centralized Web-based system for adult educators and learners: <http://www.kyvae.org/> available 24 hours a day, 365 days a year at no cost to the user. A resource hub for adult educators provides 32 databases, 4,000 journals, and links to 1,500 participating libraries. The system hosts Web-based curriculum products, assessment modules, and testing components, all aligned to national standards. Adults can sign on, take a test to measure basic skills, and then be directed to specific parts of a training package to get what they need. They can get help from a call center if needed. An allocation of \$852,600 is requested for 2002-03.

Tuition Discounts and Employer Tax Credits **\$ 150,000**

Tax credits up to \$1,250 are available to businesses that provide their employees five hours of paid release time to study for the GED. Full-time employees who complete the GED tests within one year are eligible for tuition discounts of up to \$250 per semester up to four semesters. \$150,000 is requested for 2002-03.

Statewide Competency-Based Assessment and Certification for Workplace Skills **No new funds**

Adult learners enrolled in adult education programs have access to two skills assessment instruments to measure competencies related to workplace skills. The Kentucky Manufacturing Skills Standards assesses skills related to manufacturing jobs. ACT WorkKeys compares the skills needed to perform a job with the skills an individual possesses in mathematics, locating information, and reading for information. These areas are scored according to the skills needed in occupations listed in ACT's WorkKeys database of over 6,000 job profiles. Programs will continue to use the Test of Adult Basic Education for placement and enrollment purposes. Approved allocations from 2001-02 continue to fund this initiative.

Base Funding, Rewards, Audits, Research, and Family Literacy **\$ 7,840,000**

Base Funding \$ 4,600,000

An allocation of \$4.6 million in base funding is requested to further close the gap between better funded and less-well funded counties. Funding is allocated by formula, based on the numbers of citizens at low literacy levels.

Rewards

\$ 900,000

To qualify for a reward, programs must meet or exceed annual enrollment goals and a percentage of the key indicators of performance. Based on previous years' performances, \$900,000 is requested in reward funds for 2002-03.

Audits

\$ 240,000

Twenty-four adult education programs are audited yearly at a maximum of \$10,000 each.

Research

\$ 100,000

Research initiatives are underway to assess specific literacy challenges in rural Kentucky and to develop reading content for on-line curricula. Research also is needed to determine how well GED recipients are prepared for postsecondary education. This will guide adult education curricula alignment with postsecondary education.

Family Literacy

\$ 2,000,000

As of July 2001, funding for family literacy programs is available in every county in Kentucky. Two million dollars is requested for family literacy in 2002-03, allocated to the county providers by formula based on educational need. The goal is to break the cycle of undereducation and poverty by increasing family literacy enrollment and participation to 5,000 families by 2004.

Staff preparation by Cheryl D. King and Ben Boggs

The Agenda for Adult Education in Kentucky

The Results

- Enrollment in adult education programs hit a record high of 62,734 in fiscal year 2000-01. This is a 23 percent increase from the previous year and surpasses the goal of 60,000. The goal for 2002-03 is 75,000; for 2003-04 it is 100,000.
- The “Go GED” campaign motivated more people than ever to take the GED tests. An all time high of 19,316 people took the tests in 2000-01, compared to 16,947 the previous year, a 14 percent increase. Even better, 13,939 people passed the GED tests, compared to 12,553 the previous year, an 11 percent increase. Kentucky ranks third in the nation in the increase in GED completions.
- The momentum for the GED continues this fiscal year. From July through December 2001, 18,305 people took the GED tests, compared to 9,045 the first six months of fiscal year 2000-01. This is a 102 percent increase! The number passing the GED also sets a record for the six month period with 12,169 people passing, compared to 6,827 in the first six months of 2000, a 78 percent increase.
- The percentage of adults age 25 or older without a high school diploma decreased from 25 percent in 1990 to 21 percent in 2000. The national average is 16 percent.
- The percentage of GED graduates entering postsecondary education is also improving. Of the 1999 GED graduates, 17 percent enrolled in postsecondary education within two years, a five percent increase over the 1998 graduates.
- More than 11,000 employees enrolled in workforce alliance programs last year. The new employer tax credit program is gaining popularity, with three employers participating and 21 employees signed on to study for the GED during paid work time. Two “Skill Mobiles,” complete with ten-station computer labs with wireless internet service, are popular with employers.
- Only six months old, the adult education website KYVAE.org, through the KYVU/VL is a “hit.” More than 8,000 instructors and students visited the site in January, with 147,039 recorded hits. The call center responds to questions seven days a week to help instructors and adult learners better navigate the site.
- Parents at low levels of literacy and their children can now participate in family literacy programs in every Kentucky county. Only one other state in the nation supports family literacy to this degree. More than 1,300 adults enrolled in family literacy last year. It is expected that 3,400 families will participate this year, increasing to 5,000 families by 2004.
- A new base funding model was implemented in 2000 that equalizes funding among counties based on the number of people at low levels of literacy.

- County programs are eligible for monetary rewards if enrollment and performance goals are met or exceeded. Eighty-six counties met their goals and shared \$741,000 last year.
- As part of the “Go Higher” communication campaign, ten communities received \$20,000 each as a designated Model Community. Every community will form a P-16 council, conduct a local education needs assessment, and create a strategic plan to be presented to the council in 2002.

Council on Postsecondary Education
May 20, 2002

Executive Summary

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

We have additional performance indicator data to report at this meeting: six-year graduation rates, and community and technical college transfers. The systemwide graduation rate for baccalaureate-seekers has improved significantly, from 36 percent to 44 percent since 1997. The number of students transferring out of the KCTCS and Lexington Community College to public and independent four-year institutions is down, but the number of students transferring in to public institutions is up. Information begins on page 39.

The staff recommends that the council endorse the applied associate transfer agreement patterned after the council's general education transfer agreement and the baccalaureate program transfer frameworks. (For details, see page 45.)

In an action related to transfer, the staff submits for council consideration an applied associate degree transfer agreement. Applied degrees are Associate of Applied Science degrees. They were created decades ago with the expectation that they would be terminal, but times have changed. There now are increasing numbers of students seeking to continue to baccalaureate degrees after receiving AAS degrees from community colleges in fields like nursing and

engineering technology. We and the institutions thought it made sense to expand the transfer framework to accommodate these patterns of behavior.

The applied associate degree transfer agreement is patterned after the other ones already in place. It is supported by the KCTCS, Lexington Community College, and the universities. In addition to the new transfer agreement, the item summarizes the various transfer initiatives being implemented at this time. They will help us meet the transfer goals discussed in the previous item.

The staff recommends that the council propose amendments to the administrative regulation, entitled *13 KAR: 2:090 Kentucky Educational Excellence Scholarship*, so that the administrative regulation can complete the Legislative Research Commission amendment process and be reviewed following the requirements of KRS Chapter 13A. (For details, see page 49.)

These changes are a result of the actions taken by the 2002 General Assembly. These include expanding KEES award payments to the children of Kentucky's active military personnel when the children attend high school out-of-state, and allowing students to receive a full eight semesters of KEES awards when their major includes graduate-level study before they complete a four-year undergraduate program. The primary example here is pharmacy, which has moved from a baccalaureate program to a doctoral degree, with students entering graduate courses before completing their bachelor's study. The staff also proposes several changes to the regulations to make them more clear and equitable.

A brief report of the activities of the Committee on Equal Opportunities begins on page 63. The major items have to do with the performance of students on the PRAXIS II exam for teacher certification and other items related to teacher preparation. In addition, the committee heard reports about racial harassment policies on the campuses.

The Committee on Equal Opportunities recommends that the council extend the effective date of the *1997-2002 Kentucky Plan for Equal Opportunities* to July 2004. (For details, see page 67.)

This plan is scheduled to expire in July 2002 but it is clear that work remains to be done. The partnership agreement between Kentucky and the Office for Civil Rights of the U. S. Department of Education expires in December 2002. It is not clear at this point whether the Commonwealth will be released from oversight by the OCR at that time. We have made very good progress but this is the kind of work that is never done.

The staff recommends that the council approve the undergraduate tuition reciprocity agreement between Kentucky and Ohio. (For details, see page 69.)

In May 2001, the council approved a one-year extension of the Kentucky and Ohio undergraduate and graduate tuition reciprocity agreements, with the understanding that representatives from the participating institutions would present revised agreements to you. The parties have prepared an undergraduate agreement and we recommend that it be approved. As of

the date of this mailing, a graduate agreement has not been formulated. If one is ready, we shall bring it to the meeting.

Progress Report on Key Indicators Graduation and Transfer Rates

The 2001 results are in for three crucial performance measures under Question 3 – “Are more students advancing through the system?”: graduation rates of bachelor’s degree students, numbers of community and technical college transfers, and average number of credit hours transferred. Progress has been made toward improving graduation rates; results from the student transfer indicators are mixed.

Results for Indicator 3.6 (six-year graduation rates of bachelor’s degree students) indicate significant improvement on this important measure. Graduation rates are up at seven state-supported universities. Systemwide, the graduation rate rose from 39.8 percent in 2001 to 44.1 percent in 2002. Six institutions – Eastern, Kentucky State, Morehead, Murray, Northern, and the University of Kentucky – exceeded their 2002 goals in 2001. See page 43 for details by institution.

Goals were established under Indicator 3.3 (number of community and technical college transfers) for both two-year and four-year institutions. Results for this indicator are mixed. The goal for two-year institutions is to increase the number of their students transferring to universities. The number of students transferring from Lexington Community College in 2001 increased, exceeding their 2002 goal, while the number of students transferring from the Kentucky Community and Technical College System decreased. For universities, the goal is to increase the number of students transferring from the KCTCS and LCC. Here, too, results are mixed, with rates rising at five institutions (Kentucky State, Murray, University of Kentucky, University of Louisville, and Western) and falling at three. See page 41 for details by institution.

Indicator 3.4 (average number of credit hours transferred) was established to ensure that students, while encouraged to transfer from two-year to four-year institutions, did not do so with fewer hours. The goal is for the number of credit hours transferred to rise or remain steady as the number of transfers rises. In 2001, the average number of credit hours transferred rose at both the KCTCS and LCC, suggesting good progress in this area.

The updated results presented here allow a more complete analysis of the progress under Question 3. Using the traffic light evaluation system introduced at the March council meeting, the light for Question 3 remains green, indicating good progress. See page 42 for results by institution.

To date, results are available for 17 of the 42 key indicators. Systemwide, there are 10 green lights, six yellow lights (indicating some progress) and one red light (no progress). Over the next several months, the council staff will continue to update key indicators as data become available.

In addition, the staff will begin to work with institutional representatives to establish goals for 2003 and beyond.

Staff preparation by Christina Whitfield

Key Indicators of Progress toward Postsecondary Reform
Question 3: Are more students advancing through the system ?

3.6 Six-Year Graduation Rates of Bachelor's Students

Institution	Actual				Goals				
	1998	1999	2000	2001	2002	2003	2004	2005	2006
Eastern Kentucky University	26.8%	31.5%	30.0%	37.2%	32.0%	33.5%	35.5%	37.5%	40.0%
Kentucky State University	17.7%	31.3%	31.2%	33.5%	32.0%	33.0%	34.0%	35.0%	36.0%
Morehead State University	40.1%	44.0%	38.6%	45.6%	42.0%	43.0%	44.0%	45.0%	46.0%
Murray State University	38.5%	40.9%	46.3%	55.0%	47.7%	48.4%	49.0%	49.7%	50.4%
Northern Kentucky University	30.1%	32.3%	35.4%	40.5%	36.0%	36.5%	37.0%	37.5%	38.0%
University of Kentucky	50.8%	52.2%	55.3%	57.2%	56.4%	56.8%	57.4%	58.0%	58.6%
University of Louisville	29.9%	31.6%	30.8%	33.3%	34.7%	36.7%	38.6%	40.6%	42.6%
Western Kentucky University	39.1%	37.7%	41.5%	40.8%	41.6%	41.8%	42.0%	43.2%	44.4%



Key Indicators of Progress

toward

Postsecondary Reform in Kentucky

May 2002 - Progress Report
Available Results by Institution



3. Are more students advancing through the system?

Persistence and Completion

	SYSTEM	EKU	KSU	MoSU	MuSU	NKU	UK	UL	WKU	KCTCS	LCC
3. Number of community and technical college transfers	●										
Transfers in from KCTCS & LCC		●	●	●	●	●	●	●	●	○	○
Transfers to any four-year institution		○	○	○	○	○	○	○	○	●	●
5. Average number of credit hours transferred*	●	○	○	○	○	○	○	○	○	●	●
Graduation											
6. Six-year graduation rates of bachelor's degree students	●	●	●	●	●	●	●	●	●	●	○

***Note:** The goal for this indicator is for the average number of credit hours transferred to rise or remain steady as the number of transfers to four-year institutions increases.

LEGEND

● Good Progress ● Some Progress ● No Progress ○ Does Not Apply

Applied Associate Transfer Agreement
Exec summary comments
Barbara Cook

The council staff submits an applied associate degree transfer agreement for your endorsement. The agreement is patterned after other transfer agreements already in place for other degree programs providing the same support for the increasing number of students entering applied degree programs at the KCTCS and the Lexington Community College. We need to do much more to increase transfer from two to four-year colleges if we are going to meet the goals of the reform. In addition to the new transfer agreement, the item summarizes the various transfer initiatives being implemented. Together they should help us exceed our transfer goals.

KEES Administrative Regulation Amendment

Action: The staff recommends that the council propose amendments to the administrative regulation, entitled *13 KAR: 2:090 Kentucky Educational Excellence Scholarship* (copy attached), so that the administrative regulation can complete the Legislative Research Commission amendment process and be reviewed following the requirements of KRS Chapter 13A.

The KEES administrative regulation should be revised in order to:

- Clarify that participating institutions are postsecondary education institutions.
- Clarify that unless explicitly exempt a student must graduate from a Kentucky high school to receive a base award.
- Require all participating postsecondary institutions to report student credit hours and quality points for calculating cumulative grade point averages for eligible students for all courses attempted.
- Implement changes to KRS 164.7535 and KRS 164.7879 approved by the General Assembly in the 2002 Regular Session. (Governor Patton signed legislation approved by the 2002 General Assembly to extend the KEES base and supplemental awards to the children of Kentucky's active military parents and to consider some college programs that merge undergraduate and graduate study as equivalent to undergraduate programs for KEES award purposes.)

The attachment presents the proposed changes to the KEES administrative regulation.

The administrative regulation review process takes place over a four-to-six month period and requires two public hearings. In order to have the changes in place prior to the fall 2002 semester, a draft of the regulation was filed April 15, 2002.

The council staff proposes that institutions participating in the KEES program submit credit hours and quality points earned by each eligible student to the Kentucky Higher Education Assistance Authority for annual calculation of cumulative grade point averages.

An initial public hearing on the proposed amendment, scheduled for March 28, 2002, was cancelled because the required number of people did not indicate they planned to attend. A second hearing will be scheduled. Notice of the proposed meeting will be sent to all interested parties and public and independent institutional representatives.

The council staff proposes incorporating additional changes that may result from the second hearing to the council's KEES administrative regulation. The final regulation, with any additional amendments, will be presented to the council at the conclusion of the review process.

Staff preparation by Barbara Cook

1 COUNCIL ON POSTSECONDARY EDUCATION

2 (Amendment)

3 **13 KAR 2:090. Kentucky Educational Excellence Scholarship (KEES) Program.**

4 RELATES TO: KRS 154A.130(4), 156.070, 164.7871, 164.7874, 164.7877, 164.7879,
5 164.7881, 164.7885, 164.7889

6 STATUTORY AUTHORITY: KRS 164.020(28), 164.7874 ~~[(1), (3), (7)]~~, 164.7877(3),
7 164.7879(1) and ~~[,]~~ (3), 164.7881(4)(a) and ~~[,]~~ (6) ~~[, EO 98-1592]~~

8 NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.7877(3) requires the council to
9 administer the Kentucky Educational Excellence Scholarship (KEES) Program. KRS 164.7877(3)
10 requires the council to administer the funds appropriated to the trust fund for the program. KRS
11 164.7874(13) requires the council to develop and implement standards for high school curriculum
12 as they relate to eligibility for participation in the program. KRS 164.7879(3)(c) requires the coun-
13 cil to determine the eligibility of a noncertified, nonpublic high school graduate and for a GED re-
14 cipient for a supplemental award. KRS 164.7874(3) requires the council to establish a table to con-
15 vert an SAT score to an ACT standard. KRS 164.7881(6) requires the council to establish a five (5)
16 year postsecondary education program standard. KRS 164.7881(4)(a) requires the council to estab-
17 lish overall award levels for the program. This administrative regulation establishes those require-
18 ments relating to the Kentucky Educational Excellence Scholarship (KEES) Program.

19 Section 1. Definitions. (1) "Academic term" means the fall or spring semester or their equiva-
20 lence under a trimester or quarter system at a postsecondary education institution and shall not in-
21 clude summer sessions.

- 1 (2) "Academic year" is defined in KRS 164.7874(2).
- 2 (3) "ACT" means the test:
- 3 (a) Administered to a student for entrance to a Kentucky postsecondary education institution;
- 4 and
- 5 (b) Owned by the ACT Corporation of Iowa City, Iowa.
- 6 (4) "Advanced placement" means a cooperative educational endeavor between secondary
- 7 schools and colleges and universities administered by the College Board of the Educational Testing
- 8 Service and recognized by KDE.
- 9 (5) "Authority" or "KHEAA" is defined in KRS 164.7874(4).
- 10 (6) "Council" or "CPE" is defined in KRS 164.7874(6).
- 11 (7) "Eligible high school student" is defined in KRS 164.7874(7) and KRS 164.7879(2)(c).
- 12 (8) "Enrolled" means the status of a student who has completed the registration requirements,
- 13 except for the payment of tuition and fees, at a participating postsecondary education institution
- 14 that a student is attending.
- 15 (9) "GED" means a general educational development diploma awarded to a student.
- 16 (10) "High school" is defined in KRS 164.7874(11).
- 17 (11) "International baccalaureate course" means a course in a secondary education program
- 18 sponsored by the International Baccalaureate Organization and recognized by the KDE in 704
- 19 KAR 3:340, Section 2(3)(b).
- 20 (12) "KDE" means the Kentucky Department of Education authorized and established pursuant
- 21 to KRS 156.010.
- 22 (13) "KEES curriculum" is defined in KRS 164.7874(13).
- 23 (14) "Participating institution" is defined in KRS 164.7874(17).
- 24 (15) "SAT" means the test:
- 25 (a) Administered to a student for entrance to a Kentucky postsecondary education institution;

1 and

2 (b) Owned by the college board.

3 Section 2. High School Grade Point Average Calculation and Reporting. (1) An eligible stu-
4 dent's grade point average, as defined in KRS 164.7874(10), for an academic year shall be calcu-
5 lated using each grade awarded for all courses taken during an academic year.

6 (2)(a) Except as provided in paragraph (b) of this subsection, an eligible student's grade point
7 average shall be calculated by:

8 1. Taking the number of units in a course multiplied by the course grade as expressed on a 4.0
9 point grading scale where 4.0 is an "A" and 0.0 is an "F;"

10 2. Adding the total number of points accumulated for an academic year; and

11 3. Dividing the total number of points accumulated in subparagraph 2 of this paragraph by the
12 total number of units for the academic year.

13 (b) Notwithstanding the provisions of paragraph (a)1, of this subsection, for an eligible high
14 school student taking an advanced placement or international baccalaureate course during the aca-
15 demic year, the grade assigned shall be calculated using a 5.0 point scale where 5.0 is an "A" and
16 1.0 is an "F."

17 (3) The grade point average reported for an eligible high school student for each academic year
18 shall include all information as set forth in KRS 164.7885(1) and in the manner as the KDE or the
19 KHEAA shall require.

20 (4) A high school student who participated in an educational high school foreign exchange pro-
21 gram or the Congressional Page School that was approved by the student's local high school shall
22 have the student's grade point average reported in accordance with KRS 164.7879(2)(b).

23 (5)(a) An eligible high school student under the provisions of KRS 164.7879(2)(c) must estab-
24 lish Kentucky residency and domicile with the council in accordance with 13 KAR 2:045 and KRS
25 164.7879(2)(c)1. and 2.

1 (b) The council shall annually certify to the Kentucky Department of Education the names of
2 students who are eligible under the provisions of KRS 164.7879(2)(c).

3 (c) The Kentucky Department of Education, upon receipt of the list of students under the terms
4 of this subsection, shall be responsible for:

5 1. requesting grade information from the local school; and

6 2. determining eligibility for a KEES scholarship base award.

7 (d) The provisions of this subsection shall be effective with the 2001-02 academic year.

8 Section 3. KEES. (1) A Kentucky postsecondary education student shall be eligible to re-
9 ceive a base scholarship award when the student:

10 (a) has earned a base scholarship award in high school;

11 (b) has completed the KEES curriculum as set forth in sub-section (2) of this section;

12 (c) has graduated from a Kentucky high school; and

13 (d) is enrolled in a participating institution in an eligible program.

14 (2) ~~[A student shall complete the KEES curriculum established in this section to qualify for the~~
15 ~~base scholarship award.]~~

16 ~~[(a)]~~ Except as provided in subsection (3) ~~[paragraph (b)]~~ of this Section ~~[subsection]~~, the KEES
17 curriculum shall consist of the courses and electives required by this subsection ~~[paragraph]~~.

18 ~~(a)[1.]~~ For a student enrolled in high school during the 1998-1999 academic year, the curricu-
19 lum required in 704 KAR 3:305, Section 1 or 2, as appropriate without restriction on the type of
20 electives taken.

21 ~~(b)[2.]~~ For a student enrolled in high school during the 1999-2000 and 2000-01 academic years
22 and who is required to meet the curriculum standards in 704 KAR 3:305, Section 1, the eight (8)
23 electives required by 704 KAR 3:305, Section 1, shall be taken in the areas and according to the
24 standards established in paragraph d ~~[subparagraph 4]~~ of this paragraph.

25 ~~(c)[3.]~~ For a student enrolled in high school during 1999-2000 and for each year thereafter who

1 is required to meet the curriculum standards in 704 KAR 3:305, Section 2, five (5) of the seven (7)
2 electives required by 704 KAR 3:305, Section 2 shall be taken in the areas and according to the
3 standards established in paragraph d ~~{subparagraph 4}~~ of this paragraph.

4 (d)~~[4.]~~ The following subject areas and standards shall be applicable for electives. An elective
5 in:

6 1. ~~{a.}~~ Social studies, science, mathematics, English/language arts, or arts and humanities shall
7 be a course whose academic content is as rigorous as the content established for courses in this
8 area in 703 KAR 4:060.

9 2. ~~{b.}~~ Physical education or health shall be a course whose academic content is as rigorous as
10 the content established for courses in this area in 703 KAR 4:060, and shall be limited to one-half
11 (1/2) academic unit of credit for each area.

12 3. ~~{c.}~~ Foreign languages shall be a course whose academic content includes teaching the spo-
13 ken and written aspects of the language.

14 4. ~~{d.}~~ Agriculture, industrial technology education, business education, marketing education,
15 family and consumer sciences, health sciences, technology education or career pathways shall be a
16 course whose academic content is beyond the introductory level in the vocational education areas
17 of study as established by 703 KAR 4:060.

18 (3) ~~{(b)}~~ A high school may substitute an integrated, applied, interdisciplinary or higher level
19 course for a required course or required elective if:

20 (a) ~~{1.}~~ The course provides the same or greater academic rigor and the course covers the mini-
21 mum required content areas or exceeds the minimum required content areas established in 703
22 KAR 4:060, and the document "Academic Expectations"; or

23 (b) ~~{2.}~~ The course is an honors course, cooperative education course, advanced placement
24 course, international baccalaureate course, dual credit course, or a course taken at a postsecondary
25 education institution.

1 (4) ~~2~~ A high school annually shall provide written documentation to a student on whether the
2 student's schedule of coursework meets the requirements of the KEES curriculum.

3 Section 4. Eligible Postsecondary Education Programs. (1) An eligible program shall be a cer-
4 tificate or degree program offered by a participating institution and recognized by the council.

5 (2) An eligible program at an out-of-state participating institution shall be limited to those pro-
6 grams that qualify through the Academic Common Market administered by the Southern Regional
7 Education Board.

8 (3) (a) Pursuant to KRS 164.7881(6), the following academic programs shall be approved as
9 five (5) year baccalaureate degree programs:

10 1. ~~(a)~~ Architecture (04.0201);

11 2. ~~(b)~~ Landscape architecture (04.0601); and

12 3. ~~(c)~~ Engineering (14.0101, 14.0301, 14.0701, 14.0801, 14.0901, 14.1001, 14.1201, 14.1701,
13 14.1801, 14.1901, 14.2101, 14.9999.01).

14 (b) Pursuant to KRS 164.7535 and KRS 164.7881(4)(c)1., the following academic programs are
15 designated as equivalent undergraduate programs of study:

16 1. Pharm. D; and

17 2. Kentucky Contract Spaces in

18 a. optometry; and

19 b. veterinary medicine.

20 (c) Paragraph (b) of this subsection shall be subject to the provisions of KRS 164.7881(3).

21 (d) The provisions of paragraph (b) of this subsection shall be effective with the 2001-02 aca-
22 demic year.

23 Section 5. Base Scholarship Award. A Kentucky resident enrolled in a Kentucky high school
24 who is eligible for a base scholarship award shall be limited to a maximum of four (4) base scho-
25 larship awards.

