

# AGENDA

## Council on Postsecondary Education

Thursday, September 10, 2009

3 p.m. (central time)

Kentucky Building

College Heights Boulevard

Western Kentucky University, Bowling Green, KY

### Roll Call

Approval of Minutes ..... 1

### Welcome from President Gary Ransdell and Western Kentucky University

### CPE President's Report to the Council

1. Action: 2009-10 Regional Stewardship Grant Funds ..... 9
2. Action: Revisions to Independent College Licensing Regulation with Fee Schedule ..... 11
3. Action: New Regulation for Definitions for Independent College Licensing ..... 67
4. Action: New Regulation Regarding Licensed Out-of-State Colleges' Eligibility for Kentucky Tuition Grants ..... 75
5. Action: Revision to Student Residency Regulation ..... 105
6. Action: CPE President's Plan of Work 2009-10 ..... 127
7. Action: MoSU Request for Qualitative Waiver ..... 131
8. Action: 2009-10 Agency Operating Budget ..... 133
9. 2010-12 Budget Recommendation Update ..... 139
10. 2011-2015 Strategic Agenda Initial Discussion ..... 149
11. Commissioner of Education Report
12. Annual Report from the Association of Independent Kentucky Colleges and Universities ..... 153
13. Committee Appointments

Reports from the Institutions ..... 155

### Other Business

### Next Meetings

- October 1, 2009 Special CPE Meeting: 2010-12 Budget Discussion, CPE Offices, Frankfort
- November 6, CPE Meeting, CPE Offices, Frankfort

## Adjournment

**MINUTES (Amended)**  
**Council on Postsecondary Education**  
**July 24, 2009**

The Council on Postsecondary Education met Friday, July 24, 2009, at 10 a.m. at Berea College in Berea, Kentucky. Chair Paul Patton presided.

ROLL CALL

The following members attended: Ellen Call, Chris Crumrine, Glenn Denton, Dan Flanagan, Joe Graviss, Phyllis Maclin, Donna Moore, Lisa Osborne, Paul Patton, Marcia Ridings, Jim Skaggs, Joe Weis, and Joe Wise. Pam Miller and Kevin Noland did not attend.

OATH OF OFFICE

Judge Roger Crittenden, circuit judge for the 48th Judicial Circuit (Franklin County), administered the oath of office to the four new Council members.

1. Ellen Call, of Louisville, is the founder of Adams & Call Inc., a public affairs firm that offers government relations, community outreach, and public relations services. She has served on the Louisville Metro Council, has worked on numerous political campaigns, and has extensive communications and media experience. She is a graduate of Harvard University and the University of Louisville Brandeis School of Law. She attended Cambridge University in England as a Rotary Scholar. She replaces Peggy Bertelsman and her term on the Council expires December 31, 2014.
2. Joe Graviss, Versailles, is an owner/operator of eight McDonald's Restaurants in Lexington, Frankfort, and Versailles. He has served the Federal Reserve Bank's 4th District as Business Advisory Council member, was a candidate for Kentucky's 7th District State Senate seat in 2004, and is currently treasurer for the Dr. Daniel Mongiardo for United States Senate race. Mr. Graviss has been involved and is an active member of various boards and community organizations. He is a graduate of Transylvania University with majors in accounting and business administration and minors in political science and history. He is a licensed Certified Public Accountant and is a graduate of the Leadership Central Kentucky program. He replaces John Hall and his term on the Council expires December 31, 2014.
3. Marcia Milby Ridings is the principal of the London law firm of Hamm, Milby & Ridings. She was president of the Kentucky Bar Association in 1995-96 and was named Outstanding Lawyer of Kentucky in 2006. She holds a bachelor's degree from Georgetown College, and master's and juris doctor degrees from the University of Kentucky. She is a former member of CPE, having been appointed in 1997 after the passage of House Bill 1. She is filling the unexpired term of John Turner and her term on the Council expires December 31, 2009.
4. Joe Wise is secretary and treasurer for the Greater Louisville Building and Construction Trades Council. He holds a bachelor of science in business administration from Spalding University, a master of business administration from

Bellarmine University, and a doctor of business administration from Nova Southeastern University in Florida. He just completed two terms on the Kentucky Community and Technical College System board of regents and served as vice chair. He is a member of numerous boards and community associations, including the Leadership Louisville Class of 1999. He is filling the unexpired term of Kevin Canafax and his term on the Council expires December 31, 2010.

Governor Patton recognized Fontaine Banks, a long-time political leader and executive in state government. Mr. Banks was appointed by Governor Nunn to serve on the Council on Higher Education in the early 1970's.

#### WELCOME FROM BERE COLLEGE

Governor Patton thanked President Larry Shinn and Berea College for hosting the Council.

President Shinn and Joe Bagnolia, Berea College associate provost, provided information focusing on Berea's successful retention and graduation efforts.

#### APPROVAL OF MINUTES

The minutes of the May 22, 2009, CPE meeting were approved as distributed.

#### CPE PRESIDENT'S REPORT

CPE President Robert King reported on several activities underway:

- Governor Beshear recently reconvened the Higher Education Work Group and charged it with focusing on four initiatives: financial aid, transfer, remediation, and cost savings and efficiencies. A final report is due November 1.
- President King attended his first national meeting of the State Higher Education Executive Officers (SHEEO) earlier this month in Santa Fe, New Mexico. The conference focused on a variety of topics that are directly on target with Kentucky's needs, including student success and retention, financial aid, and adult learners.
- The 2009 Governor's Conference on Postsecondary Education Trusteeship is Friday, September 11, at the Sloan Convention Center in Bowling Green. The theme is "Raising the Bar: Access, Quality, and Success," which appropriately describes the focus on expanding access and closing achievement gaps, while balancing those important objectives with an aggressive effort to increase educational quality and rigor. The challenge for the lay leaders who will be attending this conference is how to manage that balance, particularly in this financial austere time.
- The rules for the stimulus Broadband grant programs were released July 1. Over \$7 billion will be available through six separate competitive grant programs aimed at increasing Broadband access and use of the Internet. The staff is working in several statewide collaborative teams to adapt the ideas developed in the concept papers prepared this past April. The first submissions are scheduled for August 14.
- The Kentucky Conference on the Scholarship of Teaching and Learning, jointly sponsored by CPE and the postsecondary community, was held May 20 and 21 in Lexington and offered college faculty and administrators a forum to explore the interconnectedness of K-12 and postsecondary education. Presentations, panel discussions, and poster sessions provided over 400 conference participants the opportunity to discuss the scholarship of teaching and learning and to share

innovative instructional techniques and technologies. Marc Tucker, author of the report *Tough Choices or Tough Times*, discussed his model for improving teaching and learning outcomes for America's schools.

- Education Sector, a nonprofit that promotes education reform, recognized Kentucky as being among the nation's ten best practice states for its higher education accountability system. Its report, *Ready to Assemble: Grading State Higher Education Accountability Systems*, graded states in 21 categories of accountability. The analysis focused on the types and quality of information states collect on a wide range of student outcomes and institutional practices, how well states use the information to drive policy and funding decisions, and the efforts they make to proactively publicize the information so that it is accessible to students, parents, policymakers, media, and the general public.
- Reecie Stagnolia became vice president of Kentucky Adult Education effective July 1. He was named interim vice president for KYAE in October 2008 and has served as associate vice president since July 2003, when the Department for Adult Education and Literacy (DAEL) transitioned to CPE.
- The collaborative work of the Kentucky Department of Education and CPE related to Senate Bill 1 is moving forward quite rapidly. A steering committee will provide guidance and oversight in the implementation of the comprehensive process to create one set of standards from K-12 to college entry-level courses and will provide insight in the development of strategic plans to reduce the remediation rates of high school graduates and increase the graduation rates of underprepared students. The SB 1 Postsecondary Mathematics Standards Workgroup and College Readiness Workgroup began meeting in late June. Both groups have representatives selected by the Kentucky Department of Education and public and independent institutions and statewide programs and agencies. The Collaborative Center for Literacy Development and the Kentucky Center for Mathematics are active partners. An embargoed draft of the Council of Chief State School Officers (CCSSO) mathematics and language arts standards was released to KDE and CPE July 22. A review and comparison of these standards to the postsecondary standards is underway. Workgroups for language arts (reading and writing) will be formed in early August. Discussions and updates to legislative committees and statewide agencies are ongoing.

#### 2009-10 KEY INDICATOR GOALS

RECOMMENDATION: The staff recommended that the Council approve the state and institution key indicator goals proposed for 2009-10.

The Council staff met with representatives of the public institutions and AIKCU to negotiate statewide and institutional key indicator goals for 2009-10. This will be the final time performance goals will be established under the current set of indicators, which were adopted as part of the 2005-10 Public Agenda for Postsecondary and Adult Education. In the near future, the Council will undertake a process to develop the 2010-15 strategic plan. The new plan will provide an opportunity to reevaluate the current key indicators, with an eye toward improving their usefulness and relevance. The new plan should be place by fall 2010.

Several CPE members asked that the institutions identify strategies for achieving the new goals and that the institutions be aggressive in achieving those goals. Mr. Weis

emphasized the importance of tracking the graduation rates of Kentucky residents as well as the graduation rate of all students.

MOTION: Mr. Wise moved that the recommendation be approved. Ms. Osborne seconded the motion.

VOTE: The motion passed.

#### CAPITAL PROJECTS

RECOMMENDATION: The staff recommended that the Council approve the request of the University of Louisville to use private and institutional funds to renovate a portion of Ernst Hall to house the Conn Center for Renewable Energy Research and Environmental Stewardship on the main campus. The estimated project cost is \$1,500,000 and is funded with at least 50 percent private gifts.

MOTION: Mr. Flanagan moved that the recommendation be approved. Ms. Maclin seconded the motion.

VOTE: The motion passed.

RECOMMENDATION: The staff recommended that the Council approve the request of the University of Kentucky to construct the Children's Garden at the Arboretum on the university's main campus. The phase I cost is \$500,000 of private funds. The total project scope is \$2,200,000 to be implemented over several years.

MOTION: Ms. Moore moved that the recommendation be approved. Mr. Weis seconded the motion.

VOTE: The motion passed.

#### KY/OHIO RECIPROCITY AGREEMENTS

RECOMMENDATION: The staff recommended that the Council approve a technical amendment including Southern State Community College to the Ashland Community and Technical College, Morehead State University-Morehead, Morehead State University-Ashland, Ohio University-Athens, Ohio University-Southern, Rio Grande Community College, and Shawnee State University reciprocity agreement.

The purpose for adding Southern State Community College to the reciprocity agreement is due to Kentucky students being enrolled in the medical assisting program offered at Shawnee State University. Southern State Community College needs to be added to the current agreement in order to extend tuition reciprocity to Kentucky students.

MOTION: Ms. Osborne moved that the recommendation be approved. Mr. Crumrine seconded the motion.

VOTE: The motion passed.

A question was raised about whether Gateway Community and Technical College is included in the reciprocity agreements with Ohio. The staff responded that the college is not included in the current agreements because it is currently going through

the process of accreditation.

NEW  
PROGRAMS

RECOMMENDATION: The staff recommended that the Council approve the Bachelor of Science in Science and Mathematics Education (CIP 13.1206) proposed by Western Kentucky University.

RECOMMENDATION: The staff recommended that the Council approve the Bachelor of Science in Middle School Science Education (CIP 40.0101) proposed by Western Kentucky University.

MOTION: Ms. Call moved that the two programs be approved. Mr. Crumrine seconded the motion.

VOTE: The motion passed.

JOHN TURNER  
RESOLUTION

Governor Patton read a resolution honoring and commending John Turner for his service to the Council on Postsecondary Education. Mr. Turner resigned from the Council in May 2009.

MOTION: Mr. Flanagan moved that the resolution be accepted. Ms. Osborne seconded the motion.

VOTE: The motion passed.

2010  
MEETING  
CALENDAR

RECOMMENDATION: The staff recommended that the Council approve the 2010 meeting calendar.

The meetings are scheduled on Sundays and Mondays. Staff is working with the campuses to schedule several meetings on public and independent college campuses.

MOTION: Mr. Weis moved that the calendar be approved. Mr. Crumrine seconded the motion.

VOTE: The motion passed.

PROJECT  
GRADUATE

Project Graduate is a collaborative effort between the Council and the campuses to recruit and graduate former students still residing in Kentucky who have earned 90 or more credit hours from a Kentucky institution. The program was launched in November 2007 and the public universities began their outreach efforts in the spring 2008 term. Since that time, ten independent institutions have adopted the program. As of this past May, 153 former students had earned their degrees at a public institution through Project Graduate. For just the spring 2009 term, 401 students were enrolled in the program at a public institution. The future for the program looks promising as new enrollments for the past spring term totaled 123.

Three students shared their stories about their participation in the Project Graduate program and how the program has helped them earn their bachelor's degree.

## BUDGET UPDATE

Staff provided an update on the 2009-10 budget. As of mid-July Governor Beshear has not yet executed an order to finalize the budget. During the 2009 special session, the Governor committed to using money from the federal State Fiscal Stabilization Fund, combined with General Funds, to maintain both K-12 and public postsecondary education funding at their 2008-09 levels. The Governor also committed to no reductions to the main state financial aid programs, including the Kentucky Educational Excellence Scholarship (KEES), the College Access Program (CAP), and the Kentucky Tuition Grant (KTG).

In order to balance the budget, the Governor originally proposed an additional 2.6 percent budget cut for many other state agencies, including CPE, which includes funding for statewide coordination, statewide program funds for Kentucky Adult Education, and various statewide pass-through funds including contract spaces, and funding for the Kentucky Virtual Campus and Kentucky Virtual Library. Prior to this proposed cut, the Council's General Fund support was down over 17 percent from its original 2007-08 levels.