- 1 Section 6. SAT Conversion Table. Pursuant to KRS 164.7874(3), the following SAT to ACT
- 2 Conversion Table shall be used:

Table C-2
Concordance Between SAT I Recentered V+M Score and ACT Composite Score

SAT I V+M	ACT Composite	SAT I V+M	ACT Composite	SAT I V+M	ACT Composite	SAT I V+M	ACT Composite	SAT I V+M	ACT Composite
1600	35-36	1370	31	1140	25	910	19	680	14
1590	35	1360	31	1130	25	900	19	670	14
1580	35	1350	30	1120	24	890	18	660	14
1570	35	1340	30	1110	24	880	18	650	13
1560	35	1330	30	1100	24	870	18	640	13
1550	34	1320	30	1090	24	860	18	630	13
1540	34	1310	29	1080	23	850	17	620	13
1530	34	1300	29	1070	23	840	17	610	13
1520	34	1290	29	1060	23	830	17	600	13
1510	34	1280	29	1050	22	820	17	590	13
1500	33	1270	28	1040	22	810	17	580	12
1490	33	1260	28	1030	22	800	16	570	12
1480	33	1250	28	1020	22	790	16	560	12
1470	33	1240	28	1010	21	780	16	550	12
1460	33	1230	27	1000	21	770	16	540	12
1450	32	1220	27	990	21	760	16	530	12
1440	32	1210	27	980	21	750	15	520	12
1430	32	1200	26	970	20	740	15	510	11
1420	32	1190	26	960	20	730	15	500	11
1410	32	1180	26	950	20	720	15		
1400	31	1170	26	940	20	710	15		
1390	31	1160	25	930	19	700	14		
1380	31	1150	25	920	19	690	14		

This table can be used to relate SAT I V+M scores to ACT Composite scores. The estimates are based on the test scores of 103,525 students from fourteen (14) universities and two (2) states who took both the ACT and the SAT I between October 1994 and December 1996. Because the ACT and the SAT I have different content, students' actual scores on the ACT could differ significantly from the concordance estimates in the table.

Source: ACT, Inc. Questions about the concordance study may be directed to ACT's Research Division (319/337-1471).

January 1998

1 Section 7. Criteria for Supplemental Award to Noncertified, Nonpublic High School Students
2 and to GED Students. (1) A Kentucky resident who is a citizen, national or permanent resident of
3 the United States and who graduates from a nonpublic Kentucky high school not certified by the
4 Kentucky Board of Education shall be eligible for a supplemental award if:

5 (a) The student is not a convicted felon;

6 (b) The date of the student's graduation is May 1999 or thereafter;

7 (c) The student takes the ACT or SAT and has at least a minimum score as established by KRS
8 164.7879(3); and

9 (d) The student enrolls in a participating institution within five (5) years after graduation from
10 high school.

11 (2) A Kentucky resident who is a citizen, national or permanent resident of the United States
12 and who has not graduated from either a certified Kentucky high school or a nonpublic Kentucky
13 high school that is not certified by the Kentucky Board of Education shall be eligible for a supple-
14 mental award if:

15 (a) The student is not a convicted felon;

16 (b) The student's eighteenth (18) birthday occurs on or after January 1, 1999;

17 (c) The student takes and receives a GED diploma in Kentucky within five (5) years of attaining
18 eighteen (18) years of age;

19 (d) The student takes the ACT or SAT and achieves a minimum score for eligibility as estab-
20 lished by KRS 164.7879(3); and

21 (e) The student enrolls in a participating institution after July 1, 1999, and within five (5) years
22 of receiving the GED diploma.

23 (3) A student who graduates from or attends an accredited out-of-state high school or Depart-
24 ment of Defense school qualifies for a supplemental award where:

25 (a) the parents meet the provisions of KRS 164.7879(2)(c)1. and 2.;

1 (b) An eligible student takes and receives a GED diploma within five (5) years of attaining
2 eighteen (18) years of age;

3 (c) The student takes the ACT or SAT and achieves a minimum score for eligibility as estab-
4 lished by KRS 164.7879(3); and

5 (d) The student enrolls in a participating institution within five (5) years of receiving the GED
6 diploma.

7 (4) A student requesting a supplemental award under this section shall notify the participating
8 institution where the student has or intends to enroll.

9 (5) ~~(4)~~(a) Residency shall be determined by a participating institution in accordance with 13
10 KAR 2:045.

11 (b) A participating institution shall determine a student's eligibility for a supplemental award
12 under this section and shall notify KHEAA of the student's eligibility.

13 Section 8. Supplemental Award. An eligible high school student who receives a supplemental
14 award as a result of taking and receiving a GED within five (5) years of obtaining eighteen (18)
15 years of age shall have a maximum of five (5) years eligibility beyond the date the GED is re-
16 ceived.

17 Section 9. Requirements for Participating Institutions. (1) A participating institution shall submit
18 credit hours and quality points for an eligible postsecondary education student as set forth in
19 KRS 164.7881 (4)(c) for each award period.

20 (2) The participating institution where the eligible student is currently enrolled shall inform
21 KHEAA of the student's credit hours and quality points. KHEAA will ascertain the continuing
22 eligibility of the eligible postsecondary education student based on the cumulative grade point
23 average earned without regard to the institution where the grade is earned.

24 Section 10. Administrative Responsibilities and Expenses of Program. (1) The CPE annually
25 shall determine the level of funding for expenses associated with the program and shall allocate

1 funds from the "Wallace G. Wilkinson Kentucky Educational Excellence Scholarship Trust Fund"
2 described in KRS 164.7877(1) and (3).

3 (2) The KDE and the KHEAA annually, by June 15, shall provide to the CPE a budget proposal
4 indicating the amount of funds requested and a detailed listing of the expenditures necessary to op-
5 erate the program.

6 (3) The CPE shall notify the KDE and the KHEAA of the amount of funds available for the
7 next fiscal year no later than April 30 of the fiscal year preceding the fiscal year that funds are to be
8 made available.

9 (4) The CPE shall develop an allotment schedule for the release of the administrative funds and
10 shall notify the KDE and the KHEAA of that schedule.

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Gordon K. Davies
President
Council on Postsecondary Education

Date

APPROVED AS TO FORM:

Dennis L. Taulbee
General Counsel
Council on Postsecondary Education

Date

Council on Postsecondary Education
May 20, 2002

Committee on Equal Opportunities Report 1997-2002 KY Plan and OCR Partnership

The Committee on Equal Opportunities met April 15, 2002. The council staff reported that Kentucky's public postsecondary institutions continue to make progress toward achieving the commitments outlined in the Partnership Agreement with the U. S. Department of Education's Office for Civil Rights and *The 1997-2002 Kentucky Plan for Equal Opportunities*. The agreement, with the exception of the requirement of Kentucky State University to implement strategies to increase student performance on the PRAXIS II teacher certification test, is on track to be completed by December 31, 2002. A summary of the committee's activities follows.

Committee Actions and Reports

The Kentucky Plan: The CEO voted to recommend that the council extend the effective date of the 1997-2002 KY Plan for Equal Opportunities until July 2004 (see page 67). The Kentucky Plan expires July 30, 2002. The partnership expires December 31, 2002. Kentucky will not know whether it will be released from the partnership until March 2003. Members of the CEO agree that even if the Commonwealth is released from the partnership the law still requires an equal opportunities plan for postsecondary education. Extending the current plan allows completion of the Partnership Agreement and also allows sufficient time to develop a new equal opportunities plan.

Student Performance 2001 PRAXIS: The Education Professional Standards Board reported on Kentucky's progress in implementing new PRAXIS II standards for teacher certification and the performance of Kentucky's students on the PRAXIS test following implementation of the new standards. The EPSB released the results of the first application of the new standards Monday, April 8. The EPSB reported that among the Kentucky institutions the pass rate for KSU students is the worst for the second straight year. Thirty-six percent of the KSU students passed the test compared to a statewide average of 93 percent, with the next lowest scoring institution's students having a pass rate of 70 percent. The EPSB also reported that African Americans at Kentucky's traditionally white institutions passed within the 80-90 percent range and in one instance at a higher rate than their white counterparts (100 percent compared to 99 percent).

The committee suggested that the council, the Education Professional Standards Board, and the institutions plan a one-day workshop to showcase best practices and to hear from an expert about teacher education strategies.

KSU Teacher Education Program –Student Performance: Kentucky State University attended the April 15 meeting to provide an update on the status of the teacher education program. The partnership directs KSU to: 1) implement initiatives that strengthen and enhance the KSU teacher education program; 2) identify "best practices" that have been employed to strengthen the

teacher education program; and 3) implement specific systematic strategies that are advantageous to increasing student performance rates on the PRAXIS II.

The pass rates for KSU students on the 2000-2001 Kentucky Title II – PRAXIS II exam – were lower than on the 1999-2000 exam. KSU representatives addressed the failure of its students to improve their performance and shared their plan of action to improve the teacher education program. The report introduced strategies that have been implemented as well as initiatives that are planned for the 2002 calendar year. For example, KSU implemented a new policy requiring all students to pass the PRAXIS II exam before being allowed to do their student teaching.

Following the KSU presentation, the committee asked chairman Steve Barger to send a letter to the president of Kentucky State University (with copies to the KSU Board of Regents, the Council on Postsecondary Education, and the Governor) expressing grave concern about the continued decline in performance on the PRAXIS exam by students in the KSU teacher education program. They also recommended that the council send a letter to the president of KSU, the Board of Regents, and the Governor expressing similar sentiments regarding the teacher education program. The committee asked KSU representatives to attend its June 10 meeting to give a status report on the program.

UofL Teacher Education Program: The University of Louisville attended the April 15 meeting to provide an update on the status of the teacher education program. The committee noted that an article appeared in the February 11 *Courier-Journal* stating that the UofL education program is struggling to attract minorities, particularly African Americans. The university was requested to attend and present more information about the program. UofL reported that: 1) the program has received 33 applications from African Americans for 2002-03 and approximately 17 will be admitted; 2) over the past five years the number of teacher education degrees awarded African Americans increased from 6.25 percent to 10.91 percent; 3) African Americans represent 19 percent of students enrolled in professional programs; 4) the university plans to have discussions about streamlining admission standards and making them more flexible; and 5) the university is planning to establish a consortium to address minority teacher recruitment and retention.

Granting of Waivers by the CEO: The committee will revise the waiver submission guidelines at its June 10 meeting. A new template for submitting the information will be presented by a CEO subcommittee. At the February 11 meeting the CEO approved recommendations by the subcommittee to improve the waiver process.

2002-2004 Operating and Capital Budget Recommendations: The council staff updated the committee on the status of the council's 2002-04 budget request, KSU enhancement, the federal land-grant match, and building renovations.

Institutional Racial Harassment Policies: The committee asked that a letter be sent to the president of the University of Louisville expressing displeasure that a fraternity under disciplinary status for a racially insensitive act on Halloween 2001 was allowed to receive an award (on national television) for completing community service associated with their punishment. Also, the committee requested that the institution address the increased incidents of

black-on-black issues, including student safety at social events, black fraternities fighting with black football players, and an incident at the university library.

Reports to CEO by Institutional Representatives: At its February meeting the institutions requested and the CEO agreed to allow time at each meeting for institutional representatives to report on campus diversity initiatives. Each institution, except the University of Kentucky and Western Kentucky University, discussed current campus activities and programs to improve diversity and the campus environment. The University of Kentucky and Western Kentucky University representatives did not attend the meeting.

Planned Activities

The second statewide conference for participants of the Governor's Minority Student College Preparation program will be held June 2002 at Murray State University.

Northern Kentucky University will host the 15th Annual Academically Proficient African American High School Junior and Senior Conference June 14-15, 2002. Approximately 300 students, parents, and college representatives from across Kentucky are expected to participate.

The next meeting of the council's Committee on Equal Opportunities is Monday, June 10, 2002, in Meeting Room A at the council offices in Frankfort.

Staff preparation by Rana Johnson and Sherron Jackson

Council on Postsecondary Education
Committee on Equal Opportunities
May 20, 2002

Extension of 1997 Kentucky Plan for Equal Opportunities

Action: The Committee on Equal Opportunities recommends that the Council extend the effective date of the 1997-2002 KY Plan for Equal Opportunities to July 2004.

Upon the recommendation of the Committee on Equal Opportunities, the Council on Postsecondary Education approved the 1997-2002 KY Plan for Equal Opportunities at its July 1997 meeting. After the adoption, the Commonwealth entered into a partnership with the U. S. Department of Education's Office for Civil Rights to bring Kentucky into compliance with Title VI of the Civil Rights Act of 1964. The Kentucky Plan expires July 30, 2002. The partnership expires December 31, 2002. Kentucky will not know whether it will be released from the partnership until March 2003. Members of the CEO agree that even if the Commonwealth is released from the partnership, the Kentucky law still requires an equal opportunities plan for postsecondary education. The current plan should be extended to allow the completion of the Partnership Agreement and to allow sufficient time to develop a new equal opportunities plan.

Staff preparation by Sherron Jackson

Council on Postsecondary Education
May 20, 2002

Kentucky and Ohio Undergraduate and Graduate Tuition Reciprocity Agreements

Action: The staff recommends that the council approve the undergraduate and graduate tuition reciprocity agreements between Kentucky and Ohio.

The undergraduate and graduate tuition reciprocity agreements between Kentucky and Ohio expire June 30, 2002. These agreements expand educational opportunities in the Northern Kentucky/Cincinnati area. Participating institutions include Northern Kentucky University, the University of Cincinnati, Cincinnati State Technical and Community College, and Southern State Community College. Northern Kentucky Community and Technical College will be added to the undergraduate agreement when it receives accreditation from the Southern Association of Colleges and Schools.

Representatives of the participating institutions developed the following undergraduate and graduate agreements over the past several months (see Appendices A and B). Provisions of these agreements will be effective July 1, 2002, through June 30, 2005. In fall 2000, 655 undergraduate and graduate Kentucky students attended the Ohio institutions while 600 undergraduate and graduate Ohio students attended NKU. Fall 1996 through fall 2000 enrollment data for the participating institutions are shown in Appendix C. The council staff will continue to monitor enrollment at the participating institutions.

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

Appendix A

**Cincinnati State Technical and Community College
Southern State Community College
Northern Kentucky University
And the
University of Cincinnati**

This Tuition Reciprocity Agreement is entered into between the Kentucky Council on Postsecondary Education and the Ohio Board of Regents, and the Cincinnati State Technical and Community College Board of Trustees, the Northern Kentucky University Board of Regents, the Southern State Community College Board of Trustees, and University of Cincinnati Board of Trustees, pursuant to provision of Section 3333.17 of the Ohio Revised Code and in compliance with rules and procedures of the aforementioned parties.

I. Purpose

The general purpose of this Tuition Reciprocity Agreement is to expand postsecondary educational opportunities in the greater Cincinnati area while limiting the cost of such expansion to the taxpayers of Ohio and Kentucky through collaboration among public institutions of higher education. The intended outcomes of this collaboration are to increase the availability of programs to residents of the greater Cincinnati area without needless duplication of educational effort and to promote efficient use of existing educational facilities and resources.

II. Terms

1. Duration and Termination

The agreement shall be effective beginning July 1, 2002, through June 30, 2003, and may be renewed prior to June 30, 2002, by mutual consent of all parties for a period of two years. As the agreements must coincide with the biennial budgets of the State of Ohio, the next renewal shall be for July 1, 2003, to June 30, 2005.

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

Appendix A

The agreement may be amended by either party, providing the amendment is in writing and signed by all parties to the agreement prior to the effective date of the amendment.

A review of this agreement may occur from time to time at the request of any party hereto, provided all parties to this agreement are served with written notice of such request as least ninety (90) days prior to said review.

This agreement may be terminated by any of the four participating institutions, the Ohio Board of Regents, or the Kentucky Council on Postsecondary Education on June 30 of any year, with at least ninety (90) days prior written notice to each of the parties to this agreement.

2. Kentucky Residents' Eligibility for Ohio Associate Degree Programs

The participating Ohio institutions agree to accept at Ohio resident tuition rates, any resident of Bracken, Boone, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties of Kentucky who enrolls and who satisfies all regular admission requirements (including those requirements of the specific program in which admission is sought) at the University of Cincinnati's two-year colleges (Clermont College, College of Evening and Continuing Education, College of Applied Science, Raymond Walters College, and University College) or at Cincinnati State Technical and Community College or at Southern State Community College in the associate degree programs not specifically excluded from this agreement.

Majors and/or programs at the University of Cincinnati two-year colleges, Cincinnati State Technical and Community College, and Southern State Community College which are excluded from this agreement are the following two-year programs otherwise offered at Northern Kentucky University:

- 1) Clermont College: Aviation Technology, Human/Social Services Technology, and Criminal Justice Technology

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

Appendix A

- 2) College of Evening and Continuing Education: no exclusions
- 3) College of Applied Science: no exclusions
- 4) Raymond Walters College: Radiological Technology
- 5) University College: Social Services Technology and Criminal Justice Technology
- 6) Cincinnati State Technical and Community College: no exclusions
- 7) Southern State Community College: no exclusions

Any program listed above as excluded may, by the joint written consent of the presidents of all four institutions, be included in this agreement.

3. Kentucky Residents' Eligibility for Ohio Baccalaureate Degree Programs

The University of Cincinnati agrees to accept at Ohio resident tuition rates any resident of Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties of Kentucky who enrolls and who satisfies all regular baccalaureate admissions requirements (including those requirements of the specific program in which admission is being sought) at the University of Cincinnati in the following baccalaureate degree programs: Architecture, Engineering, Honors PLUS (see provision below), and Interior Design.

In conformance with the limitations set forth in the bulleted item below, admission to the Honors PLUS baccalaureate degree program in the College of Business, University of Cincinnati is subject to the following provision:

- Reciprocity for the Honors PLUS program at the University of Cincinnati is limited to residents of the eligible northern Kentucky counties with a cap of fifty (50) students.

4. Ohio Residents' Eligibility for Kentucky Baccalaureate Degree Programs

Northern Kentucky University agrees to accept at Kentucky resident tuition rates any resident of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

Appendix A

Counties of Ohio with an associate degree from the University of Cincinnati, Cincinnati State Technical and Community College, or from Southern State Community College, who enrolls and who satisfies all regular transfer admissions requirements (including those requirements of the specific programs in which admission is sought) in Northern Kentucky University baccalaureate degree programs not specifically excluded from this agreement. The majors at Northern Kentucky University excluded from this agreement are Early Childhood Education, Criminal Justice, Environmental Science, and Nursing.

Any program listed above as excluded may, by joint written consent of the presidents of all four institutions, be included in this agreement.

5. Ohio Residents' Eligibility/Enrollment Limitations for Kentucky Programs

In conformance with the limitations set forth in the bulleted item below, the Business Administration baccalaureate degree program of Northern Kentucky University is subject to the following provision:

- Reciprocity for the Business Administration program at Northern Kentucky University is limited to residents of the eligible Ohio counties with a cap of fifty (50) students in courses at any one time.

6. Any undergraduate program may, by the joint written consent of the presidents of all four institutions, be included in this agreement. In this context, the word "program" may mean an associate degree program or a baccalaureate degree program.

7. New Programs

a. If the University of Cincinnati or Cincinnati State Technical and Community College or Southern State Community College initiates a new associate degree program which they want considered for reciprocity during the period of this agreement, the initiating institution must notify the president of Northern Kentucky University within thirty (30)

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

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days of approval of the associate degree program by the Ohio Board of Regents.

Northern Kentucky will then have sixty (60) days to respond in writing to the presidents of the University of Cincinnati and Cincinnati State Technical and Community College, and Southern State Community College with a decision as to whether the program should be included or excluded from those available at Ohio resident tuition rates to residents of Bracken, Boone, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties.

If no written notice of exclusion is sent by Northern Kentucky University within sixty (60) days of the receipt of notification, then the new program will be included.

- b. If the University of Cincinnati initiates a new baccalaureate degree program which they want considered for reciprocity during the period of this agreement, the University of Cincinnati must notify the president of Northern Kentucky University within thirty (30) days of approval of the baccalaureate degree program by the Ohio Board of Regents. Northern Kentucky University will then have sixty (60) days to notify in writing to the presidents of the University of Cincinnati, Cincinnati State Technical and Community College, and Southern State Community College with a decision as to whether the program should be included or excluded from those programs available to Kentucky residents of Bracken, Boone, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties at Ohio resident tuition rates.

If no written notice of exclusion is sent by Northern Kentucky University within sixty (60) days of the receipt of notification, then the new program will be included.

- c. If Northern Kentucky University initiates a new baccalaureate program which they want considered for reciprocity during the period of this agreement, Northern Kentucky University must notify the presidents of the University of Cincinnati, Cincinnati State Technical and Community College, and Southern State Community College within thirty (30) days of approval of the baccalaureate degree program by the Kentucky Council on

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

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Postsecondary Education. The University of Cincinnati, Cincinnati State Technical and Community College, and Southern State Community College will then have sixty (60) days to respond in writing to the president of Northern Kentucky University with a decision as to whether the program should be included or excluded from those available to Ohio residents of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren Counties at Kentucky resident tuition rates.

If no written notice of exclusion is sent by the University of Cincinnati, Cincinnati State Technical and Community College and Southern State Community College within sixty (60) days of the receipt of notification, then the new program will be included.

- d. In order to provide timely information to students about the applicability of this reciprocity agreement to new degree programs, written permission to include or exclude new programs in this agreement may be granted by the institutions as in Provisions 7a and 7b, and 7c above, prior to, but contingent upon, approval of the new programs by the Kentucky Council on Postsecondary Education or the Ohio Board of Regents, as appropriate.

8. Resident Status

- a. During the period of this agreement, the Ohio Board of Regents will consider residents of Bracken, Boone, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties, who attend the University of Cincinnati, Cincinnati State Technical and Community College, or Southern State Community College under this agreement as qualifying for Ohio resident tuition rates, and as Ohio residents for the purpose of allocating funds to the University of Cincinnati, Cincinnati State Technical and Community College, and Southern State Community College.
- b. During the period of this agreement, the Kentucky Council on Postsecondary Education will consider residents of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton,

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

Appendix A

Highland, and Warren Counties, who attend Northern Kentucky University under this agreement as qualifying for Kentucky resident tuition rates, and as Kentucky residents for the purpose of allocating funds to Northern Kentucky University.

9. Continued Eligibility

Once enrolled as a reciprocity student, each student demonstrating satisfactory academic performance under already existing standards and criteria of their institution, will continue to receive reciprocity tuition benefits, subject to the time limitation below, under this agreement through graduation for the degree in which enrolled, as long as a reciprocity agreement exists. Student participation is subject to the terms and conditions of the reciprocity agreement in effect at the time of initial enrollment, and, in the event of termination, each student will be informed by the enrolling institution of his/her future status and will be permitted, so long as attendance is continuous, to attend at resident tuition rates for a period of three years beyond the termination date of the agreement.

10. Notice, Application and Waiver

The availability of resident tuition rates under this agreement shall be advertised to applicants and/or to students of Northern Kentucky University, Cincinnati State Technical and Community College, Southern State Community College and the University of Cincinnati by any means deemed appropriate by those institutions.

All students who want to receive resident tuition rates under this agreement must apply for such rates at the institution where they plan to enroll.

Failure to so apply in the manner required by each institution and in advance of enrollment will constitute a waiver of all rights under the terms of this agreement for the quarter or semester of enrollment and any preceding quarter or semester of enrollment for which no application was made. Each institution will develop a process for applicants to use in order to apply for resident tuition rates under this agreement.

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

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These processes will be written and shared with each institution as well as with the Ohio Board of Regents and the Kentucky Council on Postsecondary Education. The process will also be made available to all potential applicants upon request.

11. Annual Report

By June 30 of each year, Cincinnati State Technical and Community College, Northern Kentucky University, Southern State Community College and the University of Cincinnati agree to provide annual reports on the enrollment and fiscal implications of the agreement to the other respective institutions, the Kentucky Council on Postsecondary Education, and the Ohio Board of Regents. Specific forms for the annual report may be prescribed by the state agencies.

III. Ohio Controlling Board Approval

This agreement is not effective unless and until approved by the State of Ohio Controlling Board pursuant to Section 3333.17 of the Ohio Revised Code.

UNDERGRADUATE TUITION RECIPROCITY AGREEMENT

Appendix A

Gordon K. Davies, President
Kentucky Council on Postsecondary
Education

Roderick G.W. Chu, Chancellor
Ohio Board of Regents

Date

Date

James C. Votruba, President
Northern Kentucky University

Ron. D. Wright, President
Cincinnati State Technical and Community
College

Date

Date

Joseph A. Steger, President
University of Cincinnati

Lawrence M. Dukes
Southern State Community College

Date

Date

GRADUATE TUITION RECIPROCITY AGREEMENT

Appendix B

**University of Cincinnati
and
Northern Kentucky University**

This Tuition Reciprocity Agreement is entered into between the Kentucky Council on Postsecondary Education and the Ohio Board of Regents, and the Northern Kentucky University Board of Regents, and University of Cincinnati Board of Trustees, pursuant to provision of Section 3333.17 of the Ohio Revised Code and in compliance with rules and procedures of the aforementioned parties.

I. Purpose

The general purpose of this Tuition Reciprocity Agreement is to expand postsecondary educational opportunities in the greater Cincinnati area while limiting the cost of such expansion to the taxpayers of Ohio and Kentucky through collaboration among public institutions of higher education. The intended outcomes of this collaboration are to increase the availability of programs to residents of the greater Cincinnati area without needless duplication of educational effort and to promote efficient use of existing educational facilities and resources.

II. Terms

1. Duration and Termination

The agreement shall be effective beginning July 1, 2002, through June 30, 2003, and may be renewed prior to June 30, 2002, by mutual consent of all parties for a period of two years. As the agreements must coincide with the biennial budgets of the State of Ohio, the next renewal shall be for July 1, 2003, to June 30, 2005.

The agreement may be amended by either party, providing the amendment is in writing and signed by all parties to the agreement prior to the effective date of the amendment.

GRADUATE TUITION RECIPROcity AGREEMENT

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A review of this agreement will occur on an annual basis or at the request of any party hereto, provided all parties to this agreement are served with written notice of such request at least ninety (90) days prior to said review.

This agreement may be terminated by either of the participating institutions, the Ohio Board of Regents, or the Kentucky Council on Postsecondary Education on June 30 of any year, with at least ninety (90) days prior written notice to each of the parties to this agreement.

2. Kentucky Residents Eligibility/Ohio Program

The University of Cincinnati agrees to accept at Ohio resident tuition rates any resident of Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Kenton, and Pendleton Counties of Kentucky who enrolls and who satisfies all regular graduate admissions requirements (including those requirements of the specific program in which admission is being sought) at the University of Cincinnati in the following graduate degree programs:

- All graduate programs offered in the College of Engineering.
- All graduate programs offered in the College of Pharmacy.
- All graduate programs offered in the College of Arts and Sciences.
- All graduate programs offered in the College of Allied Health.
- All graduate programs offered in the College of Nursing.
- All graduate programs offered in the College-Conservatory of Music.
- All Doctor of Medicine (M.D.) degree programs.
- The M.S. programs in Molecular Genetics, Biochemistry, and Microbiology; Molecular and Developmental Biology; Environmental Health Sciences; Environmental Health Sciences/Biostatistics; Environmental Health Sciences/Epidemiology; Occupational Safety and Ergonomics; Radiological Sciences; Toxicology; the FLEX program, and all Ph.D. programs offered in the College of Medicine.

GRADUATE TUITION RECIPROCITY AGREEMENT

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- The Master of Fine Arts (M.F.A), M.A. in Art History, M.A. in Art Education, and Master of Community Planning (M.C.P.) degree programs in the College of Design, Architecture, Art, and Planning.
- All graduate programs offered in the College of Education, in conformance with the limitations set forth in the following bullet:
 - Reciprocity for the M.Ed. at the University of Cincinnati is limited to residents of the eligible northern Kentucky counties who are employed as full-time K-12 teachers in Ohio.

The following graduate programs at the University of Cincinnati are excluded from this agreement:

- All graduate programs offered in the College of Business.
- All programs offered in the College of Law.
- All graduate programs offered in the College of Design, Architecture, Art, and Planning except the programs designated above as subject to the agreement.
- All graduate programs in the School of Social Work.
- All graduate programs offered in the College of Medicine except the programs designated above as subject to the agreement.
- All certificate programs offered at the University of Cincinnati are excluded from this agreement.

3. Ohio Residents Eligibility/Kentucky Programs

Northern Kentucky University agrees to accept at Kentucky resident tuition rates any resident of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren Counties of Ohio who enrolls and who satisfies all regular graduate admissions requirements (including those requirements of the specific program in which admission is being sought) at Northern Kentucky University in the M.A. in Education degree program subject to the limitation set forth in the bullet below:

GRADUATE TUITION RECIPROCITY AGREEMENT

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- Reciprocity for the M.A. in Education at Northern Kentucky University is limited to residents of the eligible counties who are employed as full-time teachers in Kentucky.

All other graduate programs and certificate programs at Northern Kentucky University are excluded from this agreement.

4. Resident Status

- a. During the period of this agreement, the Ohio Board of Regents will consider residents of Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Kenton and Pendleton Counties, who attend the University of Cincinnati under this agreement as qualifying for resident Ohio tuition, and as Ohio residents for the purpose of allocating funds to the University of Cincinnati.
- b. During the period of this agreement, the Kentucky Council on Postsecondary Education will consider residents of Adams, Brown, Butler, Clermont, Clinton, Fayette, Hamilton, Highland, and Warren Counties who attend Northern Kentucky University under this agreement as qualifying for resident Kentucky tuition, and as Kentucky residents for the purpose of allocating funds to Northern Kentucky University.

5. Continued Eligibility

Once enrolled as a reciprocity student, each student demonstrating satisfactory academic performance under already existing graduate standards and criteria of their institution, will continue to receive reciprocity benefits under this agreement through graduation for the degree in which enrolled, as long as a reciprocity agreement exists. Student participation is subject to the terms and conditions of the reciprocity agreement in effect at the time of initial enrollment, and, in the event of termination, each student will be informed by the enrolling institution of his/her future status and will be permitted, so long

GRADUATE TUITION RECIPROCITY AGREEMENT

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as attendance is continuous, to attend at resident rates for a period of three years beyond the termination date.

6. Notice, Application, and Waiver

The availability of resident tuition rates under this agreement shall be advertised to applicants and/or to students of Northern Kentucky University and the University of Cincinnati by any means deemed appropriate by those institutions.

All students who want to receive resident tuition rates under this agreement must apply for such rates at the institution where they plan to enroll.

Failure to so apply in the manner required by each institution and in advance of enrollment will constitute a waiver of all rights under the terms of this agreement for that quarter or semester of enrollment and any preceding quarter or semester of enrollment for which no application was made. Each institution will develop a process for applicants to use in order to apply for resident tuition rates under this agreement.

7. Annual Report

By June 30 of each year, Northern Kentucky University, and the University of Cincinnati agree to provide annual reports to the Kentucky Council on Postsecondary Education and the Ohio Board of Regents on the enrollment and fiscal implications of the agreement on forms prescribed for the purpose of those state agencies.

III. Ohio Controlling Board Approval

This agreement is not effective unless and until approved by the State of Ohio Controlling Board pursuant to Section 3333.17 of the Ohio Revised Code.

GRADUATE TUITION RECIPROCITY AGREEMENT

Appendix B

Gordon K. Davies, President
Kentucky Council on Postsecondary
Education

Roderick G.W. Chu, Chancellor
Ohio Board of Regents

Date

Date

James C. Votruba, President
Northern Kentucky University

Joseph A. Steger, President
University of Cincinnati

Date

Date

**KENTUCKY/OHIO RECIPROCITY AGREEMENT
HEADCOUNT ENROLLMENT
FALL 1997 - 2000**

<u>Ohio Students at Kentucky Institutions</u>				<u>Kentucky Students at Ohio Institutions</u>					
	<u>Institution</u>	<u>Enrollment</u>				<u>Institution</u>	<u>Enrollment</u>		
		<u>Undergraduate</u>	<u>Graduate</u>	<u>Total</u>			<u>Undergraduate</u>	<u>Graduate</u>	<u>Total</u>
Fall 1997	Northern Kentucky University	461	171	632	University of Cincinnati	126	147	273	
					Cincinnati St Tech & Community College	395	-	395	
					Southern State Community College	-	-	-	
	Total	461	171	632	Total	521	147	668	
Fall 1998	Northern Kentucky University	434	149	583	University of Cincinnati	123	142	265	
					Cincinnati St Tech & Community College	414	-	414	
					Southern State Community College	-	-	-	
	Total	434	149	583	Total	537	142	679	
Fall 1999	Northern Kentucky University	416	121	537	University of Cincinnati	134	138	272	
					Cincinnati St Tech & Community College	423	-	423	
					Southern State Community College	-	-	-	
	Total	416	121	537	Total	557	138	695	
Fall 2000	Northern Kentucky University	433	167	600	University of Cincinnati	95	139	234	
					Cincinnati St Tech & Community College	421	-	421	
					Southern State Community College	-	-	-	
	Total	433	167	600	Total	516	139	655	

**Council on Postsecondary Education
May 20, 2002**

Executive Summary

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

The staff recommends that the council amend the 2002-04 list of eligible projects for agency bond authority to include the Eastern Kentucky University \$10.5 million high voltage electrical distribution system project. The staff also recommends that the council request that the Governor and the General Assembly provide at least a \$41.8 million agency bond pool authorization for 2002-04. (For details, see page 87.)

Eastern Kentucky University has requested that the council amend the 2002-04 list of projects eligible for agency bond authority to include a \$10.5 million emergency project to upgrade and replace portions of the primary electrical distribution system. The campus is experiencing major electrical outages. Electrical service has been temporarily restored to the campus using a combination of institutional and state funds but a longer-term solution is needed. If the council amends the list, the \$10.5 million project would be eligible to be funded from the council administered agency bond pool. For this reason, the council should request that the pool be increased from \$31.3 million to \$41.8 million.

The Kentucky Innovation Act, passed by the 2000 General Assembly, assigned to the council oversight of four initiatives to stimulate research and development, university-business

collaboration, and rural involvement in high-technology growth: the Research and Development Voucher Program, the Commercialization Program, the Rural Innovation Program, and Regional Technology Corporations. The section of the Act that created the regional technology corporations was repealed in the 2002 regular session and the RTC's were recreated as satellites to Innovation and Commercialization Centers, managed by the Office for the New Economy.

The Act also designated the council as the pass-through agent for the Kentucky Science and Engineering Foundation, and the Kentucky Experimental Program to Stimulate Competitive Research.

In accordance with the Act, the council contracted with the Kentucky Science and Technology Corporation to conduct an entrepreneurial audit and administer the programs assigned to it. KSTC completed the audit and published its findings last fall. KSTC also published requests for proposals for each of the programs, received and reviewed applications, and selected grant recipients based on the criteria approved by the council last summer. Grants have been awarded to 55 applicants and total \$3,510,000.

House Bill 525, enacted in the 2002 session, directs the council to continue to contract with KSTC to administer the programs. But it also gives the Office for the New Economy authority to approve these contracts with regard to the structure and funding levels of the programs. The council staff currently is negotiating 2002-04 contracts with KSTC and will submit them to the Office for the New Economy for approval in May 2002. Although it is redundant, we expect to bring them to you for approval in July.

The public universities have submitted their annual reports on the endowment match program for the fiscal year ended June 30, 2001. The institutional summary reports are presented in a separately bound document transmitted with this agenda book. A synopsis of the reports has been prepared by the council staff and is the front of the document.

The Chief Academic Officers held a second Teacher Education Summit at Centre College April 4-5. The Association of Independent Kentucky Colleges and Universities again co-sponsored the meeting. Over 100 faculty members from education departments and the arts and sciences, deans from all public universities and the KCTCS, and representatives of the independent institutions attended. The meeting also included participants from the Education Professional Standards Board, the Kentucky Department of Education, the Prichard Committee for Academic Excellence, the Partnership for Kentucky Schools, AIKCU, and the council.

Discussion focused on teacher shortages, especially in special education; preparation of future and current teachers to address student reading problems at all levels; and preparation of principals and superintendents. Members of the council staff will be available to discuss the summit with you if you have any questions, and to review in greater detail plans for the coming year.

This fall the Cabinet for Workforce Development began work on a labor demand survey to which the council staff added a number of questions. These questions were designed to gauge employer's needs for employees based on levels of education (certificate, associate degree,

bachelor's degree, etc.) and major field of academic study. The cabinet expected to release preliminary results in February. Progress on the project has been delayed by several factors. The joint UK/UofL research team administering the survey has had difficulty gathering a sufficient number of employer responses. The responses they have received so far have not yielded clear indicators of employer need. For example, employers are identifying hard to fill occupations and at the same time indicating they have no openings in those fields. While the researchers are continuing to work on the data, preliminary analysis suggests the recent recession may have distorted employers' responses. Representatives from the Cabinet for Workforce Development and the research team will attend a council meeting later this year to share their final report.

We bring you two additional summaries – one on the discussion about collaboration that took place with the Chief Academic Officers and council members at the conclusion of the March council meeting (see page 89); and one on the memorandum of agreement with the KYVU, the KCTCS, and the West Virginia Higher Education Policy Commission (see page 91).

Amendment to the 2002-04 List of Projects Eligible for Agency Bond Authority

Action: The staff recommends that the council amend the 2002-04 list of eligible projects for agency bond authority to include the Eastern Kentucky University \$10.5 million high voltage electrical distribution system project. The staff also recommends that the council request that the Governor and the General Assembly provide at least a \$41.8 million agency bond pool authorization for 2002-04.

Eastern Kentucky University has requested authority to complete an emergency project that provides a long-term solution for its primary high voltage electrical distribution system. This project was not anticipated by the university and, therefore, was not included in its 2002-2008 six-year capital plan. The university requests that the council amend its 2002-04 list of eligible projects for agency bond authority to include the project. Completion of this project will ensure that critical services for students, faculty, and staff will continue without interruption.

In his 2002-04 budget bill for the extraordinary session, the Governor recommended \$31.3 million of agency bond authority for postsecondary education institutions and included a separate \$10.5 million agency bond authorization for the ECU high voltage electrical distribution system project. The Senate excluded the agency bond authority for this project in its committee substitute for House Bill 1.

Amending the list recognizes the critical nature of the project. The council's current list of eligible projects includes 48 projects, totaling \$285.04 million (\$264.1 million of agency bonds and \$12.5 million of institutional funds).

The council requested a \$100 million agency bond pool for 2002-04 in November. Because of the emergency nature of this project, the council should request that the Governor and the General Assembly increase the 2002-04 agency bond pool authority for postsecondary education. An agency bond pool authorization of at least \$41.8 million is needed to fund the Kentucky State University Young Hall renovation, the requested fire safety projects, and the ECU project.

The staff will forward the council action to the Office of the State Budget Director, the secretary of the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight Committee.

Staff preparation by Sherron Jackson

Commonwealth of Kentucky

**Council on Postsecondary Education
Endowment Match Program
2000-01 Annual Reports**



**Council on Postsecondary Education
Frankfort, KY**

May 20, 2002

**Council on Postsecondary Education
Endowment Match Program
2000-01 Annual Reports**

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Council on Postsecondary Education Endowment Match Program Synopsis of 2000-01 Annual Reports

Since its inception in 1998, the Bucks for Brains program has been an unqualified success in helping Kentucky's public universities increase their endowments and attract quality researchers dedicated to advancing knowledge, developing products, building businesses, and improving the health and well-being of our fellow citizens. As of June 30, 2001, the eight public universities have added more than \$340 million to their endowments through the program (see Table 1). Outstanding pledges total \$66.8 million; about \$38 million had not been matched as of June 30, 2001. Most of the money was used to create 94 new endowed chairs and 153 new endowed professorships.

During fiscal year 2000-01, Kentucky's public universities or their foundations received \$84.5 million in gifts and pledges that were matched with \$83.2 million in state funds through the program (see Table 2). The 2000-01 endowments support 23 chairs and 55 professorships (see Figure 3 and Table 3).

Annual Reports

In September 2001, the Subcommittee on Endowment Match Program Guidelines Review asked the council staff to revise the annual reporting procedures. The council staff delayed submission of the 2001 annual reports until the subcommittee completed their work and a new format was developed. The new procedures were forwarded to the institutions in February with instructions that they submit their June 30, 2001, annual reports to the council by April 1, 2002. In the future, the annual reports will be due October 15.

The annual reports include both summary and detailed endowment information. The summaries contain general information on all match-program endowments, including endowment activities, demographic information, gifts and pledges matched, and statements of changes in endowment value. The institutional summaries are included in this document and are also available on the council's Website (www.cpe.state.ky.us).

The detailed reports contain program and financial information on each endowment. For example, program narratives identify the holders of endowed chairs and professorships, support services, entrepreneurial partnerships, internal and external collaboration, intellectual property, and student outcomes. Financial information includes gift and pledge amounts, pledge payment schedules, budgeted and expended investment income, sponsored program funding levels, and the creation of intellectual property. Per council guidelines, the governing boards will review and approve future annual reports. The detailed endowment reports are available upon request.

Current Status

As of April 30, 2002, Kentucky's public universities have matched all of the 1998-2000 \$110 million appropriation and have matched \$108.4 million of the \$120 million appropriation for 2000-02. In a recent survey, representatives from every institution indicated that they would fully match their 2000-02 allocations by June 30, 2002.

The number of endowed chairs and professorships supported through the Endowment Match Program continues to rise. Before the program was implemented in 1998, the universities had a total of 48 endowed chairs and 58 endowed professorships. As of April 30, 2002, an additional 105 chairs and 158 professorships have been endowed through the program.

Table 1: Endowment Match Program
Statement of Changes in Endowments
For Fiscal Year Ended June 30, 2001

Institution	Prior to 7/1/00			During Fiscal Year 2000-01					Outstanding Pledges 6/30/01
	State Funds Received	Gifts Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended	Market Value 6/30/01	
Research Institutions									
University of Kentucky	N/A	N/A	\$ 132,898,994	N/A	N/A	N/A	\$ 2,970,023	\$ 203,174,525	\$ 46,316,152
University of Louisville	32,833,000	27,538,926	68,005,046	17,760,742	15,655,879	1,802,258	1,025,861	100,544,195	10,183,275
Sub-Total	\$ 32,833,000	\$ 27,538,926	\$ 200,904,040	\$ 17,760,742	\$ 15,655,879	\$ 1,802,258	\$ 3,995,884	\$ 303,718,720	\$ 56,499,427
Comprehensive Institutions									
Eastern Kentucky University	\$ 2,338,000	\$ 2,388,000	\$ 6,160,341	\$ 2,449,258	\$ 1,994,566	\$ 157,115	\$ 301,793	\$ 10,773,095	\$ 454,692
Kentucky State University	100,000	25,000	127,488	-	25,000	8,117	-	160,605	50,000
Morehead State University	-	1,108,461	1,122,627	2,584,866	701,771	(108,242)	-	4,306,020	827,095
Murray State University	774,250	709,250	1,550,487	2,935,750	1,470,750	203,291	-	6,439,214	1,530,000
Northern Kentucky University	1,232,000	894,889	2,200,283	2,004,357	1,105,049	(256,170)	35,621	5,017,898	3,104,485
Western Kentucky University	2,311,000	1,245,857	3,977,523	4,677,000	1,458,106	5,256	46,373	10,021,277	4,359,937
Sub-Total	\$ 6,755,250	\$ 6,371,457	\$ 15,138,749	\$ 14,651,231	\$ 6,755,242	\$ 9,367	\$ 383,787	\$ 36,718,109	\$ 10,326,209
Grand Total	\$ 39,588,250	\$ 33,910,383	\$ 216,042,789	\$ 32,411,973	\$ 22,411,121	\$ 1,811,625	\$ 4,379,671	\$ 340,436,829	\$ 66,825,636

Note: This statement includes financial information only for endowments created or enhanced through the Endowment Match Program.

**Table 2: Endowment Match Program
 Gifts and Pledges Matched with State Funds
 Fiscal Year 2000-01**

<u>Institution</u>	<u>Private Funds</u>			<u>State Match Paid</u>	<u>Total Received</u>
	<u>Gifts</u>	<u>Pledges</u>	<u>Total</u>		
Research Institutions					
University of Kentucky	\$ 23,293,882	\$ 29,677,873	\$ 52,971,755	\$ 52,971,755	\$ 105,943,510
University of Louisville	15,172,192	2,586,216	17,758,408	17,760,742	35,519,150
Sub-Total	\$ 38,466,074	\$ 32,264,089	\$ 70,730,163	\$ 70,732,497	\$ 141,462,660
Comprehensive Institutions					
Eastern Kentucky University	\$ 1,836,726	\$ 454,692	\$ 2,291,418	\$ 2,291,418	\$ 4,582,836
Kentucky State University	50,000	50,000	100,000	100,000	200,000
Morehead State University	876,571	233,256	1,109,827	1,109,827	2,219,654
Murray State University	1,535,750	1,400,000	2,935,750	2,935,750	5,871,500
Northern Kentucky University	416,537	2,097,178	2,513,715	1,394,357	3,908,072
Western Kentucky University	2,173,062	2,582,938	4,756,000	4,677,000	9,433,000
Sub-Total	\$ 6,888,646	\$ 6,818,064	\$ 13,706,710	\$ 12,508,352	\$ 26,215,062
Grand Total	\$ 45,354,720	\$ 39,082,153	\$ 84,436,873	\$ 83,240,849	\$ 167,677,722

**Figure 2: Endowment Match Program
 Gifts and Pledges Matched with State Funds
 Source of Funds Fiscal Year 2000-01**



Figure 3: Endowment Match Program
 Gifts and Pledges Matched with State Funds
 Endowed Funds by Purpose Fiscal Year 2000-01

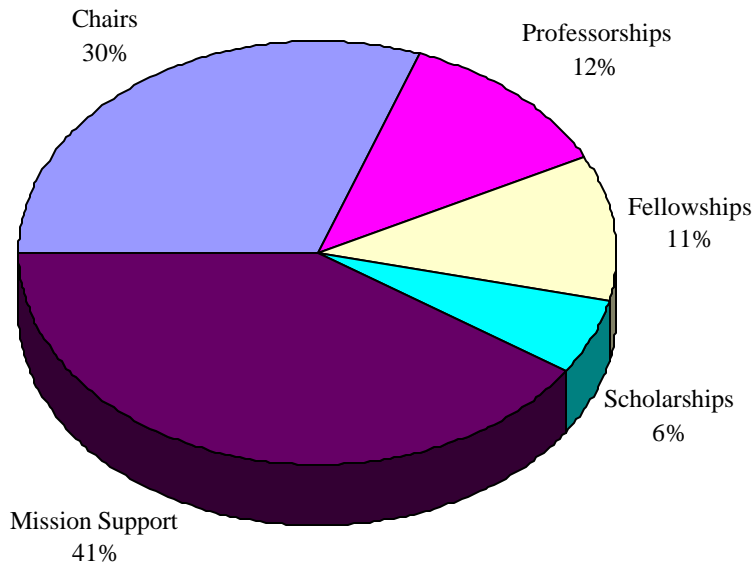


Table 3: Endowment Match Program
 Chairs and Professorships Funded
 As of June 30, 2001

Institution	Current Reporting Year 2000-01		Cummulative 1998-01	
	Chairs	Professorships	Chairs	Professorships
Research Institutions				
University of Kentucky	7	44	53	122
University of Louisville	13	--	36	--
Sub-Total	20	44	89	122
Comprehensive Institutions				
Eastern Kentucky University	1	--	1	2
Kentucky State University	--	1	--	1
Morehead State University	--	2	1	6
Murray State University	--	--	1	4
Northern Kentucky University	1	--	1	5
Western Kentucky University	1	8	1	13
Sub-Total	3	11	5	31
Grand Total	23	55	94	153

Eastern Kentucky University



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EASTERN KENTUCKY UNIVERSITY

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Office of University Advancement
Vice President

CPO 703, 324 Jones Building
521 Lancaster Avenue
Richmond, Kentucky 40475-3102
(859) 622-8090 Fax (859) 622-5901
www.eku.edu

April 19, 2002

William Payne
Sr. Associate, Finance
Kentucky Council on Postsecondary Education
1024 Capital Center Drive
Suite 320
Frankfort, KY 40601

Dear Bill:

Please review the enclosed Endowment Match Fund Report from Eastern Kentucky University. As requested, the report covers fiscal year 2001-2002.

Eastern Kentucky University has established endowments to support two endowed chairs, two professorships, two centers and five scholarships during the reporting period. The attached materials outline the details of each endowment.

Should you have questions or require additional information, please contact me at (859) 622-8090. Please accept my apology for the tardiness.

Thank you for your assistance.

Sincerely,

Vern Snyder, CFRE
Vice President
University Advancement

**Eastern Kentucky University
Endowment Match Program
2000-01 Summary Report**

This report covers the activities and expenditures supported at Eastern Kentucky University under the Endowment Match Program. During fiscal year 2000-01, Eastern Kentucky University submitted nine (9) requests totaling \$2,291,418 in matching funds to the Council on Postsecondary Education. The council staff processed all of those requests and disbursed \$2,291,418 to Eastern (Table 4). These funds were used to establish six (6) new endowments and expand three (3) existing endowments. With the addition of these endowments, the match program has helped create or expand a cumulative total of 12 endowments valued at \$9,146,973 as of June 30, 2001 (Table 5).

Private donations and state matching funds supported the addition of six (6) new endowed activities at Eastern Kentucky University in 2000-01 (Table 1), including one (1) faculty position, and five (5) undergraduate scholarship funds. Additionally, two (2) mission support projects and one endowed scholarship were expanded. As of June 30, two (2) scholarships and both the Endowed Honors Program and the Teaching and Learning Center are actively engaged. The faculty position has not been filled. Since the program's inception in 1998, four (4) faculty positions have been established and two (2) have been filled; five (5) scholarship funds have been created and one expanded with three making awards; and two (2) mission support activities have been created and both are reporting expenditures.

Endowment Activity

As shown in Table 1, match program funds were used to create two (2) endowed chairs, two (2) endowed professorships, five (5) undergraduate scholarship funds, expand one undergraduate scholarship, and two (2) mission support projects in 2001-01.

Table 1: Annual and Cumulative Match Program Activities

<u>Activity</u>	<u>2000-2001</u>		<u>1998-2001</u>	
	<u>Number of Positions or Projects</u>	<u>Number Occupied or Projects with Expenditures</u>	<u>Number of Positions or Projects</u>	<u>Number Occupied or Projects with Expenditures</u>
Chairs	1	0	1	1
Professorships	0	0	2	1
Fellowships	0	0	0	0
Scholarships	5	3	0	0
Mission Support Projects	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>
Totals	<u>6</u>	<u>3</u>	<u>5</u>	<u>4</u>

Of these activities, a total of three (3) scholarship funds were active. As of June 30, 2001, one (1) endowed chair position and one (1) endowed professorship position were occupied, and two (2) mission support activities reported expenditures. Overall, since 1998, a total of two (2) chairs, two (2) professorships, six (6) undergraduate scholarship funds, and two (2) mission support projects have been either created or expanded through the program. As of fiscal year end, one (1) chair position and one (1) professorship position were occupied, three (3) undergraduate scholarship funds were making awards, and two (2) mission support projects were reporting expenditures.

Demographic Information

Females hold the Chair and the Professorship positions that are occupied. Since 1998, a total of two (2) faculty have been funded or hired under the auspices of the Endowment Match Program

Table 2: Gender of Endowment Match Program Faculty and Staff

	<u>As of June 30, 2001</u>	
	<u>Male</u>	<u>Female</u>
Chairs	0	1
Professors	0	1
Staff		
Total		

The chair, and professors hired through the Endowment Match Program are female, White, non-Hispanics (see Table 3).

Table 3: Race of Endowment Match Program Faculty and Staff
As of June 30, 2001

	<u>White</u>	<u>Black</u>	<u>Am. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Chairs	1	0	0	0	0	1
Professorships	1	0	0	0	0	1
Staff	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>

Sources of Funds, Earnings, and Expenditures

During fiscal year 2000-01, Eastern Kentucky University received \$2,291,418 in donations, gifts, and pledges from private sources (Table 4) that were matched with state funds. Approximately seventy-eight percent (78%) of that amount, \$1,839,168, was received in cash, and the remainder, \$504,692 or 22%, was received in the form of pledges. Eastern requested and received \$2,291,418 in state matching funds through the Endowment Match Program. As a result, a total of \$4,582,836 in private and state funds was used to create six (6) new endowments and expand three (3) existing endowments during the year.

As of June 30, 2001, the total value of the 12 endowment accounts established under the Endowment Matching Program was \$10,488,429 (Table 5). Foundation records show an outstanding balance of \$504,672 in unpaid pledges on these accounts. Over \$301,793 was expended for program activities during the fiscal year ended June 30, 2001.