Due to additional expenditures authorized in the revised budget bill by the General Assembly during the 2009 special session, the Office of the State Budget Director recently requested yet another budget reduction plan, this time seeking information related to the impact of a 3 percent, as well as a 4 percent cut, in the Council's General Funds.

Mr. Flanagan reported that the Budget Development Work Group is working with the staff and the institutions' chief budget officers on the development of the 2010-12 budget recommendation. A points of consensus document is being developed which intends to highlight a unified approach to the 2010-12 budget recommendation on behalf of postsecondary education and will be signed by the Council president, the university presidents, and the president of KCTCS. The work group anticipates finalizing this document in August, reviewing draft budget documents in August/September, discussing a more complete draft at a special CPE meeting October 1, and taking final action on the budget request at the November CPE meeting.

## KDE REPORT

A written report was provided by the Kentucky Department of Education. At its July 2009 meeting the Kentucky Board of Education chose Dr. Terry Holliday of North Carolina as Kentucky's next Commissioner of Education. Dr. Holliday will begin his duties August 5 and will serve as an ex-officio, nonvoting member of the Council. He will be encouraged to be an active participant in the Council's work.

## P-16 COUNCIL REPORT

Ms. Moore has served as chair of the P-16 Council for the last year and reported on the group's recent activities. She said that the last meeting included a good discussion about the goals of the P-16 Council and how to collaborate better with the local councils to meet the requirements of Senate Bill 1. Billy Harper of Paducah will assume the role as P-16 Council chair at the August 2009 meeting.

## CAPITAL PROJECTS STATUS REPORT

The staff provided a status report of capital projects and how the staff is implementing some authorizations included in the current appropriations act of 2008-10 that allowed the institutions to have flexibility to use endowment match monies for either



endowment match or for capital projects.

2010-12  
CAPITAL  
PROJECTS  
REQUESTS

A summary of the institutions' preliminary 2010-12 capital requests was provided. It was noted that the information is subject to continual change as the capital recommendation develops. The next step in this process is to work with the institutions to identify the high-priority projects that will be recommended as part of the capital recommendation in November.

DLAC REPORT

A report on activities of the Distance Learning Advisory Committee was provided for information. It was noted that more than 55,000 students took at least one online course in the fall 2008 semester. This includes public institutions, independent institutions, and licensed out-of-state institutions.

PRESIDENT  
EVALUATION

Governor Patton said that the President Evaluation Committee is developing a process that will be used to conduct the annual evaluation of President King. The process will begin in March 2010 and conclude at the July 2010 CPE meeting.

PLAN OF WORK

Governor Patton called attention to President King's draft plan of work for July 2009 through July 2010. He asked the Council members to review and send comments to the staff. The document will be reviewed at the September meeting.

REPORTS FROM  
INSTITUTIONS

Governor Patton asked the presidents in the audience to give highlights of the institutional reports included in the agenda materials.

NEXT MEETING

The next meeting is September 10 at Western Kentucky University. The meeting is being held in conjunction with the Governor's Conference on Postsecondary Education Trusteeship which is September 11 at the Sloan Convention Center in Bowling Green.

ADJOURNMENT

The meeting adjourned at 12:55 p.m.

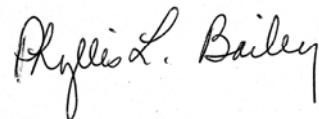
CPE Member  
Work Session

The Council members held a work session July 24 beginning at 8:30 a.m. In response to requests from Council members at the March meeting, the work session focused on activities to facilitate student mobility and ease transfer challenges across Kentucky. The discussion began with an overview of state-level activities followed by a panel discussion of representatives from various sectors (KCTCS, comprehensive universities, research universities, and independent colleges) who shared some of their challenges and best practices implemented to smooth transitions from two- to four-year institutions. Panelists were Mike McCall, KCTCS president; Gary Ransdell, WKU president; Gary Cox, president of the Association of Independent Kentucky Colleges and Universities; and Dale Billingsley, professor and vice provost of undergraduate affairs, representing the University of Louisville.



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Robert L. King  
CPE President



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Phyllis L. Bailey  
Senior Associate, Executive Relations

## President's Report to the Council on Postsecondary Education

Robert L. King – September 11, 2009



**Senate Bill 1 update** – The Senate Bill 1 Steering Committee met August 12, 2009. This committee will provide oversight to the implementation of the comprehensive process for revision of content standards, professional development needed for administrators, teachers, and faculty, and the development of unified strategies to promote readiness and college success. The postsecondary workgroups for mathematics and college readiness continue to meet. The mathematics group continues to refine standards and benchmarks for credit-bearing course readiness and the learning outcomes of introductory level classes. This work should be completed by mid-October. The National Council of Chief State School Officers did not release to the public its draft of the standards for language arts and mathematics. This draft now is scheduled for release September 15. The P-12 mathematics workgroup will begin meeting after that release. The College Readiness Workgroup began meeting in June. This group is defining evidence-based approaches for readiness, persistence, and graduation for underprepared students at the P-12 and college levels. Evidence-based approaches will be used in the development of unified strategies that reduce the need for remediation of students exiting high schools and to retain and graduate those students entering colleges and universities with developmental or supplemental coursework needs.

**Diversity plan development** – As development of the statewide diversity plan gains momentum, we are having conversations with the presidents, institutional staffs, and the Committee on Equal Opportunities about the potential impact of certain policies on a statewide diversity plan, if those policies are fully implemented. The CEO is moving forward to develop a planning document that is expected to be submitted to the Council for review and action in March 2010. We believe that document should reflect, in a thoughtful way, the basic priorities regarding system and campus diversity given certain policy structures. Throughout the planning process the committee has focused on embracing the full range of diversity, while at the same time keeping in mind special concerns and responsibility for the residents of the Commonwealth. Throughout the process Council staff will work closely with institutional representatives and the CEO to keep key constituents informed and to receive input to improve the statewide plan. At this stage of development the staff workgroup has completed sections of the plan related to the mission, vision, core values, and definition of diversity and are in the process of developing plan objectives.

**Higher Education Work Group** – The Higher Education Work Group is continuing its review of four key education policy areas: state student financial aid, transfer, college readiness, and cost containment and efficiencies on campus. The work group met in full session in July and August for presentations and discussion about student aid and transfer. Smaller discussions on both these topics are scheduled for September 9 and October 8. The full report is due to the Governor November 1. We are grateful to Governor Beshear for attending the August meeting, and for his comments about the important work ahead. At that meeting the work group heard presentations about transfer and the principles of a shared responsibility financial aid program. These are on the HEWG web site at <http://cpe.ky.gov/committees/hewg/HEWGAug19Agenda.htm>. David Adkisson, president of the Kentucky Chamber of Commerce, also attended the August HEWG meeting and talked briefly about the soon to be released Chamber 2009 Progress Report on Postsecondary Education. This is a follow-up to the

Chamber's 2007 status report on Kentucky higher education reform. You can find the progress report on the Council's website at [http://cpe.ky.gov/committees/hewg/HEWG\\_Related+Materials.htm](http://cpe.ky.gov/committees/hewg/HEWG_Related+Materials.htm).

**Campus visits** – I am continuing to tour public and independent campuses as my schedule permits. Last month, I visited Western Kentucky University and Campbellsville University. Mr. Flanagan joined me at Campbellsville. The campus tours are extremely informative and I am very impressed with the faculty and campus leadership that I am meeting, as well as the commitment of the community leaders. I look forward to getting out to additional campuses this year and learning more about their programs and operations.

**Legislative update** – On August 10, Sue Cain and I, along with staff from the Kentucky Department of Education, testified before the Interim Joint Committee on Education, co-chaired by Senator Winters and Representative Rollins. I noted in my testimony that I was very pleased that Senators Winters and Kelly and Representatives Rollins and Moberly had taken time to work directly with the Council on Senate 1. Dr. Cain testified that the College Readiness Workgroup had begun reviewing initiatives and intervention techniques being used across the state in postsecondary and P-12 systems that are evidenced-based and promote college readiness, which has been compiled into a 23-page document of practices, and that the workgroup will be providing recommendations for professional development for P-16 educators on the common core standards, assessments, and intervention.

**Governor's Conference on Postsecondary Education Trusteeship** – The conference is tomorrow at the Sloan Convention Center. The theme is "Raising the Bar: Access, Quality, and Success." Some of you are participating in breakfast meetings beginning at 7 a.m. The opening session is at 8:30 a.m. and features a presentation by Kati Haycock, a nationally recognized education leader and advocate, who will discuss strategies for improving access and success in higher education, especially for low-income students and students of color. The morning also offers four concurrent policy sessions covering a range of topics, including policy priorities for the upcoming legislative session, enrollment management, the new ethics of trusteeship, and reimagining higher education, post recession. We are pleased that Governor Beshear will be joining us for the luncheon to discuss his agenda for postsecondary education. Lunch also will feature the presentation of the Acorn Awards for Faculty Excellence. This year's awards are sponsored by the Kentucky Chamber of Commerce. The afternoon will offer an interactive session about strategies on how to make good boards great led by Tom Meredith (former WKU president) and Terry MacTaggart, senior advisors at the Association of Governing Boards. After a wrap-up session, the conference will conclude at 4:30 p.m.

**Staff notes** –

- Reecie Stagnolia, Vice President of Kentucky Adult Education, has been elected to a two-year term on the executive committees of the National Council of State Directors of Adult Education (NCSDAE) and the National Adult Education Professional Development Consortium (NAEPDC). This will be Reecie's third term as a member of these committees which provides an opportunity for Kentucky's input in shaping national adult education policy and initiatives. NCSDAE focuses on federal legislative issues, works with other national adult education organizations, and maintains a nationwide communication network regarding national policy, legislation, and advocacy. NAEPDC provides professional development, policy analysis, and dissemination of information related to adult education at the national level.
- In the Information and Technology Unit, Heidi Hiemstra has been named Director of Information and Research and Mike Bailey Senior Associate for Information and Research. Both have been serving as interims in these positions and have accepted their current responsibilities on a permanent basis. This is well deserved recognition of their talents and contributions to helping CPE achieve its goals.

**Council on Postsecondary Education  
September 10, 2009**

**Regional Stewardship Grant Funds**

**ACTION: The staff recommends that the Council approve regional stewardship funding allocations to Eastern Kentucky University, Kentucky State University, Morehead State University, Murray State University, and Western Kentucky University in the amount of \$288,000 each to support regional stewardship grants.**

House Bill 380 of the 2006 General Assembly authorized funding for the Regional Stewardship Program. The Council on Postsecondary Education approved the guidelines governing the distribution and application of these funds at its July 2006 meeting.

Infrastructure funds support the development and maintenance of organizational structures, personnel, information systems, and community relationships necessary to sustain stewardship activities. Regional grant funds support comprehensive university efforts to build intellectual capacity in targeted priority areas. Infrastructure funds of \$200,000 per institution have been rolled into the base funding of each comprehensive university, and regional grant funds for NKU have already been rolled into the institution's base funding.

At the May 23, 2008, meeting, the Council approved FY 2008-09 regional grant funding of \$288,000 to ECU, KSU, MoSU, MuSU, and WKU conditional upon successful implementation of their infrastructure plans and adequate progress on their regional grant proposals. All institutions at this time have submitted progress reports on their regional grant programs and are eligible to receive their FY 2009-10 regional grant funding.

Upon approval, the Council will disburse to each of the universities noted above up to \$288,000 in regional grant funding. These funds will be disbursed quarterly upon receipt of invoices, subject to availability of funding.

**Council on Postsecondary Education  
September 10, 2009**

**Revisions to Independent College Licensing Regulation  
with Fee Schedule**

<p><b>ACTION:</b> The staff recommends that the Council approve the revised administrative regulation 13 KAR 1:020 regarding the licensing of independent colleges in Kentucky and corresponding fee schedule.</p>
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Kentucky's 13 KAR 1:020 administrative regulation establishes the standards and procedures for the licensing of independent colleges in Kentucky (Attachment A). The regulation was last revised 18 years ago in 1991. The proposed revisions to the regulation are necessary to better align licensing standards and procedures, accommodate online learning and operations, and address growth in the number of institutions, particularly the increase in out-of-state institutions locating in Kentucky. A fee schedule is introduced for the first time since licensing was assigned to the Council on Postsecondary Education

**Purpose of Licensure**

The Council is charged with protecting institutions and citizens of the Commonwealth against those colleges which resort to fraudulent practices, unfair competition, or substandard educational programs per KRS 164.947.

**Licensure Authority**

13 KAR 1:020 vests the authority to license with the president of CPE. This licensure authority covers:

- All private, for-profit colleges offering a bachelor's degree or above.
- All private, nonprofit colleges.
- Religious colleges and out-of-state private and public colleges which operate in Kentucky.

If an institution is for-profit and only offering below a bachelor's degree, then the institution falls under the authority of the Kentucky State Board for Proprietary Education.

**Licensure Activities**

There are six main licensure activities:

1. Licensure of new colleges.
2. Changes to licenses, including new programs and off-campus sites.

3. Maintenance of and renewals of licenses.
4. Annual data reporting.
5. Consumer complaints against licensed colleges.
6. Addressing institutions operating illegally or fraudulently in Kentucky without a license.

### **Increased Volume**

Kentucky has experienced an expansion over the past decade in the number of institutions recruiting and operating in the state, both through instruction at a campus location and by offering online programs to Kentucky residents.

Since the education reform in 1997, there are now 50 percent more licensed colleges in Kentucky:

- In 1991, there were 31 in-state and 8 out-of-state licensed colleges.
- In 1998, there were 32 in-state and 8 out-of-state licensed colleges.
- In 2009, there are 37 in-state and 23 out-of-state licensed colleges.

Some of the out-of-state colleges have multiple instructional sites in Kentucky, which are each licensed separately.

The 60 licensed colleges are offering approximately 1,800 licensed programs.

Based on KHEAA's financial aid reports and KEES data reports from 2006-07, 35 percent (\$64,469,671) of Kentucky's state financial aid goes to licensed colleges.

### **Need for Greater Consumer Protection**

Degree mills, diploma mills, and counterfeit operations target states with lax enforcement. Technology and the internationalization of postsecondary education increase the risk of fraud—these all lead to a need for greater oversight and staffing by the CPE.

### **More Complex Reviews Required**

The proliferation of institutions and intricacies of online programs threaten the effectiveness and timeliness of the licensure review process without additional resources and support to manage the volume and complexity of review of these colleges and programs.

CPE staff will coordinate site visits with expert consultants to institutions to assess whether an institution meets licensure standards.

Also, CPE staff will continue to coordinate licensing reviews with other state agencies such as the Education Professional Standards Board, Board of Nursing, State Board of Proprietary Education, and the Kentucky Higher Education Assistance Authority.

## **Proposed Revisions to Regulation Necessary**

The sum of the developments above requires revisions to the licensing regulation.

The proposed revisions better address the legal issue of interstate commerce by defining operating in Kentucky to mean having a physical presence in Kentucky.

The proposed revisions seek to require the same data from all institutions, whether a licensed in-state or out-of-state college, which will include data regarding student mobility.

The proposed revisions better ensure due process by clarifying the administrative process for an institutional appeal of a suspension, revocation, or denial of a license by the president consistent with KRS 13B.005-13B.170.

## **Need for Additional Resources: Proposed Fees**

Additional resources are necessary to:

- Review and process the increased volume and complexity of applications and programs.
- Coordinate, travel, and attend site visits.
- Collect and manage data from the colleges.

To defray the costs of licensure services, in addition to any costs connected with a site visit per 13 KAR 1:020 or KRS 164.785, CPE proposes to charge fees to institutions for licensure.

The overwhelming majority of states in the U.S. charge fees: 39 of 46 states (85 percent) that license colleges charge fees for licensure, and others are considering charging fees.

The proposed fees are set forth in the Kentucky Licensure Fee Schedule (Attachment B) (attached to the proposed revised licensure regulation), with authority per KRS 164.020(37).

It is estimated that the revenue from the proposed fees may be \$272,400 per year after the annual fee is implemented in 2011 and will be used to pay for at least two additional staff.

## **Conclusion**

The process of revising an administrative regulation, established by the Legislative Research Commission, will be initiated with Council approval of this revised regulation. The proposed revised administrative regulation will go through a public hearing and review by the Administrative Regulation Subcommittee and the Interim Joint Committee on Education.



1 COUNCIL ON POSTSECONDARY EDUCATION

2 Amendment

3 13 KAR 1:020. Private college licensing.

4 RELATES TO: KRS 164.020(37), 164.945, 164.946, [~~164.947~~] 164.992, 165A.320

5 STATUTORY AUTHORITY: KRS 164.947

6 NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.947 requires the Council on  
7 Postsecondary Education by regulation to adopt standards and procedures for the licensing of  
8 colleges as defined in KRS 164.945. This administrative regulation is promulgated [~~pursuant to~~  
9 ~~KRS 164.945 to 164.947 and 164.992 which require that the Council on Postsecondary Education~~  
10 ~~license nonpublic institutions~~] to protect bona fide institutions and to protect citizens of the  
11 Commonwealth from fraudulent practices, unfair competition, or substandard educational  
12 programs.

13 Section 1. Definitions. The definitions contained in 13 KAR 1:040. Definitions for  
14 private colleges. [~~(1) "Accredited" means the approval of an accrediting agency.~~

15 ~~(2) "Accrediting agency means a national or regional agency which evaluates colleges and~~  
16 ~~is recognized by the United States Department of Education, the Council on Higher Education~~  
17 ~~Accreditation, or the Council on Postsecondary Education.~~

18 ~~(3) "Agent" means any person employed by a college to act as solicitor, broker, or~~  
19 ~~independent contractor to procure students for the college by solicitation in any form made at any~~  
20 ~~place other than the main campus of the college.~~

21 ~~(4) The definition of "College" is governed by KRS 164.945.~~

1           ~~(5) "In state college" means a college that is chartered by, organized within, and has its~~  
2 ~~principal location in Kentucky.~~

3           ~~(6) "Out of state college" means a college that is chartered, organized, or has its principal~~  
4 ~~location outside Kentucky.~~

5           ~~(7) "Unearned tuition" means the excess of cumulative collections of tuition and other~~  
6 ~~instructional charges over the cumulative amount of earned tuition and other instructional charges~~  
7 ~~in accordance with the college's refund policy.]~~

8           Section 2. General Requirements. (1) An in-state or out-of-state college that is operating  
9 or soliciting [~~A college which offers courses or conducts academic programs~~] in Kentucky shall be  
10 licensed, but if a college is only operating or soliciting in Kentucky as defined in 13 KAR 1:010  
11 Section 1 (8)(c), (d) or (e) solely for on-ground instruction at a location outside of Kentucky in  
12 which students leave Kentucky to attend, then licensure shall not be required.

13           (2) An out-of-state college shall be licensed separately for each instructional site in  
14 Kentucky. An out-of-state college that is operating or soliciting using on-line instruction to  
15 Kentucky residents shall be considered to have an online campus which shall be licensed  
16 separately as an instructional site.

17           (3) A college awarding a certificate, diploma, associate degree, baccalaureate degree,  
18 master's degree, doctoral degree, or other degree, whether the degree is earned or honorary, shall  
19 be licensed. If a college's program is also required to be licensed or approved by another state  
20 agency as well as the Council on Postsecondary Education, the president shall attempt to  
21 coordinate the licensing function with that agency.

22           (4) A college shall offer only those [~~degrees and degree~~] programs, courses, and degrees,  
23 including honorary degrees, specifically authorized in the license. [~~If a college is licensed to offer~~

1 ~~specific courses, only those courses authorized in the license shall be offered.]~~

2 (5) If a college ceases offering a licensed program, course, or degree, then the college shall  
3 notify the president in writing and request that the program, course, or degree be removed from the  
4 college's license.

5 (6) Providing false or misleading information shall be grounds for denial of a license, or  
6 suspension or revocation of an existing license.

7 Section 3. Licensure Application Procedures. The application procedures are [The  
8 following procedures shall be observed in considering applications for a license]:

9 (1) An application for a license shall be on the form entitled "Application for Licensure as  
10 an In-State, Non-Public Institution to Operate in the Commonwealth of Kentucky pursuant to 13  
11 KAR 1:020" if an in-state college, or "Application for Licensure as an Out-of-State Institution to  
12 Operate in the Commonwealth of Kentucky pursuant to 13 KAR 1:020" if an out-of-state college  
13 ~~[in the form and manner prescribed by the president].~~ Colleges not licensed as of the effective date  
14 of this administrative regulation shall submit an application for a license within sixty (60) working  
15 days. ~~[Providing false or misleading information on any application may be deemed as sufficient~~  
16 ~~grounds for denying licensure.]~~

17 (2) An ~~[Documents to accompany application. Each]~~ application shall be accompanied by  
18 copies of the following:

- 19 (a) College charter;  
20 (b) College catalog;  
21 (c) College constitution and bylaws;  
22 (d) Student enrollment application;  
23 (e) Student contract or agreement; ~~[and]~~

1 (f) Documentation of accreditation, licensure, or approval by appropriate agencies, and  
2 disclosure of any prior loss or denial of accreditation with dates and reason and loss or denial of  
3 licensure or approval by an agency in this state or another state with dates and reason; and

4 (g) Disclosure of any former names of the college with dates.

5 [~~3~~]

6 Section 4. Site visits. (1) Within ninety (90) working [thirty (30)] days of the receipt of a  
7 full and complete application for a license, a supplementary application, or application for annual  
8 maintenance of license or renewal of license [renewal], the president may conduct, or may have  
9 conducted, a site visit [at the location or locations where the applicant college offers, or proposes to  
10 offer, courses of instruction]. Personnel conducting a site visit shall possess the expertise  
11 appropriate to the type of college to be visited. The purpose of a site visit shall be to make an  
12 assessment of a college using the standards for licensure as set forth in section 8 of this  
13 administrative regulation [the instructional program, library, faculty, student services,  
14 administration, financial status, facilities, and equipment and of such other factors which are of  
15 significance in determining the college's qualifications for licensure].

16 (2) The president may conduct, or may have conducted, an announced or unannounced site  
17 visit of a licensed college during reasonable business hours to inspect the files, facilities, and  
18 equipment as well as conduct interviews to determine the college's compliance with this  
19 administrative regulation and KRS 164.945 - .947.

20 (3) Failure to provide full access to the college's files, facilities, and equipment or  
21 prevention of interviews shall be grounds for denial of a license, or suspension or revocation of an  
22 existing license.

23 (4) Cost of site visits. [A college applying for a license, or license renewal, or a college to

1 ~~which a site visit is necessary in order to administer KRS 164.945 to 164.947, may be required to~~  
2 ~~bear the cost of the site visit.]~~ Costs connected with a site visit and subsequent visits as may be  
3 necessary, such as travel, meals, lodging, and honoraria shall be ~~[are]~~ paid by the college. The  
4 estimated cost of the site visit shall be paid by the college prior to the site visit. ~~[, and]~~ The final  
5 settlement regarding actual expenses incurred, shall be paid by the college no later than ~~[made~~  
6 ~~within]~~ thirty (30) days following the site visit. Failure to pay these costs shall be grounds for  
7 denial of a license, or ~~[may result in license]~~ suspension or revocation of an existing license.

8       ~~[(5) New colleges. In the case of a proposed new college, the president may issue a license~~  
9 ~~if he determines that the college may reasonably be expected to meet the standards set forth in~~  
10 ~~these administrative regulations:~~

11           ~~(a) Within three (3) years if the college proposes to award a degree no higher than an~~  
12 ~~associate degree. Annual reports shall be submitted to the president demonstrating the progress~~  
13 ~~being made in meeting the licensure standards.~~

14           ~~(b) Within five (5) years if the college proposes to offer a baccalaureate or higher degree.~~  
15 ~~Annual reports shall be submitted to the president demonstrating the progress being made in~~  
16 ~~meeting the licensure standards.]~~

17       Section 5. Action on Licensure Application. (1) ~~[(6) Action on license applications.]~~  
18 Within ninety (90) ~~[thirty (30)]~~ working days of the completion of the site visit, or within sixty (60)  
19 working days of the submission of a complete licensure ~~[an]~~ application where a site visit is not  
20 conducted, the president shall do one (1) of the following:

21           (a) Issue a license for a period of no less than one year, nor more than two (2) years ~~[, nor~~  
22 ~~more than five (5) years];~~

23           (b) Deny the application for a license; ~~[or]~~

1 (c) Notify the applicant college of deficiencies which must be corrected before a license  
2 can be issued; or

3 (d) The president may issue a conditional license in accordance with sub-section (2) of this  
4 section if a college has not met all of the standards for licensure at the time the application is filed,  
5 but the president determines the college is likely to meet the standards for licensure within a period  
6 not to exceed two (2) years.

7 (2) A conditional license shall not exceed a period of two (2) years and shall include the  
8 conditions a college shall meet in order for a college to progress toward and eventually meet the  
9 standards for licensure, including when the college shall report progress to the president and when  
10 the college shall be required to have satisfied all the conditions.

11 (a) A college's failure to satisfy the conditions within the timeframe specified by the  
12 president shall:

13 1. result in automatic revocation of the conditional license; or

14 2. result in an extension of the conditional license based on a determination by the  
15 president that the college is making progress in satisfying the conditions in response to a college's  
16 written request for an extension with supporting justification.

17 (b) If a college satisfies all the conditions with the timeframe specified, then the president  
18 shall issue a license in accordance with sub-section (1)(a) of this section.

19 ~~[(7) Failure to apply for a license. If a college which is subject to the provisions of this~~  
20 ~~administrative regulation fails to apply for a license, the president shall take the following~~  
21 ~~action:~~

22 ~~(a) Notify the college by registered mail of the requirement to obtain a license;~~

23 ~~(b) If a license application is not received within sixty (60) days of notification, require~~

1 ~~the chief administrative officer to appear for a hearing as provided in Section 9 of this~~  
2 ~~administrative regulation;~~

3 ~~(e) If the chief administrative officer does not appear for the hearing, refer the case to the~~  
4 ~~appropriate county attorney for enforcement.]~~

5 Section 6[4]. [~~License Renewal and~~] Supplementary Application Procedures. (1) [A  
6 college shall apply for license renewal on the date specified in the license .