TABLE 4

Endowments Matched with State Funds

FY 2000-01

ENDOWMENT NAME:	DATE ESTAB. EXPAND	PRIVATE FUNDS GIFTS & PLEDGES TOTAL	MATCH STATE FUNDS	TOTAL REC'D
Endowments Created:				
Orval & Alice Hughes Endowed Scholarship	10/24/00	\$100,000	\$100,000	\$200,000
Paul & Eva Vaughn Commitment to Excell	2/12/01	\$10,000	\$10,000	\$20,000
Rodney Ratliff Endowed Scholarship	2/9/01	\$50,000	\$50,000	\$100,000
EKU Womens' Endowed Scholarship	2/7/01	\$23,161	\$23,161	\$46,322
Charles & Jamie Lamb Endowed Scholarship	9/29/00	\$104,488	\$104,488	\$208,976
Robert B. Morgan Endowed Chair	9/18/01	\$1,551,519	\$1,551,519	\$3,103,038
Total Endowments Created		\$1,839,168	\$1,839,168	\$3,678,336
Endowments Expanded:				
Ron & Sherrie Noel Teaching and Learning	1/20/00	\$250,000	\$250,000	\$500,000
Gen. Arthur Y. Lloyd Endowed Scholarship	6/1/73	\$15,000	\$15,000	\$30,000
Bonnie Gray Honors Endowment	9/16/98	\$187,250	\$187,250	\$374,500
Total Endowments Expanded		\$452,250	\$452,250	\$904,500
Grand Total		\$2,291,418	\$2,291,418	\$4,582,836

Table 5: Statement of Changes in Endowment
Eastern Kentucky University

	Date	Prior to 7/1/00				During Fiscal Year 2000-01				Pledge Balance 6/30/01
		State Funds Rec'd	Gifts Rec'd	Market Value 7/1/00	State Funds Rec'd	Gifts Rec'd	Investmnt. Earnings (loss)	Earnings Expended	Market Value 6/30/01	
NEW ENDOWMENTS:										
Orval & Alice Hughes Endowed Scholarship	10/24/00	\$0	\$0	\$0	\$100,000	\$25,000	\$0	\$0	\$125,000	\$75,000
Paul & Eva Vaughn Commitment to Excellence	2/12/01	\$0	\$0	\$0	\$10,000	\$2,406	\$117	\$0	\$12,523	\$7,594
Rodney Ratliff Endowed Scholarship	2/9/01	\$0	\$0	\$0	\$50,000	\$10,000	\$0	\$0	\$60,000	\$40,000
EKU Women's Endowed Scholarship	2/7/01	\$0	\$0	\$22,893	\$23,161	\$23,161	\$268	\$1,800	\$46,332	\$0
Charles & Jamie Lamb Endowed Scholarship	9/29/00	\$0	\$0	\$0	\$104,488	\$32,390	\$1,842	\$991	\$138,720	\$72,098
Robert B. Morgan Endowed Chair	9/18/00	\$0	\$0	\$0	\$1,551,519	\$1,551,519	\$75,119	\$0	\$3,178,237	\$0
TOTAL NEW ENDOWMENTS		\$0	\$0	\$22,893	\$1,839,168	\$1,644,476	\$77,346	\$2,791	\$3,560,812	\$194,692
EXISTING ENDOWMENTS:										
Ron and Sherrie Noel Teaching & Learning Ctr	1/20/00	\$100,000	\$50,000	\$250,140	\$250,000	\$0	\$0	\$480	\$534,666	\$250,000
Gen. Arthur Y. Lloyd Scholarship	6/1/73	\$0	\$0	\$1,363	\$15,000	\$5,000	\$43	\$50	\$21,406	\$10,000
Bonnie Gray Honors Endowment	9/16/98	\$113,000	\$213,000	\$341,063	\$345,090	\$345,090	-\$94,950	\$69,051	\$936,653	\$0
Chair in Occupational Therapy	10/1/98	\$1,125,000	\$1,125,000	\$2,935,526	\$0	\$0	\$92,476	\$145,187	\$3,028,002	\$0
Hazel Wilson Professorship in Consumer Sciences	11/30/98	\$500,000	\$500,000	\$1,304,678	\$0	\$0	\$41,100	\$39,858	\$1,345,778	\$0
Vernon Wilson Professorship in Compr Sci. Math, Che	11/30/98	\$500,000	\$500,000	\$1,304,678	\$0	\$0	\$41,100	\$44,376	\$1,345,778	\$0
TOTAL EXISTING ENDOWMENTS		\$2,338,000	\$2,388,000	\$6,137,448	\$610,090	\$350,090	\$79,769	\$299,002	\$7,212,283	\$260,000
GRAND TOTAL		\$2,338,000	\$2,388,000	\$6,160,341	\$2,449,258	\$1,994,566	\$157,115	\$301,793	\$10,773,095	\$454,692

Kentucky State University



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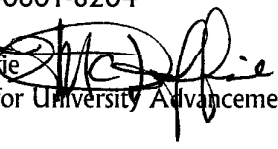
Kentucky State University

Hume Hall, Suite 102
Frankfort, Kentucky 40601

Hinfred McDuffie
Vice President for University Advancement

TO: Angela Martin

Council on Postsecondary Education
1024 Capital Center Drive
Suite 320
Frankfort, KY 40601-8204

FROM: Hinfred McDuffie 
Vice President for University Advancement

DATE: 4/3/02

RE: Kentucky State University
Endowment Match Program
2000-01 Summary Report

Please find attached the 2000-01 Endowment Match Program Summary Report for Kentucky State University, Division for University Advancement. Should you have any questions regarding the attached report, please let me know.

Attachments

Cc: G.W.Reid
President, Kentucky State University

Telephone: (502) 597-6760 Fax: (502) 597-6995 Email: hmcduffie@gwmail.kysu.edu

Kentucky State University

Endowment Match Program 2000-01 Summary Report

This report covers the activities and expenditures supported at Kentucky State University under the Endowment Match Program. During fiscal year 2000-01, Kentucky State University submitted one request totaling \$100,000 in matching funds to the Council on Postsecondary Education. The council staff processed one request and disbursed \$100,000 to Kentucky State University (Table 4). These funds were used in support of establishing an Endowed Professorship in Education. The Endowed Professorship will be created at the time the fund has reached the University required funding level as stipulated by policy.

Endowment Activity

Table 1: Annual and Cumulative Match Program Activities

Activity	2000-2001		1998-2001	
	Number of Positions or Projects	Number Occupied or Projects with Expenditures	Number of Positions or Projects	Number Occupied or Projects with Expenditures
Chairs	0	0	0	0
Professorships	1*	0	0	0
Fellowships	0	0	0	0
Scholarships	0	0	0	0
Mission Support Projects	0	0	0	0
Totals	1*	0	0	0

* This professorship fund is in partial funding status, thereby position not occupied.

Gender of Endowment Match Program Faculty and Staff

This Table is not applicable to Kentucky State University due to the fact that no Professorships have been established, as of yet.

Demographic Information

Table 2: Gender of Endowment Match Program
Faculty and Staff

As of June 30, 2001

	Male	Female
Chairs	N/A	N/A
Professors	N/A	N/A
Staff	N/A	N/A
Total	N/A	N/A

Race of Endowment Match Program Faculty and Staff As of June 30, 2001

This Table is not applicable to Kentucky State University due to the fact that no Professorships have been established, as of yet.

Table 3: Race of Endowment Match Program Faculty and Staff

As of June 30, 2001

	<u>White</u>	<u>Black</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Chairs	N/A	N/A	N/A	N/A	N/A
Professorships	N/A	N/A	N/A	N/A	N/A
Staff	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A

Sources of Funds, Earnings, and Expenditures

During fiscal year 2000-01, Kentucky State University received \$100,000 in donations, gifts, and pledges from private sources (Table 4) that were matched with state funds. About one-half of that amount, \$50,000 was received in cash, and the remainder was received in the form of pledges. Kentucky State University requested and received \$100,000 in state matching funds through the Endowment Match Program. As a result, a total of \$ 150,000 in private and state funds were used to initiate one new Endowed Professorship in Education.

Kentucky State University Endowment Match Program Endowments Matched with State Funds During Fiscal Year 2000-01

Endowment Name	Date Established/Expanded	Private Funds				Matching State Funds	Total Received*
		Gifts	Pledges	Total			
Endowments Created: Endowed Professorship in Education**	12/3/99	\$50,000	\$50,000	\$100,000	\$100,000	\$150,000	
Sub-Total		\$50,000	\$50,000	\$100,000	\$100,000	\$150,000	
Endowments Expanded:	N/A	N/A	N/A	N/A	N/A	N/A	
Sub-Total	N/A	N/A	N/A	N/A	N/A	N/A	
Grand Total		\$50,000	\$50,000	\$100,000	\$100,000	\$150,000	

*Total gift and state funds received. Does not include pledges

**This Professorship Fund is in partial funding status, thereby position is not occupied

**Kentucky State University
Endowment Match Program
Statement of Changes in Endowment Principals
Fiscal Year 2000-01**

Endowment Title	Date Est.	Prior to 7/1/00		During Fiscal Year 2000-01						Outstanding Pledges 6/30/01	
		State Funds Received	Gifts Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended	Market Value 6/30/01		
New Endowments:											
Endowed Professorship in Education**	12/3/99	\$100,000	\$25,000	\$127,488	\$0	\$25,000	\$8,117	\$0	\$160,605	\$50,000	
Sub-Total		\$100,000	\$25,000	\$127,488	\$0	\$25,000	\$8,117	\$0	\$160,605	\$50,000	
Existing Endowments:											
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Sub-Total		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Grand Total		\$100,000	\$25,000	\$127,488	\$0	\$25,000	\$8,117	\$0	\$160,605	\$50,000	

*Since creation of endowment.

**This Professorship Fund is partial funding status, thereby position not occupied.

Morehead State University



OFFICE OF THE PRESIDENT

201 HOWELL-MCDOWELL AD. BLDG.
MOREHEAD, KENTUCKY 40351-1689
TELEPHONE: 606-783-2022
FAX: 606-783-2216

March 21, 2002

Dr. Gordon K. Davies, President
Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601-8204

Dear Gordon:

Enclosed is Morehead State University's Regional University Excellence Trust Fund Endowment Report for the Fiscal Year Ending June 30, 2001. Because we did not receive any endowment program funds from the Regional University Excellence Trust Fund (RUETF) until July 2000, the endowments have been earning interest for future distribution. We did not distribute any proceeds from the endowments related to RUETF for the 2000-01 fiscal year.

Our report reflects the status of the RUETF endowments as of June 30, 2001. Because we did not allocate any endowment proceeds during 2000-01, our report does not address sections in the guidelines that refer to current usage. Allocation of proceeds from the RUETF endowments to academic departments will begin with the 2001-02 fiscal year.

Please let me know if you have any questions or need additional information.

Sincerely,

Ronald G. Eaglin
President

Enclosure

MAR 25 10 11 AM '02
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**Morehead State University
Endowment Match Program
2000-2001 Summary Report**

The activities of each endowment fund at Morehead State University established through the Endowment Match Program for fiscal year 2000-2001 are covered in this report. As of June 30, 2001, all of Morehead State University's state matched endowments continued to accumulate earnings to support endowment projects in future years. For this reason, no expenditures are covered in this report. Many of these endowments will support projects in the 2001-2002 fiscal year.

Morehead State University submitted five requests totaling \$1,109,827 (Table 1) in matching funds to the Council on Postsecondary Education. The council staff processed all five of the requests and disbursed \$1,109,827. The funds were used to establish three new endowments and expand two existing endowments. The match program has helped create or expand 16 endowments valued at \$4,306,020 (Table 2) as of June 30, 2001.

Part I – Summary Report

Endowment Activity

Funds were not disbursed from any of the match program endowments in the fiscal year. The earnings of each endowment have been reinvested, and will begin supporting endowment projects in the 2001-2002 fiscal year.

Demographic Information

Funds were not disbursed from any of the match program endowments in the fiscal year. The earnings of each endowment have been reinvested, and will begin supporting endowment projects in the 2001-2002 fiscal year.

Sources of Funds, Earnings, and Expenditures

During fiscal year 2000-2001, Morehead State University received \$1,109,827 in donations, gifts, and pledges (Table 1) from private sources that were matched with state funds. Of that amount, \$876,571 (79.0%) was received in cash and \$233,256 (21.0%) in pledges. Morehead State University submitted and received \$1,109,827 in state matching funds through the Endowment Match Program. As a result, a total of \$1,986,398 in private and state match funds were used to create three new endowments and expand two existing endowments during the year.

As of June 30, 2001, the 16 endowment funds established under the Endowment Matching Program had a market value of \$4,306,020 (Table 2). Of that amount, \$2,584,866 (58.9%) was from state matching funds and \$1,810,232 (41.1%) was gift income. The outstanding pledge balance as of June 30, 2001 was \$827,095. There were no funds expended in the 2000-2001 fiscal year.

Table 1

Morehead State University
 Endowment Match Program
 Endowments Matched with State Funds
 During the Fiscal Year 2000-2001

Endowment Name	Date Established/ Expanded	Private Funds		Matching State Funds	Total Received w/o pledges
		Gifts	Fledges		
Endowments Established:					
Allen Lake Endowment for Biological Sciences	05/20/00	\$ 24,244	\$ 33,256	\$ 57,500	\$ 81,744
Clifford R. and Addie R. Rader Scholarship Endowment	06/01/00	\$ 600,112	\$ -	\$ 600,112	\$ 1,200,224
Elmer and Donna Smith Endowment for Business	10/05/00	\$ 50,000	\$ 200,000	\$ 250,000	\$ 300,000
Total Established Matched		\$ 674,356	\$ 233,256	\$ 907,612	\$ 1,581,968
Endowments Expanded:					
Dr. C. Louise Caudill Endowment for Allied Health	1/24/2001	\$ 174,700	\$ -	\$ 174,700	\$ 349,400
Adron Doran Endowment for Educational Leadership	1/24/2001	\$ 27,515	\$ -	\$ 27,515	\$ 55,030
Total Expanded Matched		202,215	-	202,215	404,430
Total Funds Received		\$ 876,571	\$ 233,256	\$ 1,109,827	\$ 1,986,398

Table 2
 Morehead State University
 Endowment Match Program
 Statement of Changes in Endowments

Endowment Name	Date Established	Prior to 7/1/00			During Fiscal Year 2000-2001						Market Value 6/30/01	Outstanding Pledges as of 6/30/01
		State Funds Received	Gifts Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended 2000/2001	Market Value 6/30/01			
New Endowments:												
Allen Lake Endowment for Biological Sciences	05/20/00	\$ -	\$ -	\$ -	\$ 57,500	\$ 24,244	\$ (5,377)	\$ -	\$ 76,367	\$ 33,256		
Clifford R. and Addie R. Rader Scholarship Endowment	06/01/00	\$ -	\$ 450,000	\$ 450,959	\$ 601,112	\$ 152,108	\$ (26,980)	\$ -	\$ 1,176,199	\$ -		
Elmer and Donna Smith Endowment for Business	10/05/00	\$ -	\$ -	\$ -	\$ 253,000	\$ 50,000	\$ (6,890)	\$ -	\$ 293,110	\$ 200,000		
Total New Endowments		\$ -	\$ 450,000	\$ 450,959	\$ 907,612	\$ 226,352	\$ (39,247)	\$ -	\$ 1,545,676	\$ 233,256		
Existing Endowments:												
Bertha Mills Booth Endowment for Business Research	12/23/98	\$ -	\$ 25,000	\$ 26,669	\$ 125,000	\$ -	\$ (2,739)	\$ -	\$ 153,930	\$ 100,000		
Charles M. Rhodes Endowment for Science Fellowships	09/17/99	\$ -	\$ -	\$ -	\$ 103,000	\$ -	\$ (4,035)	\$ -	\$ 95,965	\$ 100,000		
Robert L. Coleman Endowment for Biological Sciences	11/17/99	\$ -	\$ 25,000	\$ 27,198	\$ 125,000	\$ 25,000	\$ (2,714)	\$ -	\$ 174,484	\$ 75,000		
Buckner & Sally S. Hinkle Endowment for Humanities	11/30/99	\$ -	\$ 10,000	\$ 10,967	\$ 135,885	\$ 96,885	\$ (7,282)	\$ -	\$ 237,156	\$ 30,000		
Kathy Goins Martin Endowment for Human Physiology	12/10/99	\$ -	\$ 5,000	\$ 5,018	\$ 23,000	\$ -	\$ (543)	\$ -	\$ 29,475	\$ 20,000		
Mick Barker Endowment for Industrial Education	12/11/99	\$ -	\$ 3,000	\$ 3,264	\$ 25,000	\$ 7,285	\$ (690)	\$ -	\$ 34,859	\$ 15,000		
Gary North Endowment for Traditional Music	12/14/99	\$ -	\$ -	\$ -	\$ 23,000	\$ 5,000	\$ (1,210)	\$ -	\$ 28,790	\$ 20,000		
Adron Doran Endowment for Educational Leadership	01/19/99	\$ -	\$ 153,961	\$ 161,445	\$ 335,369	\$ 59,689	\$ (11,116)	\$ -	\$ 545,387	\$ 121,719		
Rugh Boggs Shannon & E.L. Shannon Endowment for Education	01/12/00	\$ -	\$ -	\$ -	\$ 183,000	\$ 177,581	\$ (6,806)	\$ -	\$ 350,775	\$ 2,419		
Major James Scott DeHart Endowment	02/26/00	\$ -	\$ 11,500	\$ 11,501	\$ 23,000	\$ 4,750	\$ (926)	\$ -	\$ 40,324	\$ 8,750		
Geoscience Endowment	04/19/00	\$ -	\$ -	\$ -	\$ 53,000	\$ 21,049	\$ (2,773)	\$ -	\$ 68,276	\$ -		
Dr. C. Louise Caudill Endowment for Allied Health	05/03/00	\$ -	\$ 400,000	\$ 400,352	\$ 503,000	\$ 28,180	\$ (26,148)	\$ -	\$ 902,884	\$ 72,000		
Larry Stephenson SGA Endowment	05/15/00	\$ -	\$ 25,000	\$ 25,053	\$ 25,000	\$ 50,000	\$ (2,013)	\$ -	\$ 98,040	\$ 28,951		
Total Existing Endowments		\$ -	\$ 658,461	\$ 671,668	\$ 1,677,254	\$ 475,419	\$ (68,995)	\$ -	\$ 2,760,345	\$ 593,339		
Total		\$ -	\$ 1,108,461	\$ 1,122,627	\$ 2,584,866	\$ 701,771	\$ (108,242)	\$ -	\$ 4,306,020	\$ 827,995		

**Investment earnings include \$394,244 in unrealized losses.

Murray State University



Murray

MURRAY STATE UNIVERSITY

Vice President for Finance and Administrative Services

322 Sparks Hall

Murray, KY 42071-3312

Phone (270) 762-3774 Fax (270) 762-3497

April 9, 2002

Ms. Angela S. Martin
Vice President for Finance
Kentucky Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601

Dear Ms. Martin:

In response to the Council on Postsecondary Education's request of February 27, 2002, I am enclosing the endowment match program annual reports for the fiscal year ended June 30, 2001. Specifically, I am enclosing the following reports relative to the Murray State University Endowment Match Program:

1. 2000-01 Summary Report
2. Detailed Report -- 2000-2001

If you have any questions regarding these reports or need any additional information, please feel free to contact me.

Sincerely,

Thomas W. Denton
Vice President

cc: President F. King Alexander
Enclosures

www.murraystate.edu

Equal education and employment opportunities M/F/D, AA employer

**MURRAY STATE UNIVERSITY
 ENDOWMENT MATCH PROGRAM
 2000-01 Summary Report**

This report summarizes the programmatic and financial results of the Endowment Match Program at Murray State university. During Fiscal Year 2000-01, Murray State University submitted one request for matching funds totaling \$2,000,000 to establish an Anonymous Endowed Scholarship. This request was processed by Council staff along with \$935,750 in matching requests submitted in late June, 2000 and disbursed to Murray State University. The \$935,750 was used to fund three endowed scholarships and one professorship. This resulted in the University's receiving a total of \$2,935,750 in state matching funds (Table 4). These funds were used to establish one new endowment and expand four endowments that were in existence prior to July 1, 2000.

Endowment Activity

Private donations and state matching funds supported the addition of one endowed scholarship at Murray State University in 2000-01. It was not operational as of June 30, 2001 because scholarship commitments had to be made before sufficient earnings had been accumulated. Since the Endowment Match Program's inception in 1998, one endowed chair and four professorships have been established. An active search is underway to fill the endowed chair by Fall 2002. The professorships will be advertised as soon as sufficient earnings have accumulated, which is expected in the next year or two. A total of four endowed scholarships have been established. These results are summarized in Table 1.

ANNUAL AND CUMULATIVE MATCH PROGRAM ACTIVITIES

Table 1

Activity	2000-2001		1998-2001	
	Number of Positions or Projects	Number Occupied or Projects with Exenditures	Number of Positions or Projects	Number Occupied or Projects with Exenditures
Chairs	0	0	1	0
Professorships	0	0	4	0
Scholarships	1	0	4	0
Totals	1	0	9	0

Demographic Information

Because none of the endowed faculty positions was occupied during 2000-01, there are no demographic data to report as indicated in Tables 2 & 3 below. However, every effort will be made to assure that qualified female and minority candidates are given due consideration for these positions once adequate earnings have accumulated. A highly focused plan is being put in place to assure that qualified minorities are aware of the opportunity to fill these positions once they are advertised. Major elements of this plan include the following.

- A member of the MSU Affirmative Action Office will serve on search committees.
- African Americans will be actively recruited through the Southern Regional Educational Board - Minority Recruiting Office.
- Personal contacts will be used to promote the positions at historically Black institutions.
- Advertisements will be placed in the African American Register and Black Issues in Higher Education.

Table 2: Gender of Endowment Match Program

Faculty and Staff		
<u>As of June 30, 2001</u>		
	<u>Male</u>	<u>Female</u>
Chairs	0	0
Professors	0	0
Staff	<u>0</u>	<u>0</u>
Total	<u>0</u>	<u>0</u>

**Table 3: Race of Endowment Match Program Faculty and Staff
As of June 30, 2001**

	<u>White</u>	<u>Black</u>	<u>Amer. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Chairs	0	0	0	0	0	0
Professorships	0	0	0	0	0	0
Staff	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Sources of Funds, Earnings and Expenditures

During fiscal year 2000-01, Murray State University received \$2,935,750 in donations, gifts and pledges from private sources (Table 4) that were matched with state funds. About half of that amount, \$1,535,750 or 52.3%, was received in cash and the remainder, \$1,400,000 or 47.7%, was received in the form of pledges. As a result, \$4,471,500 in private and state funds was used to create one new endowment and to expand four existing endowments during the year.

As of June 30, 2001, the total market value of the 9 endowment accounts established under the Endowment Matching Program was \$6,439,214 (Table 5). Total State Funds received equaled \$3,710,000 and total private gifts received equaled \$2,180,000. Foundation records show an outstanding balance of \$1,530,000 in unpaid pledges on these accounts, or 41.2% of the total amount pledged.

Although Murray State University is only now reaching the point where it can effectively begin to operationalize some of its endowments, the RUETF matching program has enabled it to lay a substantial foundation for future endeavors in research, scholarship and student access.

MURRAY STATE UNIVERSITY
ENDOWMENT MATCH PROGRAM
 Endowments Matched with State Funds
 During Fiscal Year 2000-01

Table 4

Endowment Name	Date Established/Expanded	Private Funds		Matching State Funds	Total Received
		Gifts	Pledges		
Endowments Created					
Endowed Anonymous Scholarship	10/25/00	600,000	1,400,000	2,000,000	2,600,000
Subtotal		600,000	1,400,000	2,000,000	2,600,000
Endowments Expanded					
Groover A. Parker Memorial Scholarship Fund	1/10/00	100,000		100,000	200,000
James K. Lassiter Endowed Scholarship	06/02/00	385,750		385,750	771,500
Mary Moore Lassiter Endowed Scholarship	06/02/00	350,000		350,000	700,000
Dr. Hugh & Hontas K. Houston Professorship	6/15/00	100,000		100,000	200,000
Subtotal		935,750		935,750	1,871,500
Grand Total		1,535,750	1,400,000	2,935,750	4,471,500

Murray State University
 Endowment Match Program
 Statement of Changes in Endowment Principal
 Fiscal Year 2000-01

Endowment Title	Date Est.	Prior to 7/1/00			During Fiscal Year 2000-01					Market Value 6/30/01	Outstanding Pledges 6/30/01	
		State Funds Received	Gifts Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended	Market Value 6/30/01			
New Endowments:												
Endowed Anonymous Scholarship	10/25/00	-	-	-	2,000,000	630,000	58,850	-	2,841,899	1,400,000		
Sub-Total		-	-	-	2,000,000	630,000	58,850	-	2,841,899	1,400,000		
Existing Endowments:												
Arthur J. Bauernfeind Endowed Chair in Business	7/1/98	489,250	489,250	1,025,081	-	-	65,966	-	1,083,763	-		
Rayburn and Nancy Spann Watkins Endowed Scholarship	10/4/99	95,000	95,000	200,294	-	-	10,767	-	209,646	-		
The Tom W. Hutchens Endowed Professorship	10/20/99	95,000	-	99,522	-	10,000	6,370	-	115,217	85,000		
Ashland Oil College of Education Endowed Professorship	12/3/99	95,000	25,000	125,590	-	25,000	8,703	-	158,863	45,000		
Groover A. Parker Memorial Scholarship Fund	1/10/00	-	100,000	100,000	100,000	-	6,168	-	219,269	-		
James K. Lassiter Endowed Scholarship	6/2/00	-	-	-	385,750	335,750	21,442	-	843,708	-		
Mary Moore Lassiter Endowed Scholarship	6/2/00	-	-	-	350,000	350,000	19,452	-	765,516	-		
Dr. Hugh and Hontas K. Houston Professorship	6/15/00	-	-	-	100,000	130,000	5,570	-	201,333	-		
Sub-Total		774,250	709,250	1,350,487	935,750	870,750	144,441	-	3,597,315	130,000		
Grand Total		774,250	709,250	1,350,487	2,935,750	1,470,750	203,291	-	6,439,214	1,530,000		

Northern Kentucky University

**Northern Kentucky University
Endowment Match Program
2000-01 Summary Report
Page 1 of 5**

Part I: Summary Report

This report covers the activities and expenditures supported at Northern Kentucky University under the Endowment Match Program. During fiscal year 2000-01, Northern Kentucky University submitted two requests totaling \$2,144,357 to the Council on Postsecondary Education. The council staff processed one of the requests, disbursing \$2,004,357 to Northern Kentucky University (Table 4). The second request was disbursed early in fiscal year 2001-2002. These funds were used to establish seven new endowments. With the addition of these endowments, the match program has helped create or expand 22 endowments valued at \$5,017,898 (Table 5).