7 ~~(2) An application for license renewal, or~~] A supplementary application[~~, in such form and~~  
8 ~~manner as may be prescribed by the president,~~] shall be required from a licensed college as follows  
9 [within thirty (30) days following any of these developments]:

10 (a) [~~Scheduled expiration of the licensure period;~~

11 ~~(b)] A “Supplementary Application for Change of Name of Institution pursuant to 13 KAR~~  
12 1:020” shall be required at least ninety (90) days prior to the effective date of a change in the name  
13 of a college;

14 ~~(b) [(e)] A “Supplementary Application for Change of Location of Principal Location of a~~  
15 College or Location of a Licensed Instructional Site in Kentucky pursuant to 13 KAR 1:020” shall  
16 be required at least ninety (90) days prior to the effective date of a change in the principal location  
17 of a college or the location of a licensed instructional site in Kentucky;

18 ~~(c) [(d)] A “Supplementary Application for Change of Ownership or Governance pursuant~~  
19 to 13 KAR 1:020” shall be required at least (90) days prior to the effective date of a change in  
20 ownership or governance of a college;

21 ~~(d) [(e)] A “Supplementary Application to Operate as an Out-of-State Institution in~~  
22 the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” shall be submitted by an out-of-state  
23 college at least ninety (90) days prior to the effective date of a proposed addition of a certificate,

1 diploma, degree program, major, or other concentration or specialty. If a college has only been  
2 licensed to offer a specific course or courses and proposes to offer an additional course, as opposed  
3 to an entire program, then the college shall submit the supplementary application at least ninety  
4 (90) days prior to the date the college proposes to begin offering the new course or courses. In the  
5 case of a new program, the college shall state if the new program is at a new degree level or is a  
6 significant departure from previously licensed programs for a licensed college. A significant  
7 departure is if the new program requires numbers of new faculty, many new courses, a new library  
8 or other resources, new equipment or facilities, or a new resources base [~~Proposed additions or~~  
9 deletions of degree programs or majors, and other concentrations and specialties];

10 (e) ~~(f)~~ A “Supplementary Application to Operate as an In-State Institution in the  
11 Commonwealth of Kentucky Pursuant to 13 KAR 1:020” shall be submitted by an in-state college  
12 at least ninety (90) days prior to the effective date of:

13 1. A proposed addition of a certificate, diploma, degree program, major, or other  
14 concentration or specialty:

15 a. in the case of a new program, the college shall state if the new program is at a new  
16 degree level or is a significant departure from previously licensed programs for a licensed college,  
17 and

18 b. a significant departure is if the new program requires numbers of new faculty, many new  
19 courses, a new library or other resources, new equipment or facilities, or a new resources base; or

20 2. The establishment of an instructional site away from the main campus of an in-state  
21 college for the purpose of offering courses for college credit which comprise at least twenty-five  
22 (25) percent of the course requirements for a degree program;

23 (f) A college shall submit a “Supplementary Application for Administrative Site,



1 Recruitment Office, or Advising Center pursuant to 13 KAR 1:020” at least ninety (90) days prior  
2 to the establishment of an administrative site, recruitment office, or advising center in Kentucky, or  
3 the change of location of a licensed administrative site, recruitment office, or advising center in  
4 Kentucky, where the site, office, or center is not part of a licensed instructional site or proposed  
5 instructional site for which the college is seeking licensure;

6 (g) A college shall submit a “Supplementary Application for Notification of Change in  
7 Accreditation or Licensure Status pursuant to 13 KAR 1:020” within thirty (30) days following  
8 action by an accrediting agency or another state licensing agency which results in:

9 1. a college being placed in a probationary status [for more than one (1) year];

10 2. a college losing [or which results in the loss of the college's] accreditation or licensure;

11 or

12 3. a college being denied accreditation or licensure; or

13 (h) a determination by the president that other sufficient cause exists which requires a  
14 supplementary application [~~or an application for license renewal~~].

15 (2) ~~{(3)}~~ If the president determines that a supplementary application is required under sub-  
16 section (1)(h) of this section, then the president shall send a letter to the college stating the reason  
17 that a supplementary license application is required.

18 (3) The president may conduct, or may have conducted, a site visit as part of the  
19 supplementary application process in accordance with section 4 of this administrative regulation.

20 (4) Failure to submit a complete and accurate supplementary application, where required,  
21 may be sufficient cause for denial of a license, or suspension or revocation of an existing license,  
22 and the president shall notify the college by registered mail, return receipt, of the denial,  
23 suspension, or revocation of the college’s license.

1            Section 7. Action on Supplementary Applications. [~~Action on license renewal and~~  
2 ~~supplementary applications.~~] Within thirty (30) working days of the submission of a complete  
3 ~~[license renewal or]~~ supplementary application where a site visit is not conducted, or within ninety  
4 (90) working days of the completion of a site visit, the president shall do one (1) of the following:

5            (1) [(a) renew the license for a period of no less than five (5) years nor more than ten (10)  
6 years;

7            (b)] Approve the supplementary application and amend the current license without  
8 changing the renewal date;

9            (2) [(c)] Deny the [renewal or] supplementary application without amendment to the  
10 college's license;

11            (3) Suspend or revoke a college's license; or

12            (4) [(d)] Notify the applicant college of deficiencies which must be corrected before the  
13 supplementary application can be approved and a license can be amended [issued].

14            Section 8. Standards for Licensure. A college shall meet the following requirements and  
15 standards in order to be licensed:

16            (1) Financial requirements. The college shall adhere to generally accepted accounting  
17 practices and present evidence of financial stability, including the following:

18            (a) Financial statements including:

19            1. a statement of financial position of unrestricted net assets and liabilities, including  
20 foundation and trust agreements;

21            2. an audit report prepared by an independent certified public accountant for each  
22 corporation of the college; and

23            3. if available, audit reports for the past three (3) years;

1           (b) The name of a bank or other financial institution used by the college as a reference;

2           (c) A statement from the Kentucky Higher Education Assistance Authority related to  
3 programs administered by that agency and from the United States Department of Education related  
4 to programs administered by that department that the college is in good standing; and

5           (d) an annual operating budget for the college.

6           (2) Agents. A college shall be responsible for the actions of its agents.

7           (3) Guarantee of refund of unearned tuition. A college shall guarantee the refund of any  
8 unearned tuition held by the college as follows:

9           (a) An in-state college shall:

10           1. Secure and maintain a surety bond equal to or in excess of the largest amount of  
11 unearned tuition held by the college at any time during the most recently completed fiscal year,  
12 executed by a surety company qualified and authorized to do business in Kentucky, and made  
13 payable to the Council on Postsecondary Education;

14           2. Maintain an unrestricted endowment equal to or in excess of the largest amount of  
15 unearned tuition held by the college at any time during the most recently completed fiscal year; or

16           3. Provide a letter of credit equal to or in excess of the largest amount of unearned tuition  
17 held by the college at any time during the most recently completed fiscal year.

18           (b) An out-of-state college shall secure and maintain a surety bond equal to or in excess of  
19 the largest amount of unearned tuition held by the college at any time during the most recently  
20 completed fiscal year, executed by a surety company qualified and authorized to do business in  
21 Kentucky, and made payable to the Council on Postsecondary Education.

22           (c) A college applying for a license for the first time shall estimate the amount of unearned  
23 tuition based on projected enrollment and tuition and other instructional charges.

1           (d) A college shall provide a statement from an independent certified public accountant  
2 confirming that the college is in compliance with sub-section (3) of this section.

3           (4) Notice required.

4           (a) If a surety bond is terminated, a college shall notify the president and the license shall  
5 automatically expire with the bond unless a replacement bond is provided without a lapse in  
6 bonding.

7           (b) An in-state college using an unrestricted endowment or letter of credit to satisfy the  
8 provisions of sub-section (3) of this section shall notify the president if the unrestricted endowment  
9 or letter of credit falls below the required amount, and the college shall obtain a surety bond for the  
10 required amount.

11           (5) Personnel requirements.

12           (a) The college shall furnish information regarding the administrative officers, the  
13 directors, the owners, and the faculty.

14           (b) The chief administrator shall hold at least an earned baccalaureate degree from an  
15 accredited or licensed college and shall have sufficient experience to qualify for the position.

16           (c) Faculty members shall possess academic, scholarly, and teaching qualifications usually  
17 required for faculty in accredited colleges that offer degrees at comparable levels.

18           (d) There shall be a sufficient number of full-time faculty to ensure continuity and stability  
19 of the educational program.

20           (e) Teaching loads of faculty members shall be consistent with recognized educational  
21 practices, and shall be appropriate to the field, the variety of courses assigned, class size, and other  
22 related factors.

23           (6) Facilities and equipment.

1           (a) An instructional program shall not be conducted in substandard facilities.

2           (b) Enrollment shall not exceed the design characteristics of the facilities.

3           (c) A college shall have facilities and equipment that are:

4           1. maintained and operated in compliance with the safety and health requirements set forth  
5 in local, city, and county ordinances, and federal and state law; and

6           2. adequate and appropriate for instruction in classrooms and laboratories.

7           (7) Library resources. The library shall be appropriate to support the programs offered by  
8 the college:

9           (a) A college, through ownership or formal agreements, shall provide and support student  
10 and faculty access to adequate library collections, and to other learning and information resources  
11 where courses and programs are offered. Library resources shall be appropriate to the degree level  
12 offered by the college, and shall be sufficient to support all educational, research, and public  
13 service programs.

14           (b) A college that does not provide its own library facilities, but instead relies on another  
15 institution, shall demonstrate that it has permission to utilize the resources of another institution, by  
16 providing a copy of the written agreement to the president at the time of license application, and  
17 prior to the offering of any courses.

18           (c) A college that is dependent on another college or library for library resources shall  
19 make the extent of the dependence and the details of the agreements clear both to the president and  
20 to students and faculty.

21           (d) Library expenditures, expressed as a percentage of the total educational and general  
22 budget, shall be consistent with the percentage of library expenditures commonly observed in  
23 accredited colleges of similar types;

1 (e) A professionally trained and competent library staff, adequate to serve the needs of the  
2 students and to support the educational program, shall be provided;

3 (f) Sufficient seating and work space for a reasonable proportion of the faculty and  
4 students to be accommodated at one (1) time shall be provided; and

5 (g) The physical environment of the library shall be conducive to reflective intellectual  
6 pursuits common to institutions of higher learning .

7 (8) Curriculum. Earned degrees awarded by a college shall be bona fide academic  
8 degrees and the courses offered in degree programs shall be of collegiate quality as determined by  
9 the president using the following criteria:

10 (a) A course offered in a degree program shall be consistent with a course that is generally  
11 transferable for credit among accredited colleges where the program is at a corresponding degree  
12 level, or for credit toward the baccalaureate degree if a program is at the associate degree level.  
13 Provided however, a course may be offered that is not transferable based on the uniqueness of a  
14 program, or for another valid educational reason.

15 (b) A college shall require a minimum of:

16 1. sixty (60) student credit hours for an associate degree;

17 2. one hundred twenty (120) student credit hours for a baccalaureate degree; or

18 3. thirty (30) student credit hours for a post-baccalaureate, graduate, or first professional  
19 degree.

20 (c) A minimum of twenty-five (25) percent of the student credit hours required for a  
21 degree shall be earned through instruction offered by the college awarding the degree. Provided,  
22 however, that the twenty-five (25) percent requirement may be met through a joint, cooperative, or  
23 consortia agreement in which the instruction is offered by a college that is a party to the agreement

1 and that is licensed by the Council on Postsecondary Education or that is a state-supported  
2 postsecondary education institution created by KRS 164.001.

3 (d) A majority of the student credit hours required for a graduate degree may be met  
4 through a joint, cooperative or consortia agreement in which the instruction is offered by a college  
5 that is a party to the agreement and that is licensed by the Council on Postsecondary Education or  
6 that is a state-supported postsecondary education institution created by KRS 164.001.

7 (e) A college shall have a systematic program of curriculum revision in order to maintain  
8 the general standards of accredited colleges with similar programs.

9 (f) A college shall have a program of evaluation that includes a periodic assessment of the  
10 changes in student achievement.

11 (9) General education.

12 (a) A minimum of fifteen (15) student credit hours for associate degree programs, and thirty  
13 (30) student credit hours for baccalaureate degree programs shall be earned in general education,  
14 including science-mathematics, social and behavioral sciences, and humanities. A college which  
15 offers an interdisciplinary general education program, a block-type program, or other unique  
16 general education program shall be considered to be in compliance with the general education  
17 requirement if the president determines that the program content and distribution are appropriately  
18 related to the degree and institutional purposes.

19 (b) A new college, and any existing college which initiates a new associate degree or  
20 baccalaureate degree program or major, or other concentration or specialty, after the effective date  
21 of this administrative regulation, shall comply fully from the outset with the general education  
22 requirements.

23 (10) Program supervision and instructional support. Regardless of location, type of

1 program, method of instruction, or other characteristics, an instructional program for which degree  
2 credit is awarded shall include the following:

3 (a) Adequate supervision by the college; and

4 (b) Other instructional support as may be required to maintain a program of acceptable  
5 quality.

6 (11) Truth in advertising. A college shall observe the following standards in its  
7 advertising:

8 (a) Advertisements, announcements, and promotional material of any kind which are  
9 distributed in Kentucky shall not contain any statements that are untrue, deceptive, or misleading  
10 with respect to the college, its personnel, its services, or the content, accreditation status, and  
11 transferability of its courses or degree programs.

12 (b) Advertisements, announcements, or other materials produced by or on behalf of the  
13 college shall not indicate that the college is "supervised," "recommended," "endorsed," or  
14 "accredited" by the Commonwealth of Kentucky, by the Council on Postsecondary Education, or  
15 by any other state agency. A statement using the name of the Council on Postsecondary  
16 Education, if any, shall be in exactly the following form: "(Name of College) is licensed by the  
17 Kentucky Council on Postsecondary Education."

18 (12) Recruitment and enrollment procedures. A college shall furnish the following to each  
19 student prior to enrollment:

20 (a) The college's policies on grades, attendance, and conduct;

21 (b) A description of the instructional program;

22 (c) A detailed schedule of all charges, rentals, and deposits;

23 (d) The schedule of refunds of all charges, rentals, and deposits; and



1           (e) The student enrollment application, contract, or agreement.

2           (13) Student affairs.

3           (a) Students admitted to the college shall have completed a state-approved secondary  
4 school program or its equivalent.

5           (b) A student admitted to an instructional program shall have demonstrated a readiness for  
6 such instruction in the field or specialty, and the student's preparation, aptitude, and interest shall  
7 be determined to provide reasonable assurance that the student has the potential to benefit from the  
8 instruction offered.

9           (c) The college shall provide academic counseling by faculty or staff to each student at the  
10 time of admission and throughout the program.

11           (d) The college shall make assistance and counseling available to each student who  
12 completes a technical or vocational program for the purpose of assisting the student with an  
13 appropriate job placement or with transfer.

14           (e) The college shall maintain sufficient records for each student to provide an  
15 understanding of his background, to record his progress through the instructional program, and for  
16 reference purposes.

17           (f) Administrative officers of the college shall be knowledgeable of the federal and state  
18 laws and administrative regulations concerning the disclosure of student information and shall  
19 comply with such laws and administrative regulations.

20           (g) A college shall make adequate provision for the maintenance of student records in the  
21 event the college ceases operations. The location of student records shall be approved in advance  
22 by the president.

23           (14) College policies.

1           (a) The college shall maintain records in an orderly manner and make them available for  
2 inspection by the president or his designated representative.

3           (b) A catalog shall be published and distributed at least every two (2) years and shall  
4 include general information, administrative policies, and academic policies of the college as  
5 indicated below:

6           1. General information.

7           a. Official name and address of the college, name of the chief administrative officers,  
8 members of the governing body, and names of principal owners.

9           b. The college's calendar for the period covered by the catalog including beginning and  
10 ending dates of each term or semester, registration and examination dates, legal holidays, and other  
11 important dates.

12           c. Names of faculty, including relevant education and experience.

13           d. Full disclosure of the philosophy and purpose of the college and its capacity to fulfill  
14 these objectives.

15           2. Administrative policies.

16           a. Admissions policies and procedures, applicable to the various programs, including  
17 policies regarding granting of credit for previous education.

18           b. Policies and procedures regarding student conduct and behavior and the process for  
19 dealing with cases which culminate in probation or dismissal.

20           c. Schedules for all tuition and instructional charges, and refund schedules for such tuition  
21 and instructional charges.

22           d. Statement of financial aid available to students.

23           e. Procedures for obtaining transcripts in a timely fashion and at reasonable cost.

1           3. Academic policies.

2           a. Policy on class attendance.

3           b. Description of grading system.

4           c. Description of the degree, diploma, certificate, and other programs, including the course  
5 requirements and the time normally required to complete each.

6           d. Full description of the nature and objectives of all degrees offered.

7           (c) Refund policy on tuition and other instructional charges. The refund policy shall meet  
8 the following minimum requirements:

9           1. If tuition and other instructional charges are collected in advance of enrollment and the  
10 student fails to enroll, then not more than \$100, or not more than ten (10) percent of the tuition and  
11 other instructional charges for a term or semester, whichever is less, shall be retained by the  
12 college.

13           2. Tuition and other instructional charges ordinarily shall be charged by the enrollment  
14 period, and the student shall not be obligated for tuition or other instructional charges relating to an  
15 enrollment period that had not begun when the student withdrew. However, the president may  
16 approve program tuition for specific programs at a college if a student may only enroll at the  
17 beginning of the program sequence and must remain in phase. If program tuition is approved, the  
18 college shall refund tuition and other instructional charges in accordance with its published refund  
19 policy that considers both the coursework completed prior to withdrawal and the coursework that  
20 remains.

21           3. If a student withdraws from the college, or if a student fails to attend classes for a period  
22 of thirty (30) days during which classes are in session, the college shall officially withdraw the  
23 student from the college and shall refund an amount reasonably related to the period for which the

1 student is not enrolled and shall refund 100 percent of all other tuition and other fees collected by  
2 the college for subsequent enrollment or registration periods unless the student is enrolled in a  
3 program for which program tuition is charged as specified in subparagraph 2 of this paragraph.

4 a. After completion of fifty (50) percent of the enrollment period, the college is not  
5 required to make refunds of tuition or other fees for that period.

6 b. In all other cases, including illness or accident, the college shall make a settlement  
7 which is fair and reasonable.

8 c. Refunds shall be made within thirty (30) days after notification of withdrawal has been  
9 received by the college.

10 4. Notwithstanding the provisions as set forth herein, if a college is accredited by an  
11 accrediting agency which has a specific refund policy which is more favorable to the student, then  
12 such policy shall be followed.

13 5. An out-of-state college shall refund in accordance with the policies indicated herein  
14 unless its policy is more favorable to the student, in which case the latter shall be followed.

15 Section 9. Failure to Apply For A License.

16 (1) If a college which is subject to this administrative regulation fails to apply for a license,  
17 the president shall notify the college by registered mail of the requirement to obtain a license.

18 (2) If a license application is not then received within sixty (60) days of notification by the  
19 president, the president shall require the chief administrative officer to appear for a hearing as  
20 provided in Section 14 of this administrative regulation.

21 (3) If the chief administrative officer does not appear for the hearing, the president may  
22 refer the case to the appropriate county attorney for enforcement.

23 Section 10 [5]. Annual Maintenance of a College's License and Renewal of a College's

1 License [Reports]. (1) A college [colleges] shall submit an “Application for Annual Maintenance  
2 of License or for Renewal of License pursuant to 13 KAR 1:020” [annual report] to the president  
3 in accordance with subsection (2) of this section, and shall contain the following information:

4 [~~—(1) The annual report for in-state colleges shall contain the following:]~~

5 (a) Financial Information.

6 1. A statement [Statements] from the Kentucky Higher Education Assistance Authority  
7 related to programs administered by that agency and from the United States Department of  
8 Education related to programs administered by that department that the college is in good standing;

9 2. [~~(b)~~] A statement prepared by an independent certified public accountant confirming  
10 that the college is in compliance with sub-section (3) of section 8; and

11 [~~1. the amount of the surety bond coverage is equal to or in excess of the largest amount~~  
12 ~~of unearned tuition held by the college at any time during the most recently completed fiscal year;~~  
13 ~~or~~

14 [~~2. the amount of the college's unrestricted endowment is equal to or in excess of the largest~~  
15 ~~amount of unearned tuition held by the college at any time during the most recently completed~~  
16 ~~fiscal year; or~~

17 [~~3. the letter of credit is equal to or in excess of the largest amount of unearned tuition held~~  
18 ~~by the college at any time during the most recently completed fiscal year; or~~

19 [~~4. any combination of surety bond coverage, unrestricted endowment, and letter of credit is~~  
20 ~~equal to or in excess of the largest amount of unearned tuition held by the college at any time~~  
21 ~~during the most recently completed fiscal year.]~~

22 3. Financial statement including assets and liabilities and an audit report prepared by an  
23 independent certified public accountant within the last year;

1           (b) Institutional Information.

2           1. Name and address of college;

3           2. Chief Executive Officer's name, title, address, phone number, fax number, and email  
4 address;

5           3. Institutional liaison's name, title, address, phone number , fax number, and email  
6 address;

7           4. [(e)] A current list of the college's agents;

8           5. Copies of articles of incorporation, charter, constitution, and by-laws if there have been  
9 any changes to the documents within the last year; and

10          6. Copy of any articulation agreement the college has with a Kentucky licensed college or  
11 state-supported institution entered into or changed within the last year;

12          (c) Accreditation Status.

13          1. If the college is accredited by an accrediting agency, then the college shall provide  
14 verification of the college's accreditation status.

15          2. If the college is not accredited by an accrediting agency, then the college shall indicate if,  
16 when, and from whom the college will seek accreditation;

17          (d) Tuition for current enrollment period per credit hour, specifying semester hour, quarter  
18 hour, or other basis, and per full-time student;

19          (e) A copy of the college's current catalog;

20          (f) For an in-state college, a list of all licensed instructional sites away from the main  
21 campus of an in-state college for the purpose of offering courses for college credit which comprise  
22 at least twenty-five (25) percent of the course requirements for a degree program, including the  
23 name and title of the primary contact of the off-campus site, address, phone number, and program

1 or programs by CIP code offered at the site, or course or courses if not offering an entire degree  
2 program at the site;

3 (g) Program Information.

4 1. Changes, if any, in program requirements for each program within the last year including  
5 admission requirements, courses required, the number of credit hours required for the program or  
6 major;

7 2. Results of the most recent program evaluation;

8 3. Methods used to assess student achievement;

9 4. Results of the most recent assessment of student achievement; and

10 5. A list of programs withdrawn within the last year in which there are no longer students  
11 enrolled including program title, degree level, CIP code, and address where the program is no  
12 longer being offered;

13 (h) Faculty Information. Vitae for each program faculty member employed within the last  
14 year;

15 (i) Facilities Information. Verification of compliance with all applicable local, state, and  
16 federal safety and fire codes; and

17 (j) Library information regarding the library collection and budget, and lease, contract, or  
18 letter of agreement authorizing use of other library collection, if any.

19 (2) (a) A college whose license expires by July 1, 2010 shall complete and submit the  
20 “Application for Annual Maintenance of License or for Renewal of License pursuant to 13 KAR  
21 1:020” for maintenance of its license by May 1, 2010. If that college’s license is subsequently  
22 renewed, then the college shall complete the “Application for Annual Maintenance of License or  
23 for Renewal of License pursuant to 13 KAR 1:020” in accordance with subsection (2)(b) of this

1 section thereafter.

2 (b) A college whose license expires after July 1, 2010 shall complete the “Application for  
3 Annual Maintenance of License or for Renewal of License pursuant to 13 KAR 1:020” by April 1  
4 of every year beginning April 1, 2011.

5 (3) The president may conduct, or may have conducted, a site visit as part of the annual  
6 maintenance of a license or renewal of a license process in accordance with section 4 of this  
7 administrative regulation.

8 (4) Within ninety (90) working days of the submission of a complete and accurate  
9 “Application for Annual Maintenance of License or for Renewal of License pursuant to 13 KAR  
10 1:020” where a site visit is not conducted, or within ninety (90) working days of the completion of  
11 a site visit, the president shall:

12 (a) notify the college of any deficiencies which must be corrected before the college’s  
13 license can be maintained or renewed;

14 (b) deny maintenance or renewal of the college’s license;

15 (c) maintain the college’s license without changing the college’s license renewal date; or

16 (d) renew the college’s license to June 30 of the next year.

17 (5) A college’s failure to submit a complete and accurate “Application for Annual  
18 Maintenance of License or for Renewal of License pursuant to 13 KAR 1:020” shall be grounds  
19 for denial of a license, or suspension or revocation of an existing license, and the president shall  
20 notify the college by registered mail, return receipt, of the denial, suspension, or revocation of the  
21 college’s license.

22 ~~[(d) The student headcount enrollment for the fall term in each licensed program submitted~~  
23 ~~through the Council on Postsecondary Education data collection system; and~~



1           ~~(e) The number of students completing each licensed program submitted through the~~  
2   ~~Council on Postsecondary Education data collection system.~~

3           ~~(2) The annual report for the Kentucky site of out-of-state colleges shall contain the~~  
4   ~~following:~~

5           ~~(a) Statements from the Kentucky Higher Education Assistance Authority related to~~  
6   ~~programs administered by that agency and from the United States Department of Education related~~  
7   ~~to programs administered by that department that the college is in good standing.~~

8           ~~(b) A statement prepared by an independent certified public accountant confirming that:~~

9           ~~1. The amount of the surety bond coverage is equal to or in excess of the largest amount of~~  
10   ~~unearned tuition held by the college at any time during the most recently completed fiscal year; or~~

11          ~~2. The amount of the college's unrestricted endowment is equal to or in excess of the largest~~  
12   ~~amount of unearned tuition held by the college at any time during the most recently completed~~  
13   ~~fiscal year; or~~

14          ~~3. The letter of credit is equal to or in excess of the largest amount of unearned tuition held~~  
15   ~~by the college at any time during the most recently completed fiscal year; or~~

16          ~~4. Any combination of surety bond coverage, unrestricted endowment, and letter of credit~~  
17   ~~is equal to or in excess of the largest amount of unearned tuition held by the college at any time~~  
18   ~~during the most recently completed fiscal year.~~

19          ~~(c) A current list of the college's agents;~~

20          ~~(d) The student headcount enrollment for the fall term in each licensed program submitted~~  
21   ~~on forms provided by the president; and~~

22          ~~(e) The number of students completing each licensed program submitted on forms provided~~  
23   ~~by the president.]~~

1           Section 11. Required Data Submission. (1) A licensed college shall submit student  
2 attendance and performance data in an electronic format. The required data fields, the format and  
3 method of submission, and the dates for submission shall be in accordance with the “Licensure  
4 Compliance Reporting Manual.”

5           (2) The president may conduct, or may have conducted, a site visit as part of the data  
6 submission process in accordance with section 4 of this administrative regulation.

7           (3) A college’s failure to submit complete, timely, and accurate data may be sufficient  
8 grounds for denial of a license, or suspension or revocation of an existing license, and the president  
9 shall notify the college by registered mail, return receipt, of the denial, suspension, or revocation of  
10 the college’s license.

11           Section 12 [6]. License Expiration.

12           (1) A license shall automatically expire [within sixty (60) days] following any of these  
13 developments:

14           (a) [(1) A license renewal application is not submitted];

15           [(2)] An in-state college ceases operating or soliciting [operation]; or

16           (b) [(3)] An out-of-state college ceases operating or soliciting [operation at a Kentucky  
17 site].

18           (2) A college that ceases operating or soliciting shall comply with sub-section (14)(g) of  
19 section 8 of this administrative regulation and KRS 164.020 (23).