Private donations and state matching funds during fiscal year 2000-01 supported the addition of seven endowed activities at Northern Kentucky University (Table 1), including one faculty position, four scholarships, and two mission support positions. As of June 30, 2001 none of the activities were operational. The four endowed scholarships are expected to be awarded for the 2002-03 academic year. The two mission support projects are expected to begin reporting expenditures during the 2002-03 academic year. A search will be launched for the endowed faculty position during 2002-03. Since the program's inception in 1998, six faculty positions have been established and one has been filled; thirteen scholarship funds have been created with three making awards; and three mission support activities have been created with one reporting expenditures.

Endowment Activity

As shown in Table 1, match program funds were used to create one endowed faculty chair, four endowed scholarships, and two endowed mission support projects in 2000-01.

Table 1. Annual and Cumulative Match Program Activities

Activity	2000-2001		1998-2001	
	Number of Positions Or Projects	Number Occupied or Projects with Expenditures	Number Of Positions Or Projects	Number Occupied or Projects with Expenditures
Chairs	1	0	0	0
Professorships	0	0	5	1
Scholarships	4	0	9	3
Mission Support Projects	2	0	1	1
Totals	7	0	15	5

**Northern Kentucky University
 Endowment Match Program
 2000-01 Summary Report
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None of these activities were active during the 2000-01 fiscal year, due in large part to the fact that several were not established until late in the fiscal year. Overall, since 1998, a total of one chair, five professorships, thirteen undergraduate scholarships, and three mission support projects have been endowed through the program. As of the fiscal year ending June 30, 2001, one professorship, three undergraduate scholarships, and one mission support project were reporting program expenditures.

Demographic Information

The only faculty member supported with Endowment Match Program funds is a White, non-Hispanic female.

Table 2: Gender of Endowment Match Program: Faculty and Staff

	<u>As of June 30, 2001</u>	
	<u>Male</u>	<u>Female</u>
Chairs	0	0
Professors	0	1
Staff	0	0
Total	<u>0</u>	<u>1</u>

**Table 3: Race of Endowment Match Program Faculty and Staff
 As of June 30, 2001**

	<u>White</u>	<u>Black</u>	<u>Am. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Chairs	0	0	0	0	0	0
Professors	1	0	0	0	0	1
Staff	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1	0	0	0	0	1

**Northern Kentucky University
Endowment Match Program
2000-01 Summary Report
Page 3 of 5**

Sources of Funds, Earnings, and Expenditures

During fiscal year 2000-01, Northern Kentucky University received \$2,513,715 in donations, gifts, and pledges from private sources (Table 4) that the university requested the state to consider matching with Commonwealth Excellence Trust Funds. The university asked that the state match \$1,941,000 of the \$2,513,715 in private gifts (two requests were processed, one in FY01, one in FY02). As of June 30, 2001, \$416,537 or 16.3% of the FY01 private gift commitments (\$2,513,715) had been received by the university; the remaining \$2,097,178 (or 83.7%) was due to the university as a pledge receivable.

During fiscal year 2000-01, Northern Kentucky University requested \$2,144,357 and received \$2,004,357 in state matching funds through the Endowment Match Program. Of the \$2,144,357 requested, \$1,494,357 was for gift commitments received during the fiscal year ending June 30, 2001; the remaining \$650,000 was for gift commitments made prior to July 1, 2000. Of the \$2,004,357 received in Endowment Match funds, \$1,394,357 (Table 4) matched new endowments created during the fiscal year ending June 30, 2001. The remaining \$610,000 received matched endowments created in prior fiscal years. A total commitment of \$4,454,715 (\$2,513,715 in private funds and \$1,941,000 in state funds) was used to create seven new endowments during the year ending June 30, 2001.

As of June 30, 2001, the total market value of the 22 endowment accounts established under the Endowment Matching Program was \$5,017,898 (Table 5). Cumulative state funds received (\$3,236,357) represent 64.1% of the market value; cumulative private gifts received (\$1,959,938) represent 39.1% of the market value. Foundation records show an outstanding balance of \$3,104,485 in unpaid pledges (includes private and state receivables) on these accounts. A total of \$35,621 was expended from the funds during the fiscal year ended June 30, 2001.

Northern Kentucky University
Endowment Match Program
Statement of Changes in Endowment Market Values

Endowment Name	Date Established	State Funds Received before 7/1/2000	Gifts Received before 7/1/2000	Market Value 7/1/00	State Funds Received 2000-2001	Gifts Received 2000-2001	Investment Earnings (Loss) 2000-2001	Earnings Expended 2000-01	Market Value 6/30/01	Outstanding Pledges as of 6/30/2001*
New Endowments:										
Chase Foundation Scholarship	9/28/00	0	0	0	250,000	83,000	(6,481)	0	326,519	167,000
American Heritage Scholarship	9/29/00	0	0	0	19,357	8,271	(636)	0	26,992	30,444
Bank of Kentucky Chair in Education	12/1/00	0	0	0	750,000	200,266	(9,236)	0	941,030	549,734
Thelma Louise Grein Physically Challenged	1/12/01	0	0	0	125,000	125,000	(606)	0	249,392	0
Ron and Sherrie Noel Scholarship	2/15/01	0	0	0	250,000	0	(1,217)	0	248,783	250,000
Family Business Center	5/29/01	0	0	0	0	0	0	0	0	200,000
Eva Farris Scholarship	6/30/01	0	0	0	1,394,357	416,537	(18,176)	0	1,792,716	1,446,643
Sub-Total										
Existing Endowments:										
Chase Enhancement Fund	3/31/99	22,000	56,595	83,014	0	6,767	(7,462)	(831)	81,488	13,167
Fifth Third Entrepreneurship Professor **	6/30/99	300,000	200,000	531,860	(50,000)	50,000	(45,381)	(19,222)	467,257	0
Fifth Third Entrepreneurship Scholarship	6/30/99	50,000	51,090	51,090	25,000	75,000	(15,920)	(310)	134,860	0
Fifth Third Entrepreneurship Support	6/30/99	50,000	51,455	51,455	25,000	76,415	(17,310)	(1,810)	133,750	0
Ashland Professorship	9/27/99	250,000	50,000	306,543	0	50,000	(28,183)	(1,857)	326,503	150,000
Steely Scholarship	10/27/99	50,000	51,508	101,363	0	0	(8,654)	(319)	92,390	0
Stein Professorship	11/2/99	250,000	83,334	328,823	0	83,334	(29,945)	(516)	381,696	83,332
Varst Scholarship	11/23/99	250,000	250,021	499,143	0	0	(42,590)	(9,248)	447,305	0
Chase Dean's Scholarship	12/14/99	10,000	1,000	10,763	0	5,000	(1,034)	(6)	14,726	4,000
Archie and Myrtle Carrell Scholarship	3/12/00	10,930	10,930	10,693	10,000	850	(1,000)	(1,000)	19,546	0
Milacron Scholarship	5/1/95	60,845	60,845	94,574	0	10,000	(8,070)	(502)	96,002	60,000
Endowed Professor of Art	4/11/00	50,000	50,000	50,300	250,000	50,000	(6,294)	0	344,006	150,000
Schulenberg Scholarship	5/30/00	31,000	31,000	31,000	50,000	31,050	(4,262)	0	107,788	165
Neyer Family Professor of Music	6/14/00	0	49,656	49,655	250,000	250,096	(17,404)	0	482,692	0
Hoseal/Francis Scholarship	6/30/00	1,232,000	894,889	2,200,283	610,000	688,512	(237,992)	(35,621)	3,225,182	460,664
Sub-Total										
Grand Total		1,232,000	894,889	2,200,283	2,004,357	1,105,049	(256,170)	(35,621)	5,017,898	3,104,485

* Includes private and state funds

** State match temporarily overapplied to fully fund entrepreneurship professorship as early as possible. Overmatch was transferred to remaining entrepreneurship endowments as additional donor funds became available in second year of program

University of Kentucky



UNIVERSITY OF KENTUCKY

POSTSECONDARY
EDUCATION

APR 22 8 31 AM '02

April 18, 2002

Planning, Budget and
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Ms. Angela Martin
Kentucky Council on Postsecondary Education
1024 Capital Center Drive
Suite 320
Frankfort, KY 40601-8204

Dear Ms.  Martin:

Enclosed you will find the University of Kentucky Endowment Match Program 2000-01 Summary Report. We are working diligently to report to you the detailed information on each endowment per the recently released reporting guidelines that were issued to us at the beginning of March. Thank you for recognizing the great volume of endowments this program has afforded the University of Kentucky and for the time it will take to report fully to you on each of these endowments. Please do not hesitate to contact me should you have any questions about this summary report or need any additional information.

Sincerely,



Karen T. Combs
Associate Vice President
Planning, Budget & Policy Analysis

Enclosure

C: Rex Bailey
Jack Blanton
Bessie Guerrant
Henry Clay Owen
Bill Payne
Gene Williams

**University of Kentucky
Endowment Match Program
2000-01 Summary Report**

This report covers the activities and expenditures supported at the University of Kentucky under the Endowment Match Program. During fiscal year 2000-01, the University of Kentucky submitted eight requests totaling \$52,971,755 in matching funds to the Council on Postsecondary Education. The council staff processed all of those requests and disbursed \$52,971,755 to UK (Table 4). These funds were used to establish seventy-one new endowments and expand forty-eight existing endowments. With the addition of these endowments, the match program has helped create or expand a cumulative total of two hundred fifty-seven endowments valued at \$203,174,525 as of June 30, 2001 (Table 5).

Private donations and state matching funds supported the addition of one hundred twenty-seven endowed activities at the University of Kentucky in 2000-01 (Table 1), including fifty-one faculty positions, forty graduate fellowship/scholarship funds, and thirty-six mission support projects. As of June 30, thirteen of those activities were operational. Thirteen faculty positions had been filled. Since the program's inception in 1998, one hundred seventy-five faculty positions have been established and eighty-seven have been filled; ninety-six fellowship or scholarship funds have been created; and sixty-one mission support activities have been created.

Endowment Activity

As shown in Table 1, match program funds were used to create seven endowed chairs, forty-four endowed professorships, forty graduate fellowship/scholarship funds, and thirty-six mission support projects in 2000-01. Note: Scholarships are included in the Fellowships number and Mission Support Projects include research and library support.

Table 1: Annual and Cumulative Match Program Activities

Activity	2000-2001		1998-2001	
	Number of Positions or Projects	Number Occupied or Projects with Expenditures	Number of Positions or Projects	Number Occupied or Projects with Expenditures
Chairs	7	2	53	20
Professorships	44	11	122	67
Fellowships/Scholarships	40	0	96	0
Mission Support Projects	36	0	61	0
Totals	127	13	332	87

Of these activities, a total of thirteen were active. As of June 30, 2001, two endowed chair positions and eleven endowed professorship positions were occupied. Overall, since 1998, a total of fifty-three chairs, one hundred twenty-two professorships, ninety-six graduate fellowship/scholarship funds, and sixty-one mission support projects have been endowed through the program. As of fiscal year end, twenty chair positions and sixty-seven professorship positions were occupied and were reporting expenditures. The total number of graduate fellowship/scholarship funds and mission support projects reporting expenditures is still pending the final report.

Demographic Information

The majority of faculty hired using Endowment Match Program funds is male. Since 1998, a total of eighty-seven faculty members have been hired into chairs and professorships under the auspices of the Endowment Match Program. Seventy-five of those hired (or 86.2 percent) were male, and twelve (or 13.8 percent) were female. The total number of staff hired in association with these chairs and professorships as a result of the Endowment Match Program is still pending the final report.

Table 2: Gender of Endowment Match Program
Faculty and Staff

	<u>As of June 30, 2001</u>	
	<u>Male</u>	<u>Female</u>
Chairs	19	1
Professors	<u>56</u>	<u>11</u>
Total	<u>75</u>	<u>12</u>

The majority of chairs and professors hired through the Endowment Match Program are White, non-Hispanics. As can be seen in Table 3, 73 of 87 (or 84 percent) match program employees hired since 1998 were white, two (or 2.3 percent) were black, eleven (or 12.6 percent) were Asian, and one (or 1.1 percent) was Hispanic. Other conclusions are pending the completion of the report.

Table 3: Race of Endowment Match Program Faculty and Staff
As of June 30, 2001

	<u>White</u>	<u>Black</u>	<u>Am. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Chairs	17	0	0	2	1	20
Professorships	<u>56</u>	<u>2</u>	<u>0</u>	<u>9</u>	<u>0</u>	<u>67</u>
Total	<u>73</u>	<u>2</u>	<u>0</u>	<u>11</u>	<u>1</u>	<u>87</u>

Sources of Funds, Earnings, and Expenditures

During fiscal year 2000-01, the University of Kentucky received \$52,971,755 in donations, gifts, and pledges from private sources (Table 4) that were matched with state funds. About half of that amount, \$23,293,882 or 44.0 percent, was received in cash, and the remainder, \$29,677,873 or 56.0 percent, was received in the form of pledges. The University of Kentucky requested and received \$52,971,755 in state matching funds through the Endowment Match Program. As a result, a total of \$76,265,637 in private and state funds was used to create seventy-one new endowments and expand forty-eight existing endowments during the year.

As of June 30, 2001, the total market value of the two hundred fifty-seven endowment accounts established under the Endowment Matching Program was \$203,174,525 (Table 5). Of that amount, \$119,638,755 (or 58.9 percent) were state funds and \$73,322,603 (or 36.1 percent) were gift funds. University records show an outstanding balance of \$46,316,152 in unpaid pledges on these accounts. Over \$2.9 million was expended for program activities during the fiscal year ended June 30, 2001.

University of Kentucky
Endowment Match Program
Endowments Matched with State Funds
During Fiscal Year 2000-2001

Table 4

FRS Account Number	Endowment Name	Date Established/ Expanded	Private Funds		Total	Matching State Funds	Total Received*
			Gifts	Pledges			
New Endowments:							
051499	Abercrombie Foundation- Endowment in Art Research	08/23/00	0	400,000	400,000	400,000	400,000
051447	Abercrombie Foundation- Endowment in Music Research	08/23/00	0	400,000	400,000	400,000	400,000
051463	AIA KY Endowed Professorship in Architecture	03/16/01	13,472	86,528	100,000	100,000	113,472
051504	Anonymous Gift for Research in Urology	05/08/01	17,000	53,000	70,000	70,000	87,000
051482	Arthur Anderson Endowed Professorship	02/20/01	25,283	74,717	100,000	100,000	125,283
051527	Ashland Oil (WT Young Library) Endowment	08/23/00	250,000	750,000	1,000,000	1,000,000	1,250,000
051416	B & E Chelgren Professorship in Accounting	08/02/00	50,000	75,000	125,000	125,000	175,000
051421	B&E David H. & Barbara Schlund Kaufman Professorship	11/01/00	25,010	24,990	50,000	50,000	75,010
051442	Benjamin C. Warf, M.D. Lecture/Fellowship in Ped Neuro	08/23/00	12,821	87,179	100,000	100,000	112,821
051475	Boyersky Professorship (Wang/Synapse) Medicine	11/01/00	16,667	33,333	50,000	50,000	66,667
051453	C. Michael Garver Fellowship Endowment in Engineering	11/01/00	750,000	0	750,000	750,000	1,500,000
051537	Cardiology Associates of KY Scholarship Endow for Coll of Med	05/08/01	0	50,000	50,000	50,000	50,000
051496	Caroline F. Ransdell Research Professorship	05/08/01	51,179	0	51,179	51,179	102,358
051413	Center for Real Estate (Tim Haymaker)	08/23/00	50,000	0	50,000	50,000	100,000
051419	Center for Sports Marketing Endowment (James Host)	08/23/00	75,000	300,000	375,000	375,000	450,000
051522	Center on Aging Library Endowment Fund	10/17/01	1,000,000	0	1,000,000	1,000,000	2,000,000
051469	Charles S. Cassis Professorship	10/17/01	102,984	0	102,984	102,984	205,968
051495	Charlotte R. Schmidlapp Fdn Grad Fellowship in Cerentology	03/16/01	75,000	75,000	150,000	150,000	225,000
051460	Class of 1949 Fellowship Endowment (Judge H. Meigs) Law	12/21/00	50,000	0	50,000	50,000	100,000
051502	Helen Edwards International Professorship-Medicine	05/08/01	50,000	0	50,000	50,000	100,000
051479	CSX Transportation Graduate Fellowship - Jerry & Pat Rose	08/23/00	100,000	400,000	500,000	500,000	600,000
051476	DePuy Neuro & Spine Surgery Academic Fellowship	08/23/00	100,000	400,000	500,000	500,000	600,000
051477	DePuy Neuro Fellowship in Medicine	08/23/00	100,000	400,000	500,000	500,000	600,000
051478	DePuy Orthopaedic Fellowship in Medicine	08/23/00	0	500,000	500,000	500,000	500,000
051488	DePuy Orthopaedic Trauma Fellowship	08/23/00	0	50,000	50,000	50,000	100,000
051491	Dermoniti F. & Regina M. Dawson Grad Fellowship in Ed.	03/16/01	50,000	0	50,000	50,000	100,000
051491	Dev't Dimensions International Professorship-Medicine	11/01/00	50,000	50,000	100,000	100,000	150,000
051443	Dr. John W. Greene Professorship in OB/GYN (Teleford Fdn)	08/23/00	25,000	400,000	425,000	425,000	450,000
051424	Earl F. Lockwood Professorship	10/17/00	40,000	160,000	200,000	200,000	240,000
051568	Edith D. Gardner Charitable Fdnr - Internal Medicine Professorship	02/20/01	100,000	0	100,000	100,000	200,000
051473	Frazier Professorship (Wang/Synapse) Medicine	11/01/00	16,667	33,333	50,000	50,000	66,667
051429	Gallion & Baker Professorship	10/17/00	100,000	0	100,000	100,000	200,000
051484	Harold R. Burton Endowed Professorship (Star Scientific)	02/20/01	0	396,875	396,875	396,875	396,875
051410	Helen Edwards Abel Endowed Research Fund in Historic Pr.	08/23/00	90,959	284,041	375,000	375,000	465,959
051450	HES Alumni Association Endowed Professorship	02/20/01	11,562	38,438	50,000	50,000	61,562
051494	Jack & Linda Gill Arts & Science Research Excellence Fund	03/16/01	0	500,000	500,000	500,000	500,000
051493	Jack & Linda Gill Engineering Research Excellence Fund	03/16/01	0	500,000	500,000	500,000	500,000
051452	James F. Glenn Professorship in Urology	10/17/00	147,138	352,862	500,000	500,000	647,138
051480	James M. & Mary Lassiter Endowed Chair	02/20/01	500,000	0	500,000	500,000	1,000,000
051510	Jana Oliver Memorial Fellowship in Law	03/16/01	0	100,000	100,000	100,000	100,000
051467	JJ Niles Center for American Music	10/17/00	25,000	0	25,000	25,000	50,000
051467	JJ Niles Center for American Music	03/16/01	10,000	40,000	50,000	50,000	60,000

Table 4

University of Kentucky
Endowment Match Program
Endowments Matched with State Funds
During Fiscal Year 2000-2001

FRS Account Number	Endowment Name	Date Established/ Expanded	Private Funds		Total	Matching State Funds	Total Received*
			Gifts	Pledges			
051519	John H. Heick Professorship in Soil Science - AG	03/16/01	0	100,000	100,000	100,000	100,000
051441	Judith Ann Powell Pachman MD Professorship in OB/GYN	08/02/00	34,832	15,168	50,000	50,000	84,832
051512	Kathryn Louise Chelgren Endowed Professorship in Fam Studies	05/08/01	22,000	38,000	60,000	60,000	82,000
051532	Kentucky Economic Development - WT Young Library	05/08/01	375,000	0	375,000	375,000	750,000
051541	Kentucky Forest Industries - Log A Load Children's Mir. Netwrk	05/08/01	0	125,000	125,000	125,000	125,000
051423	Lindenman Fdn Research in Vocal Studies - Fine Arts	11/01/00	47,864	452,136	500,000	500,000	547,864
051458	Lions Apparel, Inc Fellowship for Int Design, Merchant. & Tex.	12/21/00	10,000	40,000	50,000	50,000	60,000
051448	Lucille Caudill Little Endowment for Theatre - Fine Arts	11/01/00	105,945	394,055	500,000	500,000	605,945
051536	Madeline F. James Cancer Research Endowment	05/08/01	171,336	0	171,336	171,336	342,672
051523	Markley/Cancer Center Library Endowment Fund	10/17/01	1,000,000	0	1,000,000	1,000,000	2,000,000
051459	Medical Alumni Assoc. Scholarship Endowment for Coll of Med	05/08/01	43,225	8,487	51,712	51,712	94,937
051526	Morton Holbrook - WT Library Endowment Fund	10/17/00	50,000	0	50,000	50,000	100,000
051526	Morton Holbrook - WT Library Endowment Fund	12/21/00	20,105	79,895	100,000	100,000	120,105
051470	Paducah Jr. College Professorship in Engineering	12/21/00	50,000	0	50,000	50,000	100,000
051449	Paul A. Thornton Grad Student Fellowship - Nutrition Science	11/01/00	55,895	44,105	100,000	100,000	155,895
051438	Reese S. Terry Professorship in Electrical Engineering	11/01/00	10,069	89,931	100,000	100,000	110,069
051481	Robert P Moore Alzheimer's Disease Research Endowment	02/20/01	350,000	0	350,000	350,000	700,000
051507	Robert S. Lipman Research Fund in Psychology	05/08/01	10,000	40,000	50,000	50,000	60,000
051451	Ronald A. & Nancy S. Forester Endowed Professorship in Bus	03/16/01	49,651	349	50,000	50,000	99,651
051486	RR & DH Crutcher & Family Fdn Endowed Scholarship-Med	03/16/01	40,000	160,000	200,000	200,000	240,000
051439	S.J. "Sam" Whalen Graduate Fellowship in Engineering	11/01/00	352,500	147,500	500,000	500,000	852,500
051531	Sylvia Mansbach Endowed Professorship & Chair - Alzheimer's Dis	05/08/01	100,000	400,000	500,000	500,000	600,000
051524	Toyota Manufactures of N. America - WT Young Library	11/01/00	250,000	750,000	1,000,000	1,000,000	1,250,000
051444	Tracy Farmer Center for the Environment Endowment	08/23/00	1,152,615	847,385	2,000,000	2,000,000	3,152,615
051517	Vaughn & Melton Consulting Engineers Grad. Fellowship	05/08/01	0	100,000	100,000	100,000	100,000
051461	Von Allmen School of Accountancy Fellowship	08/02/00	0	1,000,000	1,000,000	1,000,000	1,000,000
051462	Von Allmen School of Research Support	08/02/00	350,000	1,650,000	2,000,000	2,000,000	2,350,000
051525	Warren Rosenthal Library Endowment Fund	10/17/01	500,000	0	500,000	500,000	1,000,000
051525	Warren Rosenthal Library Endowment Fund	10/17/01	0	1,000,000	1,000,000	1,000,000	1,000,000
051457	Withington Graduate Student Support Endowment fund	12/21/00	53,135	15,375	68,510	68,510	121,645
051521	WPR Law Library Endowment Fund	10/17/01	25,000	0	25,000	25,000	50,000
051521	WPR Law Library Endowment Fund	10/17/01	25,000	0	25,000	25,000	50,000
051474	Zechman Professorship (Wang/Synapse) Medicine	11/01/00	16,667	33,333	50,000	50,000	66,667
051538	Zimmer Endowment for Orthopaedic Res. in Surgery/Medicine	05/08/01	0	300,000	300,000	300,000	300,000
Sub Total of New Endowments:			9,351,581	14,796,015	24,147,596	24,147,596	33,499,177
Endowments Expanded:							
051219	Albert G. & Lorraine N. Clay Ag Visiting Scholar Endowment	03/16/01	0	250,000	250,000	250,000	250,000
051345	Armor & Letitia Taylor Fund for Library Research Equipment	08/23/00	218,754	46	218,800	218,800	437,554
051177	B & E Chelgren Endowed Chair in Corporate Strategy	08/02/00	208,172	41,828	250,000	250,000	458,172
051206	BS/MBA Graduate Fellowship in Eng. Thomas C. & Evelyn Finnie	10/17/00	74,991	23,484	98,475	98,475	173,466
051295	Cardinal Hill Rehab - Neurorehabilitation	10/17/00	100,000	400,000	500,000	500,000	600,000

University of Kentucky
Endowment Match Program
Endowments Matched with State Funds
During Fiscal Year 2000-2001