20           ~~[Section 7. Standards for Licensure. The president may determine that an in-state college~~  
21 ~~meets the standards and requirements of this section if the college has been accredited by an~~  
22 ~~accrediting agency. The president shall determine that the following requirements or standards are~~  
23 ~~met in considering applications for a license and for license renewal:~~

1           ~~(1) Financial stability. The college shall adhere to generally accepted accounting practices~~  
2 ~~and present evidence of financial stability, including the following:~~

3           ~~(a) A financial statement including assets and liabilities and the audit report of an~~  
4 ~~independent certified public accountant for each corporation of the college;~~

5           ~~(b) The name of a bank or other financial institution college as reference; and~~

6           ~~(c) statements from the Kentucky Higher Education Assistance Authority related to~~  
7 ~~programs administered by that agency and from the United States Department of Education related~~  
8 ~~to programs administered by that department that the college is in good standing~~

9           ~~(2) A college shall be responsible for the actions of its agents;~~

10           ~~and shall guarantee the refund of any unearned tuition held by the college in one (1) of the~~  
11 ~~following ways:~~

12           ~~(a) Maintain a surety bond which shall be executed by a surety company qualified and~~  
13 ~~authorized to do business in Kentucky and shall be made payable to the Council on Postsecondary~~  
14 ~~Education; or~~

15           ~~(b) Maintain an unrestricted endowment; or~~

16           ~~(c) Provide a letter of credit.~~

17           ~~(d) An in-state college shall provide a statement by an independent certified public~~  
18 ~~accountant confirming that:~~

19           ~~1. the amount of the surety bond coverage is equal to or in excess of the largest amount of~~  
20 ~~unearned tuition held by the college at any time during the most recently completed fiscal year; or~~

21           ~~2. The unrestricted endowment is equal to or in excess of the largest amount of unearned~~  
22 ~~tuition held by the college at any time during the most recently completed fiscal year; or~~

23           ~~3. The letter of credit is equal to or in excess of the largest amount of unearned tuition held~~

1 by the college at any time during the most recently completed fiscal year; or

2 4. Any combination of surety bond coverage, unrestricted endowment, and letter of credit  
3 is equal to or in excess of the largest amount of unearned tuition held by the college at any time  
4 during the most recently completed fiscal year.

5 (e) An out-of-state college shall provide a statement by an independent certified public  
6 accountant confirming that for the Kentucky site or sites:

7 1. The amount of the surety bond coverage is equal to or in excess of the largest amount of  
8 unearned tuition held by the college at any time during the most recently completed fiscal year; or

9 2. The unrestricted endowment is equal to or in excess of the largest amount of unearned  
10 tuition held by the college at any time during the most recently completed fiscal year; or

11 3. The letter of credit is equal to or in excess of the largest amount of unearned tuition held  
12 by the college at any time during the most recently completed fiscal year; or

13 4. Any combination of surety bond coverage, unrestricted endowment, and letter of credit  
14 is equal to or in excess of the largest amount of unearned tuition held by the college at any time  
15 during the most recently completed fiscal year.

16 (f) A college applying for a license for the first time shall estimate the amount of unearned  
17 tuition based on projected enrollment and tuition and other instructional charges.

18 (g) If the surety bond is terminated, the college shall notify the president and the license  
19 shall automatically expire with the bond unless a replacement bond is provided without a lapse in  
20 bonding.

21 (h) If the unrestricted endowment falls below the required amount, the college shall notify  
22 the president and the college shall obtain a surety bond for the amount of coverage or a letter of  
23 credit, which in combination with the unrestricted endowment, is equal to or in excess of the

1 largest amount of unearned tuition held by the college in the most recently completed fiscal year.

2 ~~(3) Personnel requirements. (a) The college may be required to furnish information~~  
3 ~~regarding the administrative officers, the directors, the owners, and the faculty.~~

4 ~~(b) The chief administrator shall hold at least an earned baccalaureate degree from an~~  
5 ~~accredited or licensed college and shall have sufficient experience to qualify for the position.~~

6 ~~(c) Faculty members shall possess academic, scholarly, and teaching qualifications usually~~  
7 ~~required for faculty in accredited colleges which offer degrees at comparable levels.~~

8 ~~(d) There shall be a sufficient number of full-time faculty to insure continuity and stability~~  
9 ~~of the educational program.~~

10 ~~(e) Teaching loads of faculty members shall be consistent with recognized educational~~  
11 ~~practices, and shall be appropriate to the field, the variety of courses assigned, class size, and other~~  
12 ~~related factors.~~

13 ~~(4) Facilities and equipment.~~

14 ~~(a) The college shall be maintained and operated in compliance with the safety and health~~  
15 ~~requirements set forth in local, city, and county ordinances, and federal and state law, including~~  
16 ~~rules and administrative regulations adopted pursuant thereto.~~

17 ~~(b) Adequate and appropriate space shall be maintained for instruction in classrooms and~~  
18 ~~laboratories.~~

19 ~~Enrollment shall not exceed the design characteristics of the facilities. The instructional~~  
20 ~~program shall not be conducted in substandard facilities and the quality and quantity of equipment~~  
21 ~~shall be adequate and appropriate for the program.~~

22 ~~(5) Library. The library shall be appropriate to support the programs offered by the~~  
23 ~~college.~~

1           ~~(a) The collection of books, periodicals, newspapers, teaching aids, and other instructional~~  
2 ~~materials, and, equipment shall be adequate for the needs of the educational program, shall be~~  
3 ~~appropriately housed, and shall be readily accessible to the faculty and students.~~

4           ~~(b) A program for continuous acquisition of current library materials and for the recording~~  
5 ~~of all library holdings shall be clearly outlined and maintained.~~

6           ~~(c) Library expenditures, expressed as a percentage of the total educational and general~~  
7 ~~budget, shall be consistent with the percentage of library expenditures commonly observed in~~  
8 ~~accredited colleges of similar types.~~

9           ~~(d) A professionally trained and competent library staff, adequate to serve the needs of the~~  
10 ~~students and to support the educational program, shall be provided.~~

11           ~~(e) Sufficient seating and work space for a reasonable proportion of the faculty and~~  
12 ~~students to be accommodated at one (1) time shall be provided.~~

13           ~~(f) The physical environment of the library shall be conducive to reflective intellectual~~  
14 ~~pursuits common to institutions of higher learning.~~

15           ~~(g) a college which does not provide its own library facilities and must rely on other~~  
16 ~~institutions to provide library resources shall demonstrate that permission to utilize library~~  
17 ~~resources has been obtained prior to implementation of its programs. The extent of dependence on~~  
18 ~~other libraries shall be clearly stated and the nature and details of the agreements or contracts with~~  
19 ~~the participating libraries shall be explained and exhibited. The details of the contractual~~  
20 ~~agreements with other libraries must meet the criteria outlined in the above standards.~~

21           ~~(6) Curriculum. Earned degrees shall be bona fide academic degrees and the courses~~  
22 ~~offered in degree programs shall be of collegiate quality as determined by the president using the~~  
23 ~~following criteria:~~

1           ~~(a) Courses offered in degree programs shall be consistent with those generally~~  
2 ~~transferable for credit among accredited colleges in programs of corresponding degree levels, and~~  
3 ~~for credit toward the baccalaureate degree if such programs are at the associate degree level; or~~

4           ~~(b) Courses are not usually transferable because of the uniqueness of a program, or for~~  
5 ~~other valid educational reasons are determined to be of collective quality.~~

6 ~~A college shall not offer a master's degree, a doctoral degree, or any other graduate level degree, as~~  
7 ~~determined by the president, unless the college is accredited.~~

8           ~~(d) The college shall have a systematic program of curriculum revision in order to~~  
9 ~~maintain the general standards of accredited colleges with similar programs.~~

10          ~~(e) The college shall have a program of evaluation which includes a periodic assessment~~  
11 ~~of the changes in student achievement.~~

12          ~~(7) General education.~~

13          ~~(a) A reasonable percentage of the total credits comprising associate degrees and~~  
14 ~~baccalaureate degrees shall be earned in general education, including science mathematics, social~~  
15 ~~and behavioral sciences, and humanities. A college which offers an interdisciplinary general~~  
16 ~~education program, a block type program, or other unique general education program shall be~~  
17 ~~considered to be in compliance with the general education requirement if the president determines~~  
18 ~~that the program content and distribution are appropriately related to the degree and institutional~~  
19 ~~purposes.~~

20          ~~(b) A new college, and any existing college which initiates a new associate degree or~~  
21 ~~baccalaureate degree program or major, or other concentration or specialty, after the effective date~~  
22 ~~of these administrative regulations, shall comply fully from the outset with the general education~~  
23 ~~requirements.~~

1 ~~(8) Program supervision and instructional support. Regardless of location, type of~~  
2 ~~program, method of instruction, or other characteristics, an instructional program for which degree~~  
3 ~~credit is awarded shall include the following:~~

4 ~~(a) Adequate supervision by the college; and~~

5 ~~(b) Other instructional support as may be required to maintain a program of acceptable~~  
6 ~~quality.~~

7 ~~(9) Truth in advertising. A college shall observe the following standards in its advertising:~~

8 ~~(a) Advertisements, announcements, and promotional material of any kind which are~~  
9 ~~distributed in Kentucky shall not contain any statements that are untrue, deceptive, or misleading~~  
10 ~~with respect to the college, its personnel, its services, or the content, accreditation status and~~  
11 ~~transferability of its courses or degree programs.~~

12 ~~(b) Advertisements, announcements, or other materials produced by or on behalf of the~~  
13 ~~college shall not indicate that the college is "supervised," "recommended," "endorsed," or~~  
14 ~~"accredited" by the Commonwealth of Kentucky, by the Council on Postsecondary Education, or~~  
15 ~~by any other state agency. An advertising statement, if any, shall be in exactly the following form:~~  
16 ~~"(Name of College) is licensed by the Kentucky Council on Postsecondary Education."~~

17 ~~(10) Recruitment and enrollment procedures. A college shall furnish the following to each~~  
18 ~~student prior to enrollment:~~

19 ~~(a) The college's policies on grades, attendance, and conduct;~~

20 ~~(b) A description of the instructional program;~~

21 ~~(c) A detailed schedule of all charges, rentals, and deposits;~~

22 ~~(d) The schedule of refunds of all charges, rentals, and deposits; and~~

23 ~~(e) The student enrollment application, contract, or agreement.~~



1           ~~(11) Student affairs.~~

2           ~~(a) Students admitted to the college shall have completed a state approved secondary~~  
3 ~~school program or its equivalent.~~

4           ~~(b) A student admitted to an instructional program shall have demonstrated a readiness for~~  
5 ~~such instruction in the field or specialty, and the student's preparation, aptitude, and interest shall~~  
6 ~~be determined to provide reasonable assurance that the student has the potential to benefit from the~~  
7 ~~instruction offered.~~

8           ~~(c) The college shall provide academic counseling by faculty or staff to each student at the~~  
9 ~~time of admission and throughout the program.~~

10          ~~(d) The college shall make assistance and counseling available to each student who~~  
11 ~~completes a technical or vocational program for the purpose of assisting the student with an~~  
12 ~~appropriate job placement or with transfer.~~

13          ~~(e) The college shall maintain sufficient records for each student to provide an~~  
14 ~~understanding of his background, to record his progress through the instructional program, and for~~  
15 ~~reference purposes.~~

16          ~~(f) Administrative officers of the college shall be knowledgeable of the federal and state~~  
17 ~~laws and administrative regulations concerning the disclosure of student information and shall~~  
18 ~~comply with such laws and administrative regulations.~~

19          ~~(g) A college which plans to cease operation in Kentucky shall make adequate provision~~  
20 ~~for the maintenance of student records. The location of student records shall be approved in~~  
21 ~~advance by the president.~~

22          ~~(h) The college shall establish suitable policies and procedures whereby a student is assured~~  
23 ~~of an appeal process that affords due process.~~

1           ~~(12) College policies.~~

2           ~~(a) The college shall maintain records in an orderly manner and make them available for~~  
3 ~~inspection by the president or his designated representative.~~

4           ~~(b) A catalog shall be published at least every two (2) years and shall include general~~  
5 ~~information, administrative policies, and academic policies of the college as indicated below:~~

6           ~~1. General information.~~

7           ~~a. Official name and address of the college, name of the chief administrative officers,~~  
8 ~~members of the governing body, and names of principal owners.~~

9           ~~b. The college's calendar for the period covered by the catalog including beginning and~~  
10 ~~ending dates of each term or semester, registration and examination dates, legal holidays, and other~~  
11 ~~important dates.~~

12           ~~c. Names of faculty, including relevant education and experience.~~

13           ~~d. Full disclosure of the philosophy and purpose of the institution and its capacity to fulfill~~  
14 ~~these objectives.~~

15           ~~2. Administrative policies.~~

16           ~~a. Admissions policies and procedures, applicable to the various programs, including~~  
17 ~~policies regarding granting of credit for previous education.~~

18           ~~b. Policies and procedures regarding student conduct and behavior and the process for~~  
19 ~~dealing with cases which culminate in probation or dismissal.~~

20           ~~c. Schedules for all tuition and instructional charges, and refund schedules for such tuition~~  
21 ~~and instructional charges.~~

22           ~~d. Statement of financial aid available to students.~~

23           ~~e. Procedures for obtaining transcripts in a timely fashion and at reasonable cost.~~

- 1           3. ~~Academic policies.~~
- 2           a. ~~Policy on class attendance.~~
- 3           b. ~~Description of grading system.~~
- 4           c. ~~Description of the degree, diploma, certificate, and other programs, including the course~~  
5 ~~requirements and the time normally required to complete each.~~
- 6           d. ~~Full description of the nature and objectives of all degrees offered.~~
- 7           (c) ~~Refund policy on tuition and other instructional charges. The refund policy shall meet~~  
8 ~~the following minimum requirements:~~
- 9           1. ~~If tuition and other instructional charges are collected in advance of enrollment and the~~  
10 ~~student fails to enroll, then not more than \$100, or not more than ten (10) percent of the tuition and~~  
11 ~~other instructional charges for a term or semester, whichever is less, shall be retained by the~~  
12 ~~college.~~
- 13           2. ~~Tuition and other instructional charges ordinarily shall be charged by the enrollment~~  
14 ~~period, and the student shall not be obligated for tuition or other instructional charges relating to an~~  
15 ~~enrollment period that had not begun when the student withdrew. However, the president may~~  
16 ~~approve program tuition for specific programs at a college if a student may only enroll at the~~  
17 ~~beginning of the program sequence and must remain in phase. If program tuition is approved, the~~  
18 ~~college shall refund tuition and other instructional charges in accordance with its published refund~~  
19 ~~policy.~~
- 20           3. ~~If a student withdraws from the college, or if a student fails to attend classes for a period~~  
21 ~~of thirty (30) days during which classes are in session, the college shall officially withdraw the~~  
22 ~~student from the college and shall refund an amount reasonably related to the period for which the~~  
23 ~~student is not enrolled and shall refund 100 percent of all other tuition and other fees collected by~~

1 ~~the institution for subsequent enrollment or registration periods unless the student is enrolled in a~~  
2 ~~program for which program tuition is charged as specified in subparagraph 2 of this paragraph.~~

3 ~~a. After completion of fifty (50) percent of the enrollment period, the college is not~~  
4 ~~required to make refunds of tuition or other fees for that period.~~

5 ~~b. In all other cases, including illness or accident, the college shall make a settlement~~  
6 ~~which is fair and reasonable.~~

7 ~~c. Refunds shall be made within thirty (30) days after notification of withdrawal has been~~  
8 ~~received by the college.~~

9 ~~4. Notwithstanding the provisions as set forth herein, if a college is accredited by an~~  
10 ~~accrediting agency which has a specific refund policy which is more favorable to the student, then~~  
11 ~~such policy shall be followed.~~

12 ~~5. An out of state college shall refund in accordance with the policies indicated herein~~  
13 ~~unless its policy is more favorable to the student, in which case the latter shall be followed.]~~

14 Section 13 [8]. Consumer Complaint Procedure.

15 (1) A person with a complaint or grievance involving misrepresentation against a college  
16 licensed under these administrative regulations shall make a reasonable effort to resolve the  
17 complaint or grievance directly with the college. If a mutually satisfactory solution cannot be  
18 reached, the following procedure shall be followed:

19 (a) A person shall submit a written complaint [~~(1) A written statement of the complaint~~  
20 ~~shall be submitted]~~ to the president which contains evidence relevant to the complaint and  
21 documentation that a reasonable effort was made to resolve the complaint directly with the college.

22 (b) The president may require an institution to file a written response setting forth the  
23 relevant facts concerning the consumer complaint, including a statement on the current status of

1 the complaint, and any resolution of the complaint.

2 (c) [(2)] The president shall review the facts as presented and may intervene to bring the  
3 matter to a satisfactory conclusion through facilitation, but such facilitation shall not include legal  
4 action on behalf of any party.

5 [(3)] ~~If the president determines that the college may no longer be in compliance with the~~  
6 ~~provisions of this administrative regulation, the college may be required to document its continuing~~  
7 ~~compliance with this administrative regulation in the form and manner determined by the~~  
8 ~~president.]~~

9 Section 14[9]. Hearings and Appeals.

10 (1) The president may, for cause, require the chief administrative officer, or other officers,  
11 of a college to appear for a hearing consistent with the provisions of KRS 13B.005 – 13B.170, in  
12 order to determine the facts if the president has determined that there is sufficient cause for a  
13 suspension or revocation of a license or placement of a college's license in a probationary status ~~in~~  
14 ~~the case].~~

15 (2) ~~[At such hearings,]~~ The officer, or other officers, of the college may be accompanied at  
16 the hearing by counsel of their own choosing and at their expense.

17 (3) Within thirty (30) working days after a hearing is held, the president shall reach a  
18 determination and shall issue findings, in writing, to the council and to the chief executive officer  
19 of the college.

20 (4) If the findings warrant, the president may impose the sanctions authorized in this  
21 section.

22 [(2) Sanctions. Probation, suspension of license, or revocation of license.]

23 (5) [(a)] If it is determined, on the basis of the procedures described herein, that the public

1 interest requires that sanctions be imposed, the president may take one (1) or more of the following  
2 steps [~~may be taken~~]:

3 (a) Impose one (1) of the following sanctions:

4 1. Place the college's license in a probationary status for a designated period not to exceed  
5 one (1) year while deficiencies are being corrected;

6 2. Suspend the college's license for a period not to exceed one (1) year; or

7 3. Revoke the college's license; or

8 (b) [4.] Refer the case to other officials for appropriate legal action.

9 (6) [(b)] A college which is sanctioned, whether such sanction is probation, suspension of  
10 license, or revocation of license, shall comply with the terms of such sanction.

11 (7) [(c) Any expense incurred in site visits, and for other purposes related to the removal of  
12 such sanctions, shall be borne by the college, notwithstanding the provisions of Section 3(4) of this  
13 administrative regulation.

14 (3)] A college may appeal the actions of the president regarding the denial of issuance of a  
15 license or license renewal or the imposition of sanctions according to the following procedure:

16 (a) A college shall notify the president of the intent to appeal an action within fourteen  
17 (14) days of the receipt of the letter notifying the college of the action taken;

18 (b) The president shall request that the Office of Administrative Hearings appoint a  
19 hearing officer who shall conduct an administrative hearing consistent with the provisions of KRS  
20 13B.005 – 13B.170. [appoint a person to serve as the appeals officer];

21 (c) The appeal shall be presented in writing no later than sixty (60) days following the  
22 receipt of notification of intent to appeal. [~~The appeal shall be considered on the written record~~  
23 ~~alone;~~]

1 (d) The appeals officer shall review findings of fact, consider testimony, draw conclusions,  
2 and formulate a recommendation consistent with the facts and this administrative regulation;

3 (e) Within fourteen (14) days, the report of the appeals officer shall be forwarded to the  
4 college and to the president [~~Chairman~~] of the Council on Postsecondary Education;

5 (f) The president [~~Council on Postsecondary Education~~] shall act on the appeal at its next  
6 regular or special meeting; and

7 (g) The president [~~council~~] shall take one (1) of the following actions:

8 1. Issue a license;

9 2. Renew the license;

10 3. Impose one (1) of the sanctions authorized in this section; or

11 4. Refer the case to other officials for appropriate action.

12 (8) Any expense incurred for a site visit, and for other purposes related to the removal of  
13 such sanctions, shall be borne by the college.

14 Section 15. License Fees.

15 (1) The president shall assess a fee in accordance with the “Kentucky Licensure Fee  
16 Schedule” that is incorporated by reference herein.

17 (2) The president may adjust a license fee based upon the consumer price index or other  
18 appropriate indicator.

19 (3) Failure to pay a fee shall be sufficient grounds for denial of a license, or suspension or  
20 revocation of an existing license.

21 Section 16. Incorporation by Reference. (1) The following material is incorporated by  
22 reference:

23 (a) “Application for Licensure as an In-State, Non-Public Institution to Operate in the

- 1 Commonwealth of Kentucky Pursuant to 13 KAR 1:020”
- 2 (b) “Application for Licensure as an Out-of-State Institution to Operate in the
- 3 Commonwealth of Kentucky Pursuant to 13 KAR 1:020”
- 4 (c) “Supplementary Application for Change of Name of Institution Pursuant to 13
- 5 KAR 1:020”
- 6 (d) “Supplementary Application for Change of Location of Principal Location of a
- 7 College or Location of a Licensed Instructional Site in Kentucky Pursuant to 13 KAR 1:020”
- 8 (e) “Supplementary Application for Change of Ownership or Governance pursuant to
- 9 13 KAR 1:020”
- 10 (f) “Supplementary Application to Operate as an Out-of-State Institution in the
- 11 Commonwealth of Kentucky Pursuant to 13 KAR 1:020”
- 12 (g) “Supplementary Application to Operate as an In-State Institution in the
- 13 Commonwealth of Kentucky Pursuant to 13 KAR 1:020”
- 14 (h) “Supplementary Application for Administrative Site, Recruitment Office, or
- 15 Advising Center Pursuant to 13 KAR 1:020”
- 16 (i) “Supplementary Application for Notification of Change in Accreditation or
- 17 Licensure Status Pursuant to 13 KAR 1:020”
- 18 (j) “Application for Annual Maintenance of License or for Renewal of License
- 19 Pursuant to 13 KAR 1:020”
- 20 (k) “Licensure Compliance Reporting Manual”
- 21 (l) “Kentucky Licensure Fee Schedule”
- 22 (2) This material may be inspected, copied, or obtained, subject to applicable copyright
- 23 law, at the Kentucky Council on Postsecondary Education, 1024 Capital Center Drive, Suite 320,



- 1 Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.

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Date

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Paul Patton, Chair  
Council on Postsecondary Education

APPROVED AS TO FORM:

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Date

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Dennis L. Taulbee, General Counsel  
Council on Postsecondary Education

## **Summary of Material Incorporated by Reference**

1. The “Application for Licensure as an In-State, Non-Public Institution to Operate in the Commonwealth of Kentucky pursuant to 13 KAR 1:020” is the 15-page licensure application form that in-state colleges are required to file to seek licensure from the Council on Postsecondary Education prior to operating or soliciting in Kentucky.
2. The “Application for Licensure as an Out-of-State Institution to Operate in the Commonwealth of Kentucky pursuant to 13 KAR 1:020” is the 15-page licensure application form that out-of-state colleges are required to file to seek licensure from the Council on Postsecondary Education prior to operating or soliciting in Kentucky.
3. The “Supplementary Application for Change of Name of Institution pursuant to 13 KAR 1:020” is the 1-page licensure application form that an already licensed college is required to file when the college proposes a change to name of the college.
4. The “Supplementary Application for Change of Location of Principal Location of a College or Location of a Licensed Instructional Site in Kentucky pursuant to 13 KAR 1:020” is the 2-page licensure application form that an already licensed college is required to file when the college proposes to change the principal location of a college or the location of a licensed instructional site in Kentucky.
5. The “Supplementary Application for Change of Ownership or Governance pursuant to 13 KAR 1:020” is the 3-page licensure application form that an already licensed college is required to file when the college proposes to change the ownership or governance of the college.
6. The “Supplementary Application to Operate as an Out-of-State Institution in the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” is the 2-page licensure application form that an already licensed out-of-state college is required to file when the college proposes to offer an additional certificate, diploma, degree program, major, or other concentration or specialty.
7. The “Supplementary Application to Operate as an In-State Institution in the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” is the 3-page licensure application form that an already licensed in-state college is required to file when the college proposes to offer an additional certificate, diploma, degree program, major, or other concentration or specialty, or proposes to establish a new off-campus site.
8. The “Supplementary Application for Administrative Site, Recruitment Office, or Advising Center pursuant to 13 KAR 1:020” is the 2-page licensure application form that an already licensed college is required to file when the college proposes to establish an administrative site, recruitment office, or advising center in Kentucky, or change the location of an already licensed administrative site, recruitment office, or advising center in Kentucky, where the site, office, or center is not part of a licensed instructional site or proposed instructional site

for which the college is seeking licensure.

9. The “Supplementary Application for Notification of Change in Accreditation or Licensure Status pursuant to 13 KAR 1:020” is the 1-page licensure form that an already licensed college is required to file following action by an accrediting or licensing agency that results in the college being placed in a probationary status, losing accreditation or licensure, or being denied accreditation or licensure.
10. The “Application for Annual Maintenance of License or for Renewal of License Pursuant to 13 KAR 1:020” is the 5-page licensure form that an already licensed college is required to file to in order to annually maintain or renew its license.
11. The “Licensure Compliance Reporting Manual” is licensure document that an already licensed college is required to follow in submitting data annually in order to renew its license.
12. The “Kentucky Licensure Fee Schedule” is the 4-page licensure document that sets forth the fees that the Council on Postsecondary Education will assess and colleges shall pay for licensure.

**PUBLIC HEARING AND PUBLIC COMMENT PERIOD:** A public hearing on this administrative regulation shall be held on October 27, 2009 at 10:00 a.m. at the Council on Postsecondary Education, 1024 Capital Center Drive, Suite 320, Frankfort, Kentucky, 40601 in Conference Room A. Individuals interested in being heard at this hearing shall notify this agency in writing five workdays prior to the hearing, of their intent to attend. If no notification to attend the hearing is received by that date, the hearing may be cancelled.

This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation.

Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

**CONTACT PERSON:**

Sarah Levy  
Council on Postsecondary Education  
1024 Capital Center Dr.  
Suite 350  
Frankfort, Kentucky 40601  
Phone: 502.573.1555 ext. 350  
Fax: 502.573.1535  
Email: sarah.levy@ky.gov

REGULATORY IMPACT ANALYSIS  
AND TIERING STATEMENT

Administrative Regulation *13 KAR 1:020. Private College Licensing*

Contact person: Sarah Levy, Sr. Associate – Academic Affairs  
Council on Postsecondary Education  
1024 Capital Center Drive, Suite 320  
Frankfort, KY 40601  
502.573.1555 ext. 350  
sarah.levy@ky.gov  
FAX: 502.573.1535

- (1) Provide a brief summary of:
  - (a) What this administrative regulation does: This administrative regulation sets the standards and rules related to the licensing of private postsecondary education institutions, and proprietary postsecondary education institutions that are not licensed by the Board of Proprietary Education.
  - (b) The necessity of this administrative regulation: KRS 164.945 through 164.947 requires the Council on Postsecondary Education to license these institutions as a protection for Kentucky citizens and to protect bona fide institutions from those who engage in fraudulent practices, unfair competition, or substandard educational programs.
  - (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 164.947 requires that the Council on Postsecondary Education, by regulation, shall adopt standards and procedures for the licensing of colleges.
  - (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: The administrative regulation sets out the standards institutions must meet in order to be licensed to operate in Kentucky. It also defines the process for new license applications, for amendments to licenses, and for license renewals.
  
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
  - (a) How the amendment will change this existing administrative regulation: The process for filing a license application is better defined in the changes; a physical presence as a

basic requirement is articulated; the standards for licensure are updated to closely align with the latest SACS accreditation requirements; the complaint procedures are updated and the process of appeal for an adverse licensing decision is clarified; requirements for data reporting are better established as an element of providing consumer information; and, a fee structure is introduced.

- (b) The necessity of the amendment to this administrative regulation: This administrative regulation has not been updated since 1991. Since that time, numerous changes in accreditation standards have been introduced, and the entire field of distance learning has come into being. The complexity of the licensing issues requires a more detailed review than in the past, and this in turn requires additional staff; thus a fee structure is introduced.
  - (c) How the amendment conforms to the content of the authorizing statutes: The amendment conforms exactly to the authorizing statute.
  - (d) How the amendment will assist in the effective administration of the statutes: The administrative regulation better organizes the different licensure requirements, and simplifies the reporting process.
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: There are over 50 institutions licensed by the Council on Postsecondary Education. A number of individuals and firms have expressed interest in following the administrative regulation revisions of the Council. The primary impact is on institutions currently licensed by the Council, and on those new institutions who will seek licenses from the Council.
- (4) Provide an assessment of how the above group or groups will be impacted by either the implementation of this administrative regulation, if new, or by the change if it is an amendment: The improvements in the organization of the administrative regulation as well as the simplification of the information requirements in annual reporting should have a positive impact on the affected groups. The introduction of a new fee structure will be perceived by some institutions as negative, but will, in fact, have a positive impact by allowing us to upgrade the services we provide and thus to be more responsive to institutional requests for licensure.

- (5) Provide an estimate of how much it will cost to implement this administrative regulation:
- (a) Initially: We estimate that the cost will be about \$222,900 to \$567,700 per year, less any revenue generated from fees. We estimate revenue generation of \$272,400 per year from the fees after the annual fee is implemented in April 2011.
  - (b) On a continuing basis: We estimate that the cost will be about \$222,900 to \$567,700 per year, less any revenue generated from fees. We estimate revenue generation of \$272,400 per year from the fees after the annual fee is implemented in April 2011.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: License fees.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Yes, new fees are introduced. The CPE has not charged fees before.
- .
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: Yes. New fees are introduced for institutions seeking new licenses, for annual maintenance and renewal of licenses, and for supplementary license applications including review of new programs.
- (9) TIERING: Is tiering applied? Tiering is applied. In order to ease the burden on smaller, less complex institutions, the annual maintenance of license/renewal of license fee is based upon the number of years an institution has been licensed by the CPE and the enrollment at an institution.



**Commonwealth of Kentucky**  
**Council on Postsecondary Education**  
**KENTUCKY LICENSURE FEE SCHEDULE**

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In addition to any costs connected with a site visit per 13 KAR 1:020 or 13 KAR 1:050, colleges shall pay the following fees for licensure:

**FOR COLLEGES NOT CURRENTLY LICENSED BY THE COUNCIL ON POSTSECONDARY EDUCATION:**

When a new college seeking licensure by the Council on Postsecondary Education submits an “Application for Licensure as an In-State, Non-Public Institution to Operate in the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” if an in-state college, or an “Application for Licensure as an Out-of-State Institution to Operate in the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” if an out-of-state college, then the college shall pay at the time of submission of the application the following fees:

**New College Application Fee**

- New in-state college \$1,000.00
- New out-of-state college (each site licensed separately) \$5,000.00

**PLUS**

**Offering Fee**

**(per program, or per course if not offering entire program)**

- Course if not offering entire program \$200.00
- Certificate, Diploma, or Associate’s program \$200.00
- Bachelor’s program \$500.00
- Master’s or Specialist program \$1,500.00
- Doctoral program \$2,000.00

**FOR COLLEGES ALREADY LICENSED BY THE COUNCIL ON POSTSECONDARY EDUCATION:**

- 1. New Program Fee for Already Licensed College (per program)** \$300

A college that is already licensed by CPE shall pay a new program fee at the time of submission of a “Supplementary Application to Operate as an Out-of-State Institution in the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” if an already licensed out-of-state college, or a “Supplementary Application to Operate as an In-State Institution in the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” if an already licensed in-state college if the new programs is at a new degree level or is a significant departure from previously licensed programs of the college:

- 2. New Additional In-State Instructional Site Fee for Already Licensed In-State College (per site)** \$200.00

An in-state college that is already licensed by CPE shall pay this fee per off-campus site at the time of submission of a “Supplementary Application to Operate as an In-State Institution in the Commonwealth of Kentucky Pursuant to 13 KAR 1:020” to CPE to establish a new site off the main campus for the purposes of offering courses for college credit which comprise at least twenty-five (25) percent of the course requirements for a degree program.

- 3. Change of Circumstances Fee for Already Licensed College (per circumstance)** \$200.00

A college that is already licensed by CPE shall pay this fee per circumstance at the time of submission of any of the following supplementary applications to CPE:

- “Supplementary Application for Change of Name of Institution pursuant to 13 KAR 1:020”
- “Supplementary Application for Change of Location of Principal Location of a College or Location of a Licensed Instructional Site in Kentucky pursuant to 13 KAR 1:020”
- “Supplementary Application for Change of Ownership or Governance pursuant to 13 KAR 1:020”
- “Supplementary Application for Administrative Site, Recruitment Office, or Advising Center pursuant to 13 KAR 1:020”
- “Supplementary Application for Notification of Change in Accreditation or Licensure Status pursuant to 13 KAR 1:020”
- A supplementary application that is required by the president due to a determination that other sufficient cause exists which requires a supplementary application.

**4. Annual Maintenance of License or Renewal of License Fee (annual)**

Beginning April 1, 2011, all licensed college shall pay this fee at the time of submission of an “Application for Annual Maintenance of License or for Renewal of License Pursuant to 13 KAR 1:020.”

An out-of-state college shall be charged this fee for each licensed instructional site in Kentucky, and enrollment shall be calculated per site, as each instructional site is licensed separately. Licensed online offerings for an out-of-state college shall be considered an “online campus” and an instructional site for purposes of this fee.

Enrollment shall be calculated using fall enrollment data from the prior academic year. For example, a fee due April 1, 2011 will be based upon enrollment data from the fall of 2009.

- For a college that has had a license from CPE for 10 years or more, the fee shall be:

Enrollment	
100-500	\$ 500.00
501-1,000	\$ 1,000.00
1,001-3,000	\$ 2,000.00
3,001 or above	\$ 3,000.00

- For a college that has had a license from CPE for less than 10 years, the fee shall be:

Enrollment	
100-500	\$2,000.00
501-1,000	\$3,000.00
1,001-3,000	\$5,000.00
3,001 and above	\$8,000.00

**LATE FEES**

A college submitting an application more than five (5) working days after the due date shall be assessed a late fee of 10% of the required fee for each five (5) working days the application is past due.

If a college submits an application by the due date but the application is incomplete, then CPE will notify the college and establish a specific date by which the college shall submit the remainder of the application. If the remainder of the application is not submitted by the established date, then CPE may assess a late fee of 10% of the required fee.

The president may waive or reduce a late fee in the case of mitigating circumstances as determined by the president.

**ALL FEES SHALL BE:**

- Due at the time of application
- Paid before any review of the college's application will begin
- Nonrefundable
- In the form of a check or money order
- Made payable to the "Kentucky Council on Postsecondary Education"
- Applied to the cost of administering KRS 164.945 to 164.947 and 13 KAR 1:020

CPE reserves the right to adjust fees based on the consumer prices index or other appropriate indicator.



KENTUCKY COUNCIL ON  
POSTSECONDARY EDUCATION

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# POSTSECONDARY EDUCATION LICENSURE

CPE MEETING

SEPTEMBER 10, 2009

**PURPOSE  
OF  
LICENSURE**

To protect the citizens of the Commonwealth against colleges that engage in fraudulent practices, unfair competition, or substandard educational programs.

**KRS 164.945 – 164.947 and  
13 KAR 1:020 (1991)**

## LICENSURE AUTHORITY

- All private, for-profit colleges with bachelor's degree or above.
- All private, nonprofit colleges, including religious colleges.
- Out-of-state private and public colleges which operate in Kentucky.

**KRS 164.945 – 164.947 and  
13 KAR 1:020 (1991)**

## LICENSURE ACTIVITIES

- Licensure of new colleges
- Changes
- Renewals
- Annual reporting – data
- Consumer complaints

**KRS 164.945 – 164.947 and  
13 KAR 1:020 (1991)**



INCREASED  
VOLUME  
WITH 60  
COLLEGES  
AND  
MULTIPLE  
SITES

- 50% more colleges since reform.
  - 1991
    - 31 in-state; 8 out-of-state
  - 1998
    - 32 in-state; 8 out-of-state
  - 2009
    - 37 in-state; 23 out-of-state
- 1,800 programs.
- 35% of state financial aid to licensed colleges = \$64,469,671.

NEED FOR  
GREATER  
CONSUMER  
PROTECTION

- Degree mills, diploma mills, and counterfeit operations.
- Technology and internationalization increase risk of fraud.

MORE  
COMPLEX  
REVIEWS  
REQUIRED

- Site visits with consultants.
- Coordination with state agencies, like Education Professional Standards Board and Board of Nursing.

NEW LAW  
CREATES  
NEW  
LICENSING  
DEMANDS

To be eligible for tuition grants:

- Licensed out-of-state colleges for which SACS is not an option must undergo CPE review based on accreditation criteria that mirrors SACS.
- Beginning 2011.

**KRS 164.785(7)**

PROPOSED  
REVISIONS  
TO  
REGULATION  
NECESSARY

- 18 years without revision.
- Align standards and process.
- Address online.
- Accommodate growth.

13 KAR 1:020

## NEED FOR ADDITIONAL RESOURCES

- Review and process increased applications and programs.
- Site visit coordination, travel, and attendance.
- Data collection and management.

PROPOSED  
FEES FOR  
LICENSURE

- 85% of states charge fees (39 out of 46).
- Others considering fees.
- In addition to site visit costs.

## PROPOSED REGULATIONS

- Revisions to 13 KAR 1:020. *Private college licensing.*
- New 13 KAR 1:040. *Definitions for independent colleges.*
- New 13 KAR 1:050. *Licensed out-of-state college's eligibility for Kentucky tuition grant.*



**Thank You**



KENTUCKY COUNCIL ON  
POSTSECONDARY EDUCATION

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**QUESTIONS**

**Council on Postsecondary Education  
September 10, 2009**

**New Regulation for Definitions  
for Independent College Licensing**

**ACTION:** The staff recommends that the Council approve the new administrative regulation 13 KAR 1:040 definitions for independent colleges in Kentucky.

The Council is amending one existing substantive administrative regulation and adopting one new substantive administrative regulation. 13 KAR 1:040 is a new administrative regulation that sets forth the definitions for those other two substantive regulations, 13 KAR 1:020 *Private college licensing* and 13 KAR 1:050 *Licensed out-of-state college's eligibility for Kentucky tuition grant*.

13 KAR 1:040 includes definitions that were originally located in 13 KAR 1:020 *Private college licensing*, such as "accredited," "accrediting agency," "agent," "in-state college," "out-of-state college," and "unearned tuition."

In addition, 13 KAR 1:040 references terms already defined in KRS 164.785, such as "college," "degree," and "diploma."

Importantly, 13 KAR 1:040 defines a new licensing phrase, "operating or soliciting," which is intended to help address the legal issue of interstate commerce by requiring a physical presence for licensure. The new definition is based upon South Carolina's definition.

Finally, 13 KAR 1:040 clarifies the term "president" to mean the president of the Council on Postsecondary Education.

1 COUNCIL ON POSTSECONDARY EDUCATION

2 New Administrative Regulation

3 13 KAR 1:040. Definitions for Independent Colleges.

4 RELATES TO: KRS 164.945, 164.946, 164.992, 165A.320, 13 KAR 1:020, 13 KAR  
5 1:050.

6 STATUTORY AUTHORITY: KRS 164.947 and KRS 164.785

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.947 requires the Council  
8 on Postsecondary Education by regulation to adopt standards and procedures for the licensing of  
9 colleges as defined in KRS 164.945, and KRS 164.785 requires that out-of-state colleges  
10 licensed by the Council for which accreditation by the Southern Association of Colleges and  
11 Schools is not an option shall be reviewed and approved by the Council based on accreditation  
12 criteria that mirrors Southern Association of Colleges and Schools accreditation criteria in order  
13 to qualify as an eligible college in which a student may enroll and receive a Kentucky tuition  
14 grant. This administrative regulation establishes definitions applicable to 13 KAR 1:020 and 13  
15 KAR 1:050.

16 Section 1. (1) "Accredited" means the approval of an accrediting agency.

17 (2) "Accrediting agency" means a national or regional agency which evaluates colleges  
18 and is recognized by the United States Department of Education, the Council on Higher Education  
19 Accreditation, or the Council on Postsecondary Education.

20 (3) "Agent" means any person employed by a college to act as solicitor, broker, or  
21 independent contractor to procure students for the college by solicitation in any form made at any

1 place other than the main campus of the college.

2 (4) "College" is defined by KRS 164.945.

3 (5) "Degree" is defined by KRS 164.945.

4 (6) "Diploma" is defined by KRS 164.945.

5 (7) "In-state college" means a college that is chartered by, organized within, and has its  
6 principal location in Kentucky.

7 (8) "Operating or soliciting" means having actual presence within Kentucky and includes:

8 (a) an instructional or administrative site within Kentucky whether owned, leased, rented