Table 4

FRS Account Number	Endowment Name	Date Established/Expanded	Private Funds		Total	Matching State Funds	Total Received
			Gifts	Pledges			
051297	Cardinal Hill Rehab - Spinal Cord Injury Rehab	10/17/00	50,000	200,000	250,000	250,000	300,000
051296	Cardinal Hill Rehab - Traumatic Brain Injury	10/17/00	50,000	200,000	250,000	250,000	300,000
051244	Center for Aluminum Technology Research Support	10/17/00	0	75,000	75,000	75,000	75,000
051414	Commonwealth Prof. Phys Leadership	11/01/00	250,000	0	250,000	250,000	500,000
051388	Cynthia Shaw Crispen Endowed Chair in ALS Research	05/08/01	383,740	116,260	500,000	500,000	883,740
051224	Don Corum & National Nursery Products Research Fund	08/02/00	25,000	0	25,000	25,000	50,000
051378	Dorothy Miller Endowed Fund in Social Work	10/17/00	75,585	24,415	100,000	100,000	175,585
051409	Dr. & Mrs. C. Milton Coughenour Professorship in Agriculture	08/23/00	24,163	75,837	100,000	100,000	124,163
051175	Dr.'s Barbara & James Holsinger Professorship in Anatomy	05/08/01	15,000	50,000	65,000	65,000	80,000
051361	George & Betty Blanda Prof. in Education	08/02/00	100,000	0	100,000	100,000	200,000
051405	Harry E. Wheeler Chair in Plant Mycology	08/23/00	500,000	0	500,000	500,000	1,000,000
051412	Helen Thacker Hill Grad Fellow in Educator Counseling	08/23/00	100,000	0	100,000	100,000	200,000
051151	Helen Thacker Hill Scholarship for students with Disabilities	12/21/00	100,397	0	100,397	100,397	200,794
051417	James F. Hardymon Prof/Chair in Urologic Research	08/02/00	510,964	489,036	1,000,000	1,000,000	1,510,364
051384	James S. Brown Grad Appalachian Studies Fund-FI Winchester	12/21/00	19,050	31,280	50,330	50,330	69,380
051403	JC Fern Graduate Fellowship Fund	02/20/01	21,982	28,018	50,000	50,000	71,982
051152	John Edwin Partington Scholarship in Education	11/01/00	268,000	0	268,000	268,000	536,000
051173	John R. Mink Professorship	02/20/01	85,182	65,378	150,560	150,560	235,742
050908	John R. Van Nagell MD Prof/Chair in OB/GYN - KMSF/Telford	12/21/00	256,556	18,444	275,000	275,000	531,556
051305	KMSF: Lieber Endowed Professorship	10/17/00	0	99,083	99,083	99,083	99,083
051305	KMSF: Lieber Endowed Professorship	12/21/00	27,500	0	27,500	27,500	55,000
051371	Dr. Leiber Nuclear Medicine Resident Professorship	10/17/00	0	19,817	19,817	19,817	19,817
051371	Dr. Leiber Nuclear Medicine Resident Professorship	12/21/00	0	5,500	5,500	5,500	5,500
051401	MCI Graduate Fellowship	08/23/00	100,000	0	100,000	100,000	200,000
051215	Medical Center Floyd H. Wright Research Endowment	05/08/01	0	500,000	500,000	500,000	500,000
051391	Nina Band William J. Tuggle Professorship in English - Arts & Sci	12/21/00	300,000	0	300,000	300,000	600,000
051165	Paul Mason Professorship & Chair	10/17/00	51,960	0	51,960	51,960	103,920
051406	Peggy Caldwell & John T. Higgins Urological Research Fund	08/02/00	139,790	10,210	150,000	150,000	289,790
051406	Peggy Caldwell & John T. Higgins Urological Research Fund	02/20/01	0	69,790	69,790	69,790	69,790
051199	Peter Periman Fellowship in Law (Pertman & Madden)	12/21/00	44,548	5,452	50,000	50,000	94,548
051340	Pricewaterhouse Coopers	08/02/00	23,000	127,000	150,000	150,000	173,000
051106	RC Durr Engineering Fellowship	12/21/00	300,000	0	300,000	300,000	600,000
051407	Robert L. Johnson Scholarship Fund	08/23/00	200,000	0	200,000	200,000	400,000
051497	Paul Mellon Post Doc Fellowship Fund	08/02/00	0	2,034,000	2,034,000	2,034,000	2,034,000
051099	William Robert Mills Chair in Equine Infectious Diseases	08/02/00	79,362	386,638	466,000	466,000	545,362
051595	Mellon Equine Graduate Fellowship	08/02/00	1,391,463	(1,391,463)	0	0	1,391,463
051594	Mellon Equine Research Fund	08/02/00	1,029,175	(1,029,175)	0	0	1,029,175
051497	Paul Mellon Post Doc Fellowship Fund	12/21/00	358,537	0	358,537	358,537	717,074
051214	US Surgical - Pfizer Professorship/Chair in Medical Management	11/01/00	5,527	144,473	150,000	150,000	155,527
051399	Von Altmann Center for Entrepreneurship & E-Commerce	08/02/00	350,000	1,650,000	2,000,000	2,000,000	2,350,000
051397	Von Altmann School of Accountancy Endowed Chair	08/02/00	0	2,000,000	2,000,000	2,000,000	2,000,000

Table 4

**University of Kentucky
Endowment Match Program
Endowments Matched with State Funds
During Fiscal Year 2000-2001**

FRS Account Number	Endowment Name	Date Established/ Expanded	Private Funds		Total	Matching State Funds	Total Received [*]
			Gifts	Pledges			
051408	W.S. Farris Chair/Professorship in Urological Surg Research	08/02/00	750,000	250,000	1,000,000	1,000,000	1,750,000
051325	Wendell H. Ford Professorship in Public Policy	12/21/00	90,410	200,000	290,410	290,410	380,820
051386	William "Jack" Cary Professorship in Emergency Medicine	11/01/00	50,000	0	50,000	50,000	100,000
051185	W. T. Young Library Endowment (Other than Research - 40%)	08/02/00	2,327,366	3,141,234	5,468,600	5,468,600	7,795,966
051570	W. T. Young Library Endowment (Science, Tech, Medicine - 60%)	08/02/00	2,886,127	4,570,273	7,456,400	7,456,400	10,342,327
	Subtotal of Endowments Expanded:		13,942,301	14,881,858	28,824,159	28,824,159	42,766,460
GRAND TOTAL ALL ENDOWMENTS:			\$23,293,882	\$29,677,873	\$52,971,755	\$52,971,755	\$76,265,637

* Total gift and state funds received. Does not include pledges

University of Kentucky
 Endowment Match Program
 Statement of Changes in Endowments
 For the period ended June 30, 2001

FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
New Endowments:								
051499	Abercrombie Foundation- Endowment in Art Research	08/23/00	0	375,381	400,000	0	400,000	(20)
051447	Abercrombie Foundation- Endowment in Music Research	08/23/00	0	376,060	400,000	0	400,000	13,359
051463	AIA KY Endowed Professorship in Architecture	03/16/01	0	111,269	100,000	13,472	86,528	0
051504	Anonymous Gift for Research in Urology	05/08/01	0	86,095	70,000	17,000	53,000	0
051482	Arthur Anderson Endowed Professorship	02/20/01	0	124,563	100,000	25,283	74,717	0
051527	Ashland Oil (WT Young Library) Endowment	08/23/00	0	1,198,508	1,000,000	250,000	750,000	0
051416	B & E Chelgren Professorship in Accounting	08/02/00	0	167,753	125,000	50,000	75,000	0
051421	B&E David H. & Barbara Schlund Kaufman Professorship	11/01/00	0	72,764	50,000	25,010	24,990	0
051442	Benjamin C. Warf, M.D. Lecture/Fellowship in Ped Neuro	08/23/00	0	107,250	100,000	12,821	87,179	0
051475	Boyersky Professorship (Wang/Synapse) Medicine	11/01/00	0	66,855	50,000	16,667	33,333	0
051453	C. Michael Garver Fellowship Endowment in Engineering	11/01/00	0	1,442,687	750,000	750,000	0	0
051537	Cardiology Associates of KY Scholarship Endow for Coll of Med	05/08/01	0	49,211	50,000	0	50,000	0
051496	Caroline F. Ransdell Research Professorship	05/08/01	0	99,216	51,179	51,179	0	0
051413	Center for Real Estate (Tim Haymaker)	08/23/00	0	92,874	50,000	50,000	0	0
051419	Center for Sports Marketing Endowment (James Host)	08/23/00	0	423,641	375,000	75,000	300,000	12,370
051522	Center on Aging Library Endowment Fund	10/17/01	0	1,921,195	1,000,000	1,000,000	0	0
051469	Charles S. Cassis Professorship	10/17/01	0	200,214	102,984	102,984	0	0
051495	Charlotte R. Schmidlapp Fdn Grad Fellowship in Gerontology	03/16/01	0	218,010	150,000	75,000	75,000	0
051460	Class of 1949 Fellowship Endowment (Judge H. Meigs) Law	12/21/00	0	97,477	50,000	50,000	0	0
051502	CSX Transportation Graduate Fellowship - Jerry & Pat Rose	05/08/01	0	102,078	50,000	50,000	0	0
051479	DePuy Neuro & Spine Surgery Academic Fellowship	08/23/00	0	568,452	500,000	100,000	400,000	0
051476	DePuy Neuro Fellowship in Medicine	08/23/00	0	568,452	500,000	100,000	400,000	0
051477	DePuy Orthopaedic Fellowship in Medicine	08/23/00	0	473,710	500,000	0	500,000	0
051478	DePuy Orthopaedic Trauma Fellowship	08/23/00	0	473,710	500,000	0	500,000	0
051488	Dermontti F. & Regina M. Dawson Grad Fellowship in Ed.	03/16/01	0	96,761	50,000	50,000	0	0
051491	Dev't Dimensions International Professorship-Medicine	11/01/00	0	145,600	100,000	50,000	50,000	0
051443	Dr. John W. Greene Professorship in OB/GYN (Teleford Fdn)	08/23/00	0	436,133	425,000	25,000	400,000	0
051424	Earl F. Lockwood Professorship	10/17/00	0	234,347	200,000	40,000	160,000	0
051568	Edith D. Gardner Charitable Fdn - Internal Medicine Professorship	02/20/01	0	192,560	100,000	100,000	0	0
051473	Frazier Professorship (Wang/Synapse) Medicine	11/01/00	0	66,855	50,000	16,667	33,333	0
051429	Gallion & Baker Professorship	10/17/00	0	193,908	100,000	100,000	0	0
051484	Harold R. Burton Endowed Professorship (Star Scientific)	02/20/01	0	391,500	396,875	0	396,875	0
051410	Helen Edwards Abel Endowed Research Fund in Historic Pr.	08/23/00	0	441,847	375,000	90,959	284,041	0
051450	HES Alumni Association Endowed Professorship	02/20/01	0	61,075	50,000	11,562	38,438	0
051494	Jack & Linda Gill Arts & Science Research Excellence Fund	03/16/01	0	492,111	500,000	0	500,000	0
051493	Jack & Linda Gill Engineering Research Excellence Fund	03/16/01	0	492,111	500,000	0	500,000	0
051452	James F. Glenn Professorship in Urology	10/17/00	0	910,352	500,000	147,138	352,862	0
051480	James M. & Mary Lassiter Endowed Chair	02/20/01	0	986,639	500,000	500,000	0	0

University of Kentucky
 Endowment Match Program
 Statement of Changes in Endowments
 For the period ended June 30, 2001

FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
051510	Jana Oliver Memorial Fellowship in Law	03/16/01	0	98,422	100,000	0	100,000	0
051467	JJ Niles Center for American Music	10/17/00	0	108,002	25,000	25,000	0	0
051467	JJ Niles Center for American Music	03/16/01	0		50,000	10,000	40,000	0
051519	John H. Heick Professorship in Social Science - AG	03/16/01	0	574	100,000	0	100,000	0
051441	Judith Ann Powell Pachtman MD Professorship in OB/GYN	08/02/00	0	82,278	50,000	34,832	15,168	0
051512	Kathryn Louise Chelgren Endowed Professorship in Fam Studies	05/08/01	0	81,271	60,000	22,000	38,000	0
051532	Kentucky Economic Development - WT Young Library	05/08/01	0	758,773	375,000	375,000	0	0
051541	Kentucky Forest Industries - Log A Load Children's Mir. Netwkr	05/08/01	0	123,028	125,000	0	125,000	0
051423	Lindeman Fdn Research in Vocal Studies - Fine Arts	11/01/00	0	537,095	500,000	47,864	452,136	11,513
051458	Lions Apparel, Inc Fellowship for Int Design, Merchant. & Tex.	12/21/00	0	58,658	50,000	10,000	40,000	0
051448	Lucille Caudill Little Endowment for Theatre - Fine Arts	11/01/00	0	584,852	500,000	105,945	394,055	0
051536	Maddeline F. James Cancer Research Endowment	05/08/01	0	341,963	171,336	171,336	0	83,409
051523	Markey Cancer Center Library Endowment Fund	10/17/01	0	1,921,195	1,000,000	1,000,000	0	0
051459	Medical Alumni Assoc. Scholarship Endowment for Coll of Med	05/08/01	0	93,843	51,712	43,225	8,487	0
051526	Morton Holbrook - WT Library Endowment Fund	10/17/00	0	215,964	50,000	50,000	0	0
051526	Morton Holbrook - WT Library Endowment Fund	12/21/00	0		100,000	20,105	79,895	0
051470	Paducah Jr. College Professorship in Engineering	12/21/00	0	98,083	50,000	50,000	0	0
051449	Paul A. Thornton Grad Student Fellowship - Nutrition Science	11/01/00	0	200,162	100,000	55,895	44,105	0
051438	Reese S. Terry Professorship in Electrical Engineering	11/01/00	0	107,848	100,000	10,069	89,931	0
051481	Robert P Moore Alzheimer's Disease Research Endowment	02/20/01	0	729,296	350,000	350,000	0	0
051507	Robert S. Lipman Research Fund in Psychology	05/08/01	0	59,532	50,000	10,000	40,000	0
051451	Ronald A. & Nancy S. Forester Endowed Professorship in Bus	03/16/01	0	96,874	50,000	49,651	349	0
051486	RR & DH Crutcher & Family Fdn Endowed Scholarship-Med	03/16/01	0	235,388	200,000	40,000	160,000	0
051439	S.J. "Sam" Whalen Graduate Fellowship in Engineering	11/01/00	0	822,384	500,000	352,500	147,500	0
051531	Sylvia Mansbach Endowed Professorship & Chair - Alzheimer's Dis	05/08/01	0	590,533	500,000	100,000	400,000	0
051524	Toyota Manufactures of N. America - WT Young Library	11/01/00	0	1,196,765	1,000,000	250,000	750,000	0
051444	Tracy Farmer Center for the Environment Endowment	08/23/00	0	2,992,725	2,000,000	1,152,615	847,385	33,836
051517	Vaughn & Melton Consulting Engineers Grad. Fellowship	05/08/01	0	98,422	100,000	0	100,000	0
051461	Von Allmen School of Accountancy Fellowship	08/02/00	0	949,349	1,000,000	0	1,000,000	23,874
051462	Von Allmen School of Research Support	08/02/00	0	2,230,969	2,000,000	350,000	1,650,000	64,681
051525	Warren Rosenthal Library Endowment Fund	10/17/01	0	1,931,250	500,000	500,000	0	0
051525	Warren Rosenthal Library Endowment Fund	10/17/01	0		1,000,000	0	1,000,000	0
051457	Withington Graduate Student Support Endowment fund	12/21/00	0	118,982	68,510	53,135	15,375	0
051521	WPR Law Library Endowment Fund	10/17/01	0	98,126	25,000	25,000	0	0
051521	WPR Law Library Endowment Fund	10/17/01	0		25,000	25,000	0	0
051474	Zechman Professorship (Wang/Synapse) Medicine	11/01/00	0	66,855	50,000	16,667	33,333	0
051538	Zimmer Endowment for Orthopaedic Res. In Surgery/Medicine	05/08/01	0	295,266	300,000	0	300,000	0
Total for New Endowments:					24,147,596	9,351,581	14,796,015	243,020

Existing Endowments:

4/18/2002

Table 5

University of Kentucky
Endowment Match Program
Statement of Changes in Endowments
For the period ended June 30, 2001

FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
051222	Abercrombie Foundation - Pin Oak Stud (Ag)	04/09/99	652,996	712,490	500,000	200,000	300,000	21,525
051226	Alan Bloomfield Professorship in Business	03/10/99	218,932	206,606	150,000	50,000	100,000	0
051219	Albert G. & Lorraine N. Clay Ag Visiting Scholar Endowment	04/09/99	488,869	756,746	250,000	250,000	0	0
051219	Albert G. & Lorraine N. Clay Ag Visiting Scholar Endowment	03/16/01			250,000	0	250,000	0
051269	Amnon Nursery/Landscape Research Endowment	05/04/99	30,669	28,942	25,000	3,000	22,000	0
051248	Ann Scott & Ralph E. Mason Scholar in Voice Performance	04/09/99	114,565	108,115	50,000	50,000	0	90
051345	Armor & Letitia Taylor Fund for Library Research Equipment	08/23/00	235,243	427,837	218,800	218,754	46	0
051197	Ashland Inc. Chair	12/09/98	1,567,775	1,675,826	1,000,000	600,000	400,000	0
051177	B & E Chelgren Endowed Chair in Corporate Strategy	03/10/99	390,234	701,609	250,000	208,172	41,828	0
051177	B & E Chelgren Endowed Chair in Corporate Strategy	08/02/00			250,000	208,172	41,828	0
051182	Barnstable-Brown Chair in Diabetes Research	03/10/99	761,953	815,281	500,000	300,000	200,000	32,449
051284	Bayer Professorship: Pfizer Pharmaceuticals	03/10/99	81,477	76,890	52,500	22,500	30,000	5,943
051285	Boehringer-Ingelheim Professorship in Medicine	05/04/99	76,240	82,196	50,000	30,000	20,000	4,999
051314	Brown and Williamson Tobacco Research Fund	04/09/99	330,079	358,534	250,000	100,000	150,000	0
051206	BS/MBA Graduate Fellowship in Eng. Thomas C. & Evelyn Finnie	04/09/99	219,729	373,827	60,000	60,000	0	6,515
051206	BS/MBA Graduate Fellowship in Eng. Thomas C. & Evelyn Finnie	10/17/00			93,475	74,991	23,484	0
051377	Buckhorn Professor of Social Work	06/09/99	154,952	146,228	150,000	0	150,000	3,577
050970	C. M. Gatton Endowment Fund	12/09/98	4,855,716	4,536,435	0	942,093	(942,093)	180,207
051228	C. M. Gatton Endowed Chairs	12/09/98	7,999,198	8,611,179	6,000,000	3,074,434	2,925,566	346,628
051227	C. M. Gatton Endowed Professorship	12/09/98	2,666,331	2,785,924	2,000,000	856,133	1,143,867	82,103
051229	C. M. Gatton Faculty & Research Development Fund	12/09/98	4,682,906	4,419,273	2,000,000	2,000,000	0	151,705
051231	C. M. Gatton Scholarship Fund	12/09/98	1,365,798	1,427,043	1,024,500	438,497	586,003	48,222
051295	Cardinal Hill Rehab - Neurorehabilitation	06/08/99	1,046,832	1,577,100	500,000	500,000	0	0
051295	Cardinal Hill Rehab - Neurorehabilitation	10/17/00			500,000	100,000	400,000	0
051297	Cardinal Hill Rehab - Spinal Cord Injury Rehab	06/08/99	546,273	810,120	250,000	250,000	0	0
051297	Cardinal Hill Rehab - Spinal Cord Injury Rehab	10/17/00			250,000	50,000	200,000	0
051296	Cardinal Hill Rehab - Traumatic Brain Injury	06/08/99	546,273	810,120	250,000	250,000	0	0
051296	Cardinal Hill Rehab - Traumatic Brain Injury	10/17/00			250,000	50,000	200,000	0
051238	Carol Lee Robertson Professorship in Literacy	03/10/99	229,977	226,680	160,000	60,225	99,775	0
051244	Center for Aluminum Technology Research Support	05/04/99	2,171,629	2,387,334	250,000	250,000	0	0
051244	Center for Aluminum Technology Research Support	06/08/99			1,450,000	335,000	1,115,000	0
051244	Center for Aluminum Technology Research Support	10/17/00			75,000	0	75,000	0
051189	Center on Aging - Gerontology Fellowship	06/08/99	1,136,282	1,198,623	1,000,000	151,302	848,698	25,000
051335	Center on Aging - Gerontology Fellowship	06/08/99	81,035	76,473	75,000	0	75,000	0
051318	Chelgren Lecturer Series Endowment	06/08/99	128,712	202,368	100,000	100,000	0	0
051211	Children's Miracle Network Chair #1	12/09/98	570,220	845,579	500,000	25	499,975	25,851
051212	Children's Miracle Network Chair #2	12/09/98	570,220	845,555	500,000	300,000	200,000	0
051181	Clay Lancaster Endowed Professorship in Historic Preservation	04/99/99	359,995	387,575	250,500	127,422	123,078	13,542

Table 5

**University of Kentucky
Endowment Match Program
Statement of Changes in Endowments
For the period ended June 30, 2001**

FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
051414	Commonwealth Prof. Phys Leadership	11/01/00	102,772	490,865	250,000	250,000	0	0
051388	Cynthia Shaw Crispen Endowed Chair in ALS Research	05/08/01	150,437	867,070	500,000	383,740	116,260	0
050703	David & Constance Wilson Professorship in Mental Health	03/10/99	127,444	132,390	50,000	50,000	0	6,022
051224	Don Corum & National Nursery Products Research Fund	05/04/99	107,203	124,687	25,000	25,000	0	12,019
051224	Don Corum & National Nursery Products Research Fund	08/02/00			25,000	25,000	0	0
051168	Dorothy Leathers Graduate Fellowship Fund in History	04/09/99	54,749	52,554	25,000	24,998	2	1,000
051378	Dorothy Miller Endowed Fund in Social Work	10/17/00	26,129	170,595	100,000	75,585	24,415	0
051409	Dr. & Mrs. C. Milton Coughenour Professorship in Agriculture	08/23/00	24,832	117,471	100,000	24,163	75,837	0
051175	Dr.'s Barbara & James Holsinger Professorship in Anatomy	12/09/98	112,696	185,129	50,000	50,000	0	0
051175	Dr.'s Barbara & James Holsinger Professorship in Anatomy	05/08/01			65,000	15,000	50,000	0
051302	Endowed Chair in Neurosurgery	03/10/99	756,298	812,142	500,000	300,000	200,000	0
051170	Ephriam McDowell Cancer Research Foundation Chair	12/09/98	1,595,881	1,710,996	1,000,000	600,000	400,000	0
051171	Ephriam McDowell Cancer Research Foundation Chair	12/09/98	1,611,145	1,732,530	1,000,000	615,000	385,000	0
051317	Frank J. Derbyshire Research Professorship Endowment:	06/08/99	231,074	225,179	100,000	100,000	0	0
051145	Gartner Group Chair	12/09/98	2,047,197	1,931,946	900,000	900,000	0	20,874
051268	Gary B. Knapp Endowment in Arts Administration	05/04/99	652,996	712,490	500,000	200,000	300,000	30,127
051267	Gary B. Knapp Endowment in Support of B&E	05/04/99	1,305,993	1,424,981	1,000,000	400,000	600,000	22,346
051361	George & Betty Blanda Prof. in Education	08/02/00	106,976	194,863	100,000	100,000	0	0
051162	George E. Mitchell, Jr Graduate Fellowship for Animal Sciences	03/10/99	178,789	189,948	120,000	62,943	57,057	0
051188	Gerald L. and Jacqueline W. Nichols Fellowship	04/09/99	234,368	255,446	125,000	123,720	1,280	0
051209	Geraldine L. Cosby Estate Scholarship	12/09/98	98,275	92,742	45,000	45,000	0	3,500
051074	Gertrude F. Ribble Scholarship Fund	12/09/98	2,581,449	2,436,121	1,000,000	1,000,000	0	72,357
051372	Good Samaritan Chair in Health Ed, Res, Health Prom & Prev.	06/08/99	844,788	895,651	500,000	400,000	100,000	0
051299	Good Samaritan Prof In Health Ed, Res, Health Prom & Prev.	06/08/99	858,064	908,179	500,000	400,000	100,000	47,600
051300	Gordon L. Hyde, M.D. Professorship in Vascular Surgery	04/09/99	58,085	835,589	51,000	51,000	0	0
051315	H. Bruce Price Endowment Fund in Agriculture	03/10/99	54,969	51,874	50,000	50,000	0	697
051351	Harper Industries Graduate Fellowship Endowment Fund	06/08/99	220,924	208,487	200,000	0	200,000	0
051405	Harry E. Wheeler Chair in Plant Mycology	08/23/00	513,859	960,316	500,000	500,000	0	0
051412	Helen Thacker Hill Grad Fellow in Education Counseling	08/23/00	102,772	190,653	100,000	100,000	0	5,000
051151	Helen Thacker Hill Scholarship for students with Disabilities	12/21/00	114,882	206,231	100,397	100,397	0	2,500
051329	Jack & Linda Gill Card. Anesthesia Professorship	12/09/98	206,603	194,971	0	200,000	(200,000)	0
051323	Jack & Linda Gill Card. Radiology Professorship	12/09/98	206,603	194,971	0	200,000	(200,000)	0
051310	Jack & Linda Gill Drake Nursing Chair	12/09/98	211,781	199,858	200,000	0	200,000	0
051342	Jack & Linda Gill Hamburg Professorship	12/09/98	214,712	205,698	200,000	0	200,000	11,060
051281	Jack & Linda Gill Internal Medicine Chair	12/09/98	1,099,390	1,037,498	1,000,000	0	1,000,000	43,593
051330	Jack & Linda Gill Intervent. Cardiology Professorship	12/09/98	206,846	195,201	0	200,225	(200,225)	11,336
051312	Jack & Linda Gill Kostenbauder Pharmaceutics Professorship	12/09/98	211,781	204,982	200,000	5,000	195,000	0
051307	Jack & Linda Gill Morris Dentistry Professcrship	12/09/98	211,781	199,858	200,000	0	200,000	6,842
051304	Jack & Linda Gill Noonan Pediatric Professorship	12/09/98	220,888	208,453	200,000	1,000	199,000	0
051309	Jack & Linda Gill Nursing Chair	12/09/98	1,073,558	1,013,120	1,000,000	0	1,000,000	0

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FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
051282	Jack & Linda Gill Preventive Cardiology	12/09/98	1,014,876	957,742	0	1,000,000	(1,000,000)	0
051144	Jack & Linda Gill Professorship in Pediatrics	12/09/98	239,098	255,637	0	200,000	(200,000)	9,597
051327	Jack & Linda Gill Professorship in Vascular Surgery	12/09/98	206,603	194,971	0	200,000	(200,000)	7,203
051205	James and Cora Sanders Nursery/Landscape Research Endowment	05/04/99	43,881	43,489	26,195	15,145	11,050	0
051255	James C. Vannmeter Graduate and Fellow fund	03/10/99	218,335	225,164	130,000	90,000	40,000	6,524
051235	James F. Hardyman Chair in Manufacturing Systems	04/09/99	1,084,742	1,023,674	500,000	499,657	343	6,512
051234	James F. Hardyman Chair in Networking	04/09/99	1,060,636	1,019,992	500,000	495,979	4,021	30,369
051235	James F. Hardyman Graduate Fellowship in Engineering & Bus.	04/09/99	1,084,742	1,023,674	500,000	499,657	343	32,457
051417	James F. Hardyman Prof/Chair in Urologic Research	08/02/00	236,450	1,430,223	1,000,000	510,964	489,036	962
051123	James R. Boyd Professorship in Electrical Engineering	04/09/99	224,801	219,947	100,000	100,000	0	3,561
051384	James S. Brown Grad Appalachian Studies Fund-FJ Winchester	12/21/00	7,427	68,034	50,330	19,050	31,280	0
051298	Janet Galloway Carter Professorship	05/04/99	195,740	214,815	150,000	60,000	90,000	11,937
051403	JC. Fern Graduate Fellowship Fund	02/20/01	13,324	104,215	50,000	21,982	28,018	0
051320	JJB Hilliard, WL Lyons Inc Chair in Innovative Management	06/08/99	643,536	703,563	500,000	200,000	300,000	30,827
051333	John B. & Jane B. Stephenson Endowed Graduate Fellowship	06/08/99	37,915	40,691	25,000	15,321	9,679	0
051152	John Edwin Partington Scholarship in Education	11/01/00	114	543,501	263,000	268,000	0	0
051254	John I & Patricia J. Buxter Professorship in HES	04/09/99	750,761	769,250	402,400	349,440	52,960	0
051173	John Mink Professorship in Pediatric Dentistry	05/04/99	113,081	298,616	55,000	55,000	0	0
051173	John R. Mink Professorship	02/20/01			150,560	85,182	65,378	0
050908	John R. Van Nagell MD Prof/Chair in OB/GYN -KMSF/Telford	12/21/00	457,723	752,900	273,000	256,556	18,444	0
051272	Kentuckiana Masonry Institute Professorship in Architecture	05/04/99	151,726	163,680	100,000	60,000	40,000	0
051305	KMSF: Lieber Encowed Professorship	06/08/99	222,772	334,552	108,100	108,100	0	0
051305	KMSF: Lieber Encowed Professorship	10/17/00			99,083	0	99,083	0
051305	KMSF: Lieber Encowed Professorship	12/21/00			27,500	27,500	0	0
051371	Dr. Lieber Nuclear Medicine Resident Professorship	10/17/00	103,039	122,103	19,817	0	19,817	0
051371	Dr. Lieber Nuclear Medicine Resident Professorship	12/21/00			5,500	0	5,500	0
051371	KMSF: Nuclear Medicine Res. Professor	06/09/99	103,039	122,103	50,000	50,000	0	0
051277	KMSF: Professorship in OB/GYN	03/10/99	274,847	259,374	250,000	0	250,000	10,715
051313	KMSF: Antonio S. Turco Professorship in Biochemistry	03/10/99	326,586	441,878	213,000	218,000	0	12,877
051289	KMSF: Cardiology Research Professorship	03/10/99	171,549	171,707	50,000	20,000	30,000	10,187
051311	KMSF: George Schwert Professorship in Biochemistry	03/10/99	245,623	259,963	165,000	90,000	75,000	0
051288	KMSF: Robert L. Lester Professorship in Biochemistry	03/10/99	57,168	123,082	52,000	52,000	0	3,211
051293	KMSF: Professorship in Allied Health	03/10/99	112,052	136,271	100,000	30,000	70,000	5,000
051289	KMSF: Professorship in Dentistry	03/10/99	8,751	13,166	0	10,000	(10,000)	0
051294	KMSF: Professorship in Graduate Medical Education	03/10/99	112,052	131,147	100,000	30,000	70,000	7,432
051291	KMSF: Professorship in Medicine	03/10/99	8,751	13,168	0	10,000	(10,000)	0
051290	KMSF: Professorship in Nursing	03/10/99	8,751	13,166	0	10,000	(10,000)	0
051292	KMSF: Professorship in Pharmacy	03/10/99	112,052	130,920	100,000	30,000	70,000	0
050771	KMSF: Professorship in Urology	12/09/98	297,635	0	100,000	100,000	0	0

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FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
051287	KMSF: Robert Straus Professorship in Behavioral Science	06/08/99	66,694	75,683	50,000	20,000	30,000	0
051283	KMSF: Skinner Professorship in Physiology	06/08/99	67,168	67,595	50,000	16,785	33,215	0
051253	Laramie L. Leatherman Professorship of Law II	03/10/99	212,711	200,735	100,000	100,000	0	11,436
051159	Lewis Cochran Graduate Fellowship Fund	03/10/99	121,774	134,537	52,000	52,000	0	(29)
051247	Lexington Herald Leader Graduate Fellowship Fund	03/10/99	148,044	155,081	100,000	50,000	50,000	10,000
051239	Library & Information Science Endowed Graduate Fellowship Fd.	05/04/99	65,681	61,997	30,724	30,724	0	2,364
051347	Margaret Ingels Society of Women Engineers Grad Fellowship	06/08/99	38,324	45,792	25,000	20,000	5,000	0
051207	Margaret Logan Colvin Chair in Lung Disease Research	12/09/98	1,510,113	1,425,098	476,800	476,800	0	0
051207	Margaret Logan Colvin Chair in Lung Disease Research	03/10/99		187,100	187,100	0	0	0
050398	Margaret W. Peal Estate Collection	12/09/98	542,067	511,550	200,000	200,000	0	18,974
051286	Mary Florence Jones Professorship in Neonatology	05/04/99	215,830	203,679	100,000	100,000	0	1,544
051401	MCI Graduate Fellowship	08/23/00	102,064	190,235	100,000	100,000	0	0
051215	Medical Center Floyd H. Wright Research Endowment	12/09/98	887,122	1,424,414	500,000	400,000	100,000	35,000
051215	Medical Center Floyd H. Wright Research Endowment	05/08/01			500,000	0	500,000	0
051216	Merck & Company Pulmonary Medicine Professorship	05/04/99	108,394	102,292	50,000	50,000	0	0
051195	Michael D. Rankin Professorship	03/10/99	110,143	103,942	50,000	50,000	0	9,087
051259	Mining Engineering Graduate Fellowship	03/10/99	1,654,384	1,596,261	1,000,000	530,350	469,650	2,176
051332	Nadine James Alzheimer's Disease Research Fund	05/04/99	326,818	310,627	150,000	150,000	0	0
051391	Nina B and William J. Tuggle Professorship in English - Arts & Sci	12/21/00	309,815	587,640	300,000	300,000	0	0
051271	Non-Tenured Faculty Research Fund - College of Arts & Science	03/10/99	225,473	273,511	150,000	121,000	29,000	12,414
051161	Oliver & Anne Raymond Civil Engineering Endowment Fund	12/09/98	3,953,660	3,731,081	2,000,000	1,500,000	500,000	86,224
051237	Patterson Sch of Dip. Fund for Excellence Grad Intern Research F1	03/10/99	0	168,716	74,300	74,300	0	0
051166	Paul G. Blazor Professorship in Stroke Research	12/09/98	404,781	429,100	250,000	150,956	99,044	0
051165	Paul Mason Professorship & Chair	10/17/00	49,723	118,550	5,960	51,960	0	0
051406	Peggy Caldwell & John T. Higgins Urological Research Fund	08/02/00	51,386	345,202	150,000	139,790	10,210	0
051406	Peggy Caldwell & John T. Higgins Urological Research Fund	02/20/01			69,790	0	69,790	0
051199	Peter Perlman Fellowship in Law (Perlman & Madden)	12/21/00	38,410	93,970	50,000	44,548	5,452	0
051340	Pricewaterhouse Coopers	08/02/00	21,471	508,321	150,000	23,000	127,000	1,776
051213	Professorship in Minimally Invasive Surgery #1	12/09/98	78,759	166,144	100,000	50,000	50,000	0
051210	R. C. Durr Fdn Chair in Alzheimer's Disease	12/09/98	952,424	898,805	500,000	350,000	150,000	0
051306	Radiation Medicine Chair	03/10/99	1,169,969	1,172,952	1,000,000	137,351	862,649	90,629
051106	RC Durr Engineering Fellowship	12/21/00	363,048	634,727	300,000	300,000	0	10,502
051266	Robert G. Lawson Professorship in the College of Law	05/04/99	62,665	157,585	57,000	57,000	0	6,511
051208	Robert G. Luke, M.D. Research Chair in Nephrology	12/09/98	1,110,867	1,048,328	500,000	500,000	0	50,891
050315	Robert L. Bergen, M.D. Professorship	12/09/98	472,893	446,270	200,000	200,000	0	15,774
051407	Robert L. Johnson Scholarship Fund	08/23/00	215,821	425,624	200,000	200,000	0	0
051274	Ronald L. Akers Professorship in Criminology & Deviance Fund	06/08/99	133,706	165,158	100,000	60,000	40,000	0
051275	SCBI: Spinal Cord & Brain Injury Chair #1	03/10/99	549,695	989,108	500,000	500,000	0	0
051158	SCBI: Spinal Cord & Brain Injury Chair #2	05/04/99	1,189,801	1,122,819	500,000	500,000	0	0

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FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
051278	SCBI: Spinal Cord & Brain Injury Chair #3	03/10/99	549,695	518,749	500,000	0	500,000	0
051276	SCBI: Spinal Cord & Brain Injury Chair #4 - Clinical Director	03/10/99	1,067,952	1,007,829	500,000	500,000	0	0
051334	SCBI: Post Doctoral/Graduate Student	03/10/99	540,235	509,821	500,000	0	500,000	0
051497	Paul Mellon Post Doc Fellowship Fund	08/02/00	0	2,294,106	2,034,000	0	2,034,000	0
051099	William Robert Mills Chair in Equine Infectious Diseases	08/02/00	2,679,407	3,082,685	465,000	79,362	386,638	0
051595	Mellon Equine Graduate Fellowship	08/02/00	2,042,833	1,924,711	0	1,391,463	(1,391,463)	21,699
051594	Mellon Equine Research Fund	08/02/00	31,909	29,811	0	1,029,175	(1,029,175)	0
051220	Jes & Clementine Schlaikjer Estate for Equine Research	12/09/98	3,503,350	3,306,121	0	3,250,000	(3,250,000)	0
051223	Schlaikjer Estate- Morris Library	12/09/98	1,078,081	1,017,388	1,000,000	0	1,000,000	50,296
051497	Paul Mellon Post Doc Fellowship Fund	12/21/00	0	2,392,537	353,537	358,537	0	0
051221	William Robert Mills Chair	12/09/98	3,503,350	3,306,121	0	3,250,000	(3,250,000)	31
051218	Albert G & Lorraine N. Clay Endowed Chair in Equine Research	12/09/98	3,503,764	3,306,513	3,250,000	0	3,250,000	13
051217	Knight Endowed Chair Additional Support	12/09/98	1,347,601	1,271,735	1,250,000	0	1,250,000	0
051198	Research fund in Veterinary Science	05/04/99	1,985,471	1,873,695	274,781	274,781	0	78,840
051198	Research fund in Veterinary Science	12/09/98			1,551,100	551,100	1,000,000	2,000
051308	Shih-Chun Wang Professorship in Physiology	05/04/99	83,131	90,761	50,000	18,895	31,105	0
051083	Stites & Harbison Professorship of Law	03/10/99	129,546	133,591	72,500	68,600	3,900	10,097
051249	Sue Fan Gooding Hobgood Visiting Professorship & Scholarship	04/09/99	120,840	114,037	85,000	26,029	58,971	0
051255	T. Marshall Hann, Jr. Graduate Fellowship Fund	04/09/99	54,969	99,348	50,000	50,000	0	0
051257	T. Marshall Hann, Jr. Professorship Fund	04/09/99	317,182	399,916	200,000	199,000	1,000	14,617
051270	T.V.A. Power Plan: Engineering Program	05/04/99	2,198,780	2,074,996	1,000,000	1,000,000	0	55,466
051343	Thomas P. Lewis Professorship	06/08/99	214,130	202,557	100,000	100,000	0	11,651
051373	U.S. Surgical Corporation Professorship	04/09/99	210,384	197,626	100,000	100,000	0	0
051273	UK Athletic Association - Charles Wethington Fellowship	12/09/98	1,096,616	1,034,879	500,000	500,000	0	22,076
051243	UK Business Partnership Foundation Real Estate Professorship	12/09/98	468,292	442,391	165,300	166,300	0	12,000
051232	UK Nursery/Landscape Research Endowment	05/04/99	54,211	54,070	34,200	17,464	16,736	0
051204	UKRF: Cit on Membrane Sciences Student Mentoring Endowment	06/08/99	58,593	55,294	25,000	25,000	0	0
051214	US Surgical - Pfizer Professorship/Chair in Medical Management	11/01/00	78,759	145,878	150,000	5,527	144,473	0
051201	Verizon Chair in Network Engineering	12/09/98	1,663,583	1,865,996	900,000	900,000	0	0
051399	Von Allmen Center for Entrepreneurship & E-Commerce	08/02/00	354,746	2,215,325	2,000,000	350,000	1,650,000	21,368
051397	Von Allmen School of Accountancy Endowed Chair	08/02/00	354,746	1,857,271	2,000,000	0	2,000,000	0
051279	W. Paul and Louise Caudill Little Fdn Professorship in Medicine	04/09/99	109,225	120,861	75,000	33,906	41,094	7,457
051408	W.S. Farnish Chair/Professorship in Urological Surg Research	08/02/00	256,930	1,667,918	1,000,000	750,000	250,000	28,680
051322	Wallace Charles Hill Professorship in Educa'l Admin & Supervision	06/08/99	107,745	101,679	50,000	50,000	0	4,000
051321	Wallace Charles Hill Professorship in Rehab Counseling	06/08/99	107,019	100,994	50,000	50,000	0	0
051325	Wendell H. Ford Professorship in Public Policy	06/08/99	545,702	969,573	300,000	240,334	59,666	0
051325	Wendell H. Ford Professorship in Public Policy	12/21/00			290,410	90,410	200,000	0
051385	William "Jack" Cary Professorship in Emergency Medicine	11/01/00	50,564	99,083	50,000	50,000	0	0

Table 5

University of Kentucky
 Endowment Match Program
 Statement of Changes in Endowments
 For the period ended June 30, 2001

FRS Account Number	Endowment Name	Date Established	Market Value 07/01/00	Market Value 06/30/01	State Funds Received*	Gifts Received	Outstanding Pledges as of 06/30/01	Earnings Expended 2000-01
051180	William T. Bryan - Holding for Estate Settlement	12/09/98			313,568	0	313,568	0
051261	William T. Bryan Endowed Chair in History	12/09/98	1,134,858	1,070,969	500,000	500,000	0	0
051250	William T. Bryan Endowed Chair in Public Finance	12/09/98	1,134,858	1,070,969	500,000	500,000	0	99,023
051260	William T. Bryan Endowed Chair in Spanish	12/09/98	1,134,858	1,070,969	500,000	500,000	0	54,461
051251	William T. Bryan Endowed Chair in Special Education	12/09/98	1,134,858	1,070,969	500,000	500,000	0	31,067
051253	William T. Bryan Endowed Chair in the Patterson School	12/09/98	1,134,858	1,070,969	500,000	500,000	0	8,873
051252	William T. Bryan Endowed Chair in Vocal Music	12/09/98	1,134,858	1,070,969	500,000	500,000	0	47,000
051437	William T. Bryan Library Endowment Fund	12/09/98	0	1,352,553	686,432	686,432	0	0
0-51185	W. T. Young Library Endowment (Other than Research - 40%)	12/09/98	14,682,923	30,644,239	7,896,600	4,753,577	3,143,023	322,720
0-51570	W. T. Young Library Endowment (Science, Tech., Medicine - 60%)	12/09/98			11,128,400	6,525,442	4,602,958	
051265	Wyatt Tarrant & Combs Professorship of Law II	05/04/99	107,072	120,033	60,000	60,000	0	5,807
051264	Zankner Charitable Fdn Professorship in Judaic Studies	05/04/99	328,525	357,577	250,000	100,000	150,000	17,887
	Total of Existing Endowments		132,898,994	170,595,832	95,491,159	63,971,022	31,520,137	2,727,003
	GRAND TOTAL ALL ENDOWMENTS:		132,898,994	208,174,525	119,638,755	73,322,603	46,316,152	2,970,023

University of Louisville

University of Louisville

Endowment Match Program

2000-2001 Summary Report

This report covers the activities and expenditures supported at the University of Louisville under the Endowment Match Program. In the 1998-2000 biennium, the University of Louisville was successful in matching all \$33.3 million of funds allotted to it under the Endowment Match program. Coupled with a corresponding amount from the private sector, this added a total of \$65.1 in new principal to UofL's overall endowment. This initial influx of funds laid a solid foundation for Round II of the Endowment Match Program.

During fiscal year 2000-2001, UofL submitted nine requests totaling \$19.8 million in matching funds to the Council on Postsecondary Education. The CPE staff processed all but three requests during that timeframe and disbursed \$17.8 million to UofL (Table 4). (The three remaining requests were subsequently approved in FY 2002, which UofL will address in the next annual report.) The new funds were used to establish fifteen new endowment funds with a combined market value of \$31.5 million (Table 4) as of June 30, 2001.

Outstanding pledges for this group totaled \$2.6 million. Private donations and state matching funds supported the addition of thirteen new endowed chairs in FY 2001, a new fellowship program in engineering, and a new research mission support fund in molecular medicine. The funds are currently invested and the earnings will be available in FY 2003 for programmatic expenditure. This spending plan follows the policy of the University of Louisville Foundation, Inc. to expend earnings from endowment funds one year in arrears. As of June 30, 2001 none of the newly established thirteen endowed chair positions were filled. The various departments where the endowed chairs are housed are busy recruiting this year and have identified several excellent candidates for hiring this coming July.

Endowment Activity

The following tables show the effect of the activity for the fiscal year ending June 30, 2001 and the cumulative effect of the Endowment Match Program since its inception, i.e. July 1998. It is important to note that several additional chairs have been funded and filled after June 30, 2001, but that activity is not reflected in this report.

Table 1: Annual and Cumulative Match Program Activities

Activity	2000-2001		1998-2001	
	Number Of positions Or Projects	Number Occupied or Projects with Expenditures	Number of Positions or Projects	Number Occupied or Projects with Expenditures
Chairs	13	0	36	17
Professorships	0	0	0	0
Fellowships	1	0	3	0
Scholarships	0	0	1	1
Mission Support Projects	1	0	4	1
Totals	15	0	44	19

During FY 2001 thirteen new endowed chair positions were established through the Endowment Match Program along with one fellowship program and one mission support program. None of those positions were filled during the fiscal year and no expenditures were made, as it is the University of Louisville Foundation's policy to spend endowment earnings the year after they are earned.

Overall, since 1998 through June 30, 2001, a total of 36 endowed chairs, 3 graduate fellowship programs, 4 mission support projects, and one scholarship fund have been endowed through the Endowment Match Program at the University of Louisville. As of this reporting period, 12 endowed chair positions are occupied, 1 graduate scholarship fund made awards, and 1 mission support project reported expenditures.

Demographic Information

The majority of faculty hired using Endowment Match Program funds are male. Since 1998 through June 30, 2001, a total of 12 faculty have been hired under the auspices of the Endowment Match Program. Ten (10) of those hired (or 83 percent) were male, and two (2) (or 16 percent) were female.

Table 2: Gender of Endowment Match Program Faculty and Staff

As of June 30, 2001

	Male	Female
Chairs	10	2
Professors	0	0
Staff	NA	NA
Total	10	2

The majority of chairs hired through the Endowment Match Program are White, non-Hispanics. As can be seen in Table 3, 12 (or 100 percent) match program employees hired since 1998 were white.

Table 3: Race of Endowment Match Program Faculty and Staff

As of June 30, 2001

	<u>White</u>	<u>Black</u>	<u>Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Total</u>
Chairs	12	0	0	0	0	12
Professorships	0	0	0	0	0	0
Staff	NA	NA	NA	NA	NA	NA
Total	12	0	0	0	0	12

Sources of Funds, Earnings, and Expenditures

During fiscal year 2000-01, UofL received \$17,758,408 in new donations, gifts, and pledges from private sources (Table 4) that were matched with state funds for the second round of the Endowment Match Program. This is over half of UofL's allotted \$33.3 million. Most of that amount, \$15,172,192 or 85.4% was received in cash or cash equivalents, and the remainder, \$2,586,216 or 14.6%, was received

in the form of pledges. Correspondingly, UofL requested and received \$17,760,742 in state matching funds through the Round II of the Endowment Match Program. As a result, a total of \$32,932,934 in private and state funds was used to create fifteen new endowments, with thirty new accounts to track the funds over time. Since the funds were received at different times during the fiscal year, they were invested as they were received so, understandably, the investment earnings vary among the different endowments and among the private gifts and State matching funds. Clearly, this anomaly is self-correcting as funds are invested for the full fiscal year in FY 2002.

As of June 30, 2001, the total market value of the fifteen new endowment funds established under Round II of the Endowment Matching Program was \$31,523,203 (Table 5). UofL Foundation, Inc. records show an outstanding balance of \$2,586,216 in outstanding pledges on these accounts. This fact is somewhat unusual as it is rare to receive the preponderance of gifts in the form of cash, cash equivalents and estate settlements. Again, it is the UofL' Foundation's policy to expend the earnings from endowment funds one year in arrears, there were no expenditures for program activities during the fiscal year ended June 30, 2001.

Since its inception in 1998, UofL received a cumulative total of \$52,894,393 in donations, gifts, and pledges from private sources (Table 5 – Grand Total) that were matched with state funds for both Rounds I and II of the Endowment Match Program. This is approximately 80% of UofL's allotted \$66.6 million. Most of the cumulative receipts, \$42,711,118 or 80.7%, were received in cash or cash equivalents, and the remainder, \$10,183,275 was booked as receivables in the form of pledges. Correspondingly, UofL requested and received \$50,593,742 in state matching funds through the Endowment Match Program as of June 30, 2001.

As a result of this Endowment Match Program, a total of \$103,488,153 in book value of private and state funds was used to create fifty-nine new endowments. As of June 30, 2001, the total market value of these new endowment funds was \$100,544,195 (Table 5). This slight dip reflects the performance of equity markets over the last year. The UofL Foundation, Inc. records show an outstanding balance of \$10,183,275 in outstanding pledges on these endowments. Donor payments to date have been on track and at this writing the University does not expect collecting on pledges to be a financial concern.

UNIVERSITY OF LOUISVILLE
ENDOWMENT MATCH PROGRAM
ENDOWMENTS MATCHED WITH STATE FUNDS
DURING FISCAL YEAR 2001-01

Table 4

NAME	Date Established/ Expanded	Gifts	Private Funds Pledges	Total	Matching State Funds	Total Received
Endowments Created						
DELTA DENTAL CHAIR IN ORAL HEALTH	11/1/00	750,000		750,000	750,000	1,500,000
J GRAHAM BROWN FOUNDATION CHAIR IN CANCER GENETICS	12/30/00	1,000,000		1,000,000	1,000,000	2,000,000
J GRAHAM BROWN FOUNDATION CHAIR IN GENE THERAPY	12/30/00	1,000,000		1,000,000	1,000,000	2,000,000
JOHNSON CHAIR IN LOGISTICS & DISTRIBUTION	1/19/01	100,000	400,000	500,000	500,000	600,000
CALDWELL CHAIR IN GYNECOLOGIC ONCOLOGY	2/1/01		1,000,000	1,000,000	1,000,000	1,000,000
HEUSER HEARING RESEARCH ENDOWED CHAIR	5/21/01		1,000,000	1,000,000	1,000,000	1,000,000
COMPUTER VISUAL IMAGE PROCESSING CHAIR	2/7/01	2,000,000		2,000,000	2,000,000	4,000,000
TECHNICAL WRITING CHAIR IN RHETORIC	2/7/01	1,000,000		1,000,000	1,000,000	2,000,000
NANOTECHNOLOGY/SURFACE ENGINEERING CHAIR	2/7/01	2,989,760		2,989,760	2,989,760	5,979,520
INTELLECTUAL PROPERTY CHAIR IN LAW	2/7/01	1,000,000		1,000,000	1,000,000	2,000,000
BIOMECHANICS CHAIR IN BIENGINEERING	2/7/01	3,000,000		3,000,000	3,000,000	6,000,000
CONN GRADUATE FELLOWSHIP	1/2/01	63,784	186,216	250,000	250,000	313,784
E-COMMERCE CHAIR IN LOGISTICS & DISTRIBUTION	2/7/01	2,000,000		2,000,000	2,000,000	4,000,000
BLOCH RESEARCH IN MOLECULAR DIVERSITY	12/11/00	268,648		268,648	270,982	539,630
POWERS ENDOWED CHAIR IN NURSING	7/18/00	500,000		500,000	500,000	1,000,000
Total		15,172,192	2,586,216	17,758,408	17,760,742	32,932,934

**UNIVERSITY OF LOUISVILLE
ENDOWMENT MATCH PROGRAM
STATEMENT OF CHANGES IN ENDOWMENTS**

NAME	START Date	Prior to 7/1/00			During Fiscal Year 2000 - 01			Market Value 6/30/01	Outstanding Pledges
		State Funds Received	Gifts Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)		
New Endowments									
DELTA DENTAL CHAIR IN ORAL HEALTH	11/1/00	0	0	0	750,000	750,000	18,475	0	1,511,503
J GRAHAM BROWN FOUNDATION CHAIR IN CANCER GENETICS	12/30/00	0	0	0	1,000,000	1,000,000	22,786	0	1,963,655
J GRAHAM BROWN FOUNDATION CHAIR IN GENE THERAPY	12/30/00	0	0	0	1,000,000	1,000,000	23,150	0	1,981,532
JOHNSON CHAIR IN LOGISTICS & DISTRIBUTION	1/19/01	0	0	0	500,000	100,000	4,110	0	592,169
CALDWELL CHAIR IN GYNECOLOGIC ONCOLOGY	2/1/01	0	0	0	1,000,000	0	3,883	0	1,022,597
HEUSER HEARING RESEARCH ENDOWED CHAIR	5/2/01	0	0	0	1,000,000	0	2,367	0	993,688
COMPUTER VISUAL IMAGE PROCESSING CHAIR	2/7/01	0	0	0	2,000,000	2,000,000	15,446	0	3,765,316
TECHNICAL WRITING CHAIR IN RHETORIC	2/7/01	0	0	0	1,000,000	1,000,000	7,723	0	1,882,658
NANOTECHNOLOGY/SURFACE ENGINEERING CHAIR	2/7/01	0	0	0	2,989,760	2,989,760	8,551	0	5,675,718
INTELLECTUAL PROPERTY CHAIR IN LAW	2/7/01	0	0	0	1,000,000	1,000,000	7,723	0	1,882,658
BIOMECHANICS CHAIR IN BIOENGINEERING	2/7/01	0	0	0	3,000,000	3,000,000	23,171	0	5,647,973
CONN GRADUATE FELLOWSHIP	1/2/01	0	0	0	250,000	63,784	390	0	313,483
E-COMMERCE CHAIR IN LOGISTICS & DISTRIBUTION	2/7/01	0	0	0	2,000,000	2,000,000	15,446	0	3,765,316
ELOCH RESEARCH IN MOLECULAR DIVERSITY	12/1/00	0	0	0	270,982	268,648	2,823	0	524,937
POWERS ENDOWED CHAIR IN NURSING	7/18/00	0	0	0	500,000	500,000	15,846	0	1,064,928
Subtotal New Endowments		0	0	0	17,760,742	15,172,192	156,044	0	31,523,203

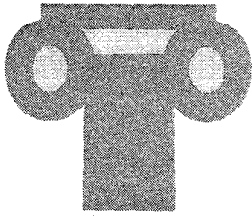
Existing Endowments

KEENEY CHAIR IN OPHTHALMOLOGY	8/8/97	1,000,000	1,000,500	2,595,186	64,057	0	2,669,018
JEWISH HOSPITAL CHAIR IN CARDIOLOGY	1/2/98	1,000,000	1,000,000	2,234,845	57,567	121,191	2,499,704
DUTHIE CHAIR IN ENGINEERING LOGISTICS	6/2/98	500,000	501,056	1,223,480	30,199	52,595	1,258,287
PETERSDORF CHAIR FOR SPINAL & HEAD INJURY	6/7/98	1,000,000	1,020,000	2,532,971	62,521	15,834	2,605,032
MCCONNELL CHAIR IN POLITICAL LEADERSHIP	9/30/98	1,000,000	1,000,000	2,462,769	60,789	120,036	2,532,833
BROWN/FORMAN CHAIR IN ENTREPRENEURSHIP	7/16/98	1,000,000	700,000	1,808,431	48,130	36,409	2,056,498
STALLINGS CHAIR IN LAW	10/29/98	500,000	500,530	1,220,281	30,120	6,042	1,254,996
FISCHER FAMILY ENTREPRENEURSHIP	12/17/98	500,000	527,302	1,230,177	30,364	2,822	1,292,533
WEAKLEY CHAIR IN ANESTHESIOLOGY	1/4/99	1,000,000	605,423	1,726,216	44,863	14,464	1,969,989
BARNSTABLE/BROWN CHAIR IN DIABETES	12/17/98	500,000	300,000	851,435	22,139	28,606	973,047
BUMGARDNER CHAIR IN OTOLARONGOLOGY	11/25/98	1,500,000	573,020	3,825,987	94,436	0	3,934,834
CHF CHAIR IN PEDIATRICS RESEARCH	1/29/99	1,000,000	1,000,000	2,456,251	60,627	71,189	2,526,129
BOEHL TRUST IN HEALTH POLICY	9/18/98	500,000	509,945	1,153,034	31,389	19,469	1,140,313
BOEHL TRUST IN LAW	9/18/98	1,000,000	1,019,889	2,306,068	62,826	38,939	2,280,626
DIRECTOR BROWN CANCER CENTER	7/30/99	2,000,000	2,051,605	4,525,649	99,501	0	4,237,323
LODI ENDOWED CHAIR	10/10/98	1,500,000	1,200,000	2,017,851	41,831	330,674	2,066,064
Subtotal Existing Endowments		17,760,742	15,172,192	31,523,203	156,044	0	2,586,216

**UNIVERSITY OF LOUISVILLE
ENDOWMENT MATCH PROGRAM
STATEMENT OF CHANGES IN ENDOWMENTS**

NAME	START Date	Prior to 7/1/00		During Fiscal Year 2000 - 01				Market Value 6/30/01	Outstanding Pledges	
		State Funds Received	Gifts Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)			Earnings Expended
JEWISH HOSPITAL MASTER FUND	4/1/99	8,000,000	3,312,980	17,838,997			346,593	133,116	17,733,010	
ASHLAND CHAIR IN EARLY CHILDHOOD RESEARCH	8/1/99	500,000	250,000	723,850	125,000		19,252	21,800	866,106	250,000
NORTON HOSPITAL NEUROSURGERY CHAIR	5/15/98	1,000,000	0	1,114,323			82,505	2,795	1,146,025	1,000,000
RUNNER FELLOWSHIP IN ENGINEERING	7/2/99	250,000	250,020	574,328			14,232	0	594,544	
LIBRARY CHAIR IN SCHOLARLY COMMUNICATIONS	7/2/97	555,000	555,739	1,304,791			32,206	724	1,341,911	
NICHOLS FACULTY RESEARCH AWARD	10/20/99	125,000	37,941	139,290	37,941		3,837	0	181,194	87,059
SPINAL CORD & HEAD INJURY CHAIR #1	1/1/99	500,000	500,000	1,116,017			143,164	0	1,147,766	
MCDOWELL EVANS TRUST FUND	6/29/98	373,000	1,892,113	2,728,197			102,129	1,156	2,396,328	
SAMUELS FAMILY SCHOLARSHIP	12/9/97	200,000	200,000	491,499			12,132	8,000	505,481	
LEONARD V. HARDIN FELLOWSHIP	10/23/99	100,000	20,746	114,508	20,746		3,044	0	137,377	80,000
SPINAL CORD & HEAD INJURY CHAIR #2	1/1/99	500,000	500,000	946,558			27,312	0	1,137,966	
GORDON-HOCKENSMITH SPEED COMPUTING RESOURCES	4/26/00	250,000	510,117	635,569			18,043	0	829,229	
NORTON'S MASTER FUND	7/15/99	4,980,000	0	6,106,488			143,610	0	5,706,830	4,980,000
		32,833,000	27,538,926	68,005,046	0	483,887	1,645,214	1,025,861	69,020,992	7,597,059
Subtotal Existing Endowments										
GRAND TOTAL		32,833,000	27,538,926	68,005,046	17,760,742	15,655,879	1,802,258	1,025,861	100,544,195	10,183,275

Western Kentucky University



WESTERN KENTUCKY UNIVERSITY FOUNDATION

1 BIG RED WAY ♦ BOWLING GREEN, KY 42101-3576 ♦ TEL. (270) 745-6208 ♦ FAX (270) 745-2009 ♦ HTTP://WWW.WKU.EDU

March 28, 2002

Ms. Angela Martin
Kentucky Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, Kentucky 40601

Dear Ms. Martin:

Enclosed is the report from the Western Kentucky University Foundation for the Endowment Match Program. You will find information on 33 endowments valued at \$10,021,277 as of June 30, 2001.

Please don't hesitate to contact me or Paula Jarboe ,trust accountant, if you have questions or need additional information.

Cordially,

Thomas S. Hiles
Executive Director

TSH: jcb

enclosures

APR 1 8 36 AM '02
POSTSECONDARY
EDUCATION

WESTERN KENTUCKY UNIVERSITY
Western Kentucky University Foundation, Inc.
College Heights Foundation
Endowment Match Program
2000-01 Summary Report

This report covers the activities and expenditures supported at Western Kentucky University under the Endowment Match Program. During fiscal year 2000-01, Western Kentucky University submitted 29 requests totaling \$4,677,000 in matching funds to the Council on Postsecondary Education. The council staff processed 29 of those requests and disbursed \$4,677,000 to Western Kentucky University (Table 4). These funds were used to establish 25 new endowments and expand 3 existing endowments at the Western Kentucky University Foundation and College Heights Foundation. With the addition of these endowments, the match program has helped create or expand a cumulative total of 33 endowments valued at \$10,021,277 as of June 30, 2001 (Table 5).

Private donations and state matching funds supported the addition of 28 endowed activities at Western Kentucky University in 2000-01 (Table 1), including one chair, eight faculty positions, one scholarship fund and 18 mission support projects. As of June 30, six of those activities were operational. Four faculty positions have been filled with the expectation of filling two more positions this fall and spring. In addition, one endowed project for mission support was undertaken during the year and is already reporting expenditures. Since the program's inception in 1998, 14 faculty positions have been established and nine have been filled; one scholarship fund has been created and will make its first award in Spring 2002; and 18 mission support activities have been created with one already reporting expenditures.

Endowment Activity

As shown in Table 1, match program funds were used to create one endowed chair, eight endowed professorships, one scholarship fund, and 18 mission support projects in 2000-01. Of these activities, a total of 10 were active. As of June 30, 2001, one endowed chair position and eight endowed professorship positions were occupied, and one mission support activity reported expenditures. Overall, since 1998, a total of one endowed chair, 13 endowed professorships, one undergraduate scholarship fund, and 18 mission support projects have been endowed through the program. As of fiscal year end, one chair and eight professorship positions were occupied, with one mission support project reporting expenditures.

Table 1: Annual and Cumulative Match Program Activities

Activity	2000-2001		1998-2001	
	Number of Positions or Projects	Number Occupied or Projects with Expenditures	Number of Positions or Projects	Number Occupied or Projects with Expenditures
Chairs	1	1	1	1
Professorships	8	4	13	8
Fellowships	0	0	0	0
Scholarships	1	0	1	0
Mission Support Projects	18	1	18	1
Totals	28	6	33	10

Demographic Information

The majority of faculty and staff hired using Endowment Match Program funds are male. Since 1998, a total of nine faculty have been hired under the auspices of the Endowment Match Program. Eight of those hired (or 88.8 percent) were male, and one (or 11.2 percent) was female.

Table 2: Gender of Endowment Match Program Faculty and Staff

	As of June 30, 2001	
	Male	Female
Chairs	1	0
Professors	7	1
Staff	0	0
Total	8	1

The majority of professors hired through the Endowment Match Program are White, non-Hispanics. As can be seen in Table 3, 8 of 9 (or 88.8 percent) match program employees hired since 1998 were white, one (or 11.2 percent) was Asian. Overall, minority participation in the program has increased.

Table 3: Race of Endowment Match Program Faculty and Staff
As of June 30, 2001

	White	Black	Am. Indian	Asian	Hispanic	Total
Chairs	1	0	0	0	0	1
Professorships	7	0	0	1	0	8
Staff	0	0	0	0	0	0
Total	8	0	0	1	0	9

Sources of Funds, Earnings, and Expenditures

During fiscal year 2000-01, Western Kentucky University Foundation and College Heights Foundation received \$4,556,200 in donations, gifts, and pledges from private sources (Table 4) that were matched with state funds. About half of that amount, \$2,069,262 or 45.4 percent, was received in cash, and the remainder, \$2,486,938 or 54.6 percent, was received in the form of pledges. Western Kentucky University requested and received \$4,677,000 in state matching funds through the Endowment Match Program. As a result, a total of \$6,709,262 in private and state funds were used to create 25 new endowments and expand three existing endowments during the year.

As of June 30, 2001, the total market value of the 33 endowment accounts established under the Endowment Matching Program was \$10,021,277 (Table 5). Of that amount, \$6,988,000 (or 69.7 percent) were state funds and \$2,785,366 (or 27.8 percent) were gift funds. Foundation records show an outstanding balance of \$4,189,834 in unpaid pledges on these accounts. Just under \$50,000 was expended for program activities during the fiscal year ended June 30, 2001.

Western Kentucky University
Western Kentucky University Foundation and College Heights Foundation
Endowment Match Program
Endowments Matched with State Funds
During Fiscal Year 2000-01

Endowment Name	Date Established/ Expanded	Private Funds			Total	State Match Paid	Total Received *
		Gifts	Pledges	Total			
Endowments Created:							
J Clifford Todd Professorship of Longevity & Healthful Living	10/15/99	\$ 197,360	\$ 302,640	\$ 500,000	\$ 500,000	\$ 697,360	
Centercare/CHC Visiting Professorship	1/7/00	300,000	-	300,000	300,000	600,000	
Leon Page Professorship in Banking & Financial Planning	1/10/00	200,000	300,000	500,000	500,000	700,000	
Wm. M. McCormack Professorship	1/11/00	324,797	175,203	500,000	500,000	824,797	
Kenneth E. & Irene S. Hall Professorship in Construction Engineering	1/18/00	200,000	300,000	500,000	500,000	700,000	
Faculty Fund for Excellence in Ogden College/Hard Sciences	4/27/00	4,370	95,630	100,000	100,000	104,370	
Boyd-Lubker Visiting Scholars Program	5/4/00	50,000	50,000	100,000	100,000	150,000	
Johnson & St. Clair Center for Gifted Studies Faculty Support	5/12/00	-	12,500	12,500	12,500	12,500	
College of Education Dean's Fund for Excellence	5/18/00	2,407	10,093	12,500	12,500	14,907	
Gordon Ford College of Business Dean's Fund for Excellence	5/18/00	2,407	10,093	12,500	12,500	14,907	
Ogden College of Science and Engineering Dean's for Excellence	5/18/00	2,407	10,093	12,500	12,500	14,907	
Potter College of Arts Dean's Fund for Excellence	5/18/00	2,407	10,093	12,500	12,500	14,907	
Larry B. Shelton Dean's Fund for Excellence	5/25/00	3,000	12,000	15,000	15,000	18,000	
Catherine C. Ward Visiting Professorship for Women's Studies	5/25/00	102,000	8,000	110,000	110,000	212,000	
Minority Teacher Support Endowment	6/12/00	8,333	16,667	25,000	25,000	33,333	
Bell Fund for Civil Engineering	6/30/00	125,000	-	125,000	125,000	250,000	
Knically Professorship in Leadership Studies	7/19/00	266,625	233,375	500,000	500,000	766,625	
M. Eddie Carter Gifted Studies Faculty Fund	7/27/00	25,000	-	25,000	25,000	50,000	
Bramham/Collins Visual and Performing Guest Artist Endowment	8/1/00	17,391	42,509	59,900	60,000	77,391	
Reeves Instructional Fund for Gerontology Outreach	8/1/00	100,000	-	100,000	100,000	200,000	
Gordon Ford College of Business Endowment	8/4/00	10,000	40,000	50,000	50,000	60,000	
Mosley Watkins Fund for Excellence in English	8/10/00	1,225	6,375	7,600	2,500	3,725	
Tom Gorin Dean's Fund for Excellence	12/31/00	5,000	20,000	25,000	25,000	30,000	
Service One Credit Union Endowed Scholarship Fund	2/1/01	2,000	8,000	10,000	10,000	12,000	
Kerr -Greulich Endowment for Ogden College	3/30/01	10,000	88,000	98,000	27,000	37,000	
Sub Total		\$1,961,729	\$1,751,271	\$3,713,000	\$3,637,000	\$5,598,729	

Western Kentucky University
Western Kentucky University Foundation and College Heights Foundation
Endowment Match Program
Endowments Matched with State Funds
During Fiscal Year 2000-01

Endowment Name	Date Established/ Expanded	Private Funds			Total	State Match Paid	Total Received *
		Gifts	Pledges	Total			
Endowments Expanded:							
Gail Martin Lecture & Faculty Development Series	6/12/00	\$ 8,333	\$ 16,667	\$ 25,000	\$ 25,000	\$ 33,333	
Cangemi Faculty Award for COE	9/4/00	3,000	15,000	18,000	15,000	18,000	
Jim Scott Professorship	7/10/00	200,000	800,000	1,000,000	1,000,000	1,200,000	
Sub Total		\$ 211,333	\$ 831,667	\$ 1,043,000	\$ 1,040,000	\$ 1,251,333	
Grand Total		\$2,173,062	\$ 2,582,938	\$ 4,756,000	\$ 4,677,000	\$ 6,850,062	

* Total gift and state funds received. Does not include pledges.

WESTERN KENTUCKY UNIVERSITY
Western Kentucky University Foundation and College Heights Foundation
 Endowment Match Program
 Statement of Changes in Endowment Principal
 Fiscal Year 2000-01

Endowment Title	Date Est.	Prior to 7/1/00				During Fiscal Year 2000-01				Market Value 6/30/01	Outstanding Pledges 6/30/01
		State Funds Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended	Market Value 6/30/01			
New Endowments:											
Kerr-Greulich Endowment for Ogden College	3/30/01	-	\$ -	\$ 27,000 *	\$ 10,000	-	\$ -	-	\$ -	\$ 10,000	\$ 88,000
Service One Credit Union Endowed Scholarship Fund	2/1/01	-	-	10,000 *	2,000	-	-	-	-	2,000	8,000
Tom Gorin Deans Fund for Excellence	12/31/00	-	-	25,000	5,000	-	-	-	-	30,000	20,000
Mosley Watkins Fund for Excellence in English	8/10/00	-	-	2,500	1,225	-	-	-	-	3,725	6,275
Gordon Ford College of Business Endowment	8/4/00	-	-	50,000	10,000	-	-	-	-	60,000	40,000
Branham/Collins Visual & Performing Guest Artist Endowment	8/1/00	-	-	60,000	17,391	5,101	-	-	-	82,492	42,509
Reeves Instructional Fund for Gerontology Outreach	8/1/00	-	-	100,000	55,297	1,872	-	-	-	157,168	44,704
M. Eddie Carter Gifted Studies Faculty Fund	7/27/00	-	-	25,000	25,000	-	-	-	-	50,000	-
Knicey Professorship in Leadership Studies	7/19/00	-	-	500,000	188,125	(18,222)	-	-	3,465	669,903	311,875
Bell Fund for Civil Engineering	6/30/00	-	25,000	24,488	100,000	-	-	-	-	246,023	-
Minority Teacher Support Endowment	6/12/00	-	-	25,000	8,333	10	-	-	-	33,343	16,667
Larry B. Shelton Dean's Fund for Excellence	5/25/00	-	-	15,000	3,000	-	-	-	-	18,000	12,000
Ward Visiting Professorship for Womens Studies	5/25/00	-	2,000	110,000	100,000	(5,688)	662	-	-	203,650	8,000
College of Education Dean's Fund for Excellence	5/18/00	-	-	12,500	2,407	2	-	-	-	14,909	10,093
Ogden Ford College of Business Dean's Fund for Excellence	5/18/00	-	-	12,500	2,407	2	-	-	-	14,909	10,093
Ogden College of Science and Engineering Deans for Excellence	5/18/00	-	-	12,500	2,407	2	-	-	-	14,909	10,093
Potter College of Arts Dean's Fund for Excellence	5/18/00	-	-	12,500	2,407	2	-	-	-	14,909	10,093
Johnson & St. Clair Center for Gifted Studies Faculty Support	5/12/00	-	-	12,500	-	-	-	-	-	12,500	12,500
Boyd-Lubker Visiting Scholars Program	5/4/00	-	-	100,000	50,000	426	-	-	-	150,426	50,000
Faculty Fund for Excellence in Ogden College/Hard Sciences	4/27/00	-	-	100,000	4,370	-	-	-	-	104,370	95,630
Hall Professorship in Construction Engineering	1/18/00	-	100,000	500,000	100,000	-	-	-	-	701,364	300,000
Wm. M. McCormack Professorship	1/11/00	-	324,797	500,000	334,948	-	-	-	-	834,948	175,203
Leon Page Professorship in Banking & Financial Planning	1/10/00	-	100,000	500,000	50,000	-	-	-	-	652,650	350,000
Centercare/CHC Visiting Professorship	1/7/00	-	150,000	300,000	150,000	-	5,950	-	-	597,119	-
Todd Professorship of Longevity & Healthful Living	10/15/99	-	197,360	500,000	-	11,552	-	-	-	713,637	302,640
Sub-Total		-	899,157	3,637,000	889,369	(4,941)	10,076	-	5,394,952	1,924,374	

WESTERN KENTUCKY UNIVERSITY
Western Kentucky University Foundation and College Heights Foundation
 Endowment Match Program
 Statement of Changes in Endowment Principal
 Fiscal Year 2000-01

Endowment Title	Date Est.	Prior to 7/1/00			During Fiscal Year 2000-01				Market Value 6/30/01	Outstanding Pledges 6/30/01
		State Funds Received	Gifts Received	Market Value 7/1/00	State Funds Received	Gifts Received	Investment Earnings (Loss)	Earnings Expended		
Existing Endowments:										
Cangemi Faculty Award for COE	9/4/00	\$ -	\$ 2,000	\$ 2,729	\$ 15,000 *	1,000	1,931	\$ -	\$ 5,661	\$ 12,000
Jim Scott Professorship	7/10/00	-	-	418	1,000,000	200,000	-	18,853	1,181,565	800,000
Gail Martin Lecture & Faculty Development Series	6/12/00	-	-	44,770	25,000	8,333	-	2,866	77,002	16,667
Hays Watkins Visiting CEO Professorship	9/28/99	311,000	110,600	433,185	-	-	-	-	433,185	200,400
Jerry E. Baker Professorship in Music	1/28/99	500,000	-	573,465	-	101,523	(92)	-	674,896	398,477
Mary R. Nixon Professorship in Accounting	1/4/99	500,000	10,000	596,002	-	51,570	(751)	-	646,820	438,430
Mattie Newman Ford Professorship in Entrepreneurship	11/19/98	500,000	99,100	696,069	-	106,311	9,109	84	811,406	294,589
Layne Professorship in Mechanical Engineering	9/25/98	500,000	125,000	710,284	-	100,000	-	14,493	795,791	275,000
Sub-Total		<u>2,311,000</u>	<u>346,700</u>	<u>3,056,921</u>	<u>1,040,000</u>	<u>568,737</u>	<u>10,197</u>	<u>36,296</u>	<u>4,626,325</u>	<u>2,435,563</u>
Grand Total		<u>2,311,000</u>	<u>1,245,857</u>	<u>3,977,523</u>	<u>4,677,000</u>	<u>1,458,106</u>	<u>5,256</u>	<u>46,373</u>	<u>10,021,277</u>	<u>4,359,937</u>

* These state matching funds were in transit from Frankfort at 6/30/01.

Report on March Collaboration Discussion

Five council members joined the Chief Academic Officers at their March 25 meeting to discuss the benefits and challenges of collaboration among postsecondary institutions. Faculty members representing three collaborative programs outlined the strengths and weaknesses of the different models being used. The following key issues emerged from the discussion:

- Priority setting. Given the resources and effort required to create collaborative programs, the council should identify areas where collaboration will most contribute to state needs.
- Start-up costs. Creating collaborative programs often requires significant start-up costs to reap long-term gains. The KYVU currently maintains a revolving loan fund to support on-line collaboration. A loan fund to support other types of collaboration may be helpful.
- Technology barriers. Establishing a common technology platform would simplify on-line collaboration.
- Tuition barriers. Tuition policies for collaborative programs should, where possible, reflect the cost of collaboration and allow for common tuition rates across institutions for multi-institutional programs.
- Common library resources. The KYVL and institutional libraries should work together to ensure that students in collaborative programs have equal access to necessary library resources.
- Intellectual property issues. Model policies are needed for defining ownership of courses developed in collaborative programs.
- Transfer policies. Current transfer policies often limit the number of credit hours students can earn from multiple institutions.
- Role of on-line delivery systems. The discussion provided examples of effective collaborations that were totally on-line, partially on-line, or used no on-line delivery. Each collaborative program should utilize, to the fullest extent possible, the resources available for on-line delivery.
- Multiple forms of collaboration. Academic program collaboration is only one type of collaboration needed. The council supports other forms of collaboration that may provide even greater benefits. For example the KYVL Endeavor project contracts for library resources for 15 institutions saving millions of dollars for databases used across the state. Collaborative programs in adult education, P-16, and workforce development also are contributing significantly to postsecondary reform.

The council staff will work with the institutions and the council to identify policy changes, programs, and faculty development efforts needed to address these issues and promote effective postsecondary collaboration.

Staff preparation by Ben Boggs

Council on Postsecondary Education
May 20, 2002

KYVU Memorandum of Agreement with West Virginia

In June 2002, the council and the Kentucky Virtual University will sign a memorandum of agreement with the Kentucky Community and Technical College System and the West Virginia Higher Education Policy Commission to create an alliance for on-line learning. Under the agreement, up to 400 West Virginia community college students will enroll in 2002 in specified KCTCS courses offered through the KYVU, paying 120 percent of the applicable Kentucky in-state tuition rate. The West Virginia students will have full access to the Kentucky Virtual Library, with the West Virginia commission paying an annual \$5,000 access fee.

West Virginia faculty will be invited to collaborate in the delivery of existing KCTCS programs. The KCTCS and the West Virginia commission may share the cost of professional development for jointly held faculty training, and will initiate a faculty-driven peer review process to ensure continuous quality improvement for the shared programs.

The KCTCS and the West Virginia commission will explore the joint creation of Web-based courses and programs, sharing equally the cost of development and deployment. By pooling their resources in this way, the KCTCS and the West Virginia commission – supported by the council and the KYVU – will be able to create and deliver on-line programs that neither could fully deliver on its own. Students in Kentucky and West Virginia will be better and more efficiently served.

Staff preparation by Daniel Rabuzzi

**Council on Postsecondary Education
May 20, 2002**

Executive Summary

The Council Business

There are three items of council business: appointments to the P-16 Council and the Kentucky Educational Television Board; action on the report of the nominating committee; and discussion of the presidential search. Chair Whitehead will report.

The next meeting of the council will be at Centre College July 21-22. This will be a meeting to give the council an opportunity to visit with the Governor's Scholars: outstanding rising seniors from high schools throughout the state. Governor's Scholars Programs are hosted this summer by Centre, Eastern Kentucky University, and Northern Kentucky University.

Finally, in staff news, Dianne Bazell, senior associate for academic affairs, has been selected to participate in this year's Leadership Kentucky program. Leadership Kentucky's mission is to cultivate community leaders across the state through a series of workshops led by state leaders and national experts.

Tours of the new NKU Science Building and the adult education mobile unit are available after a buffet lunch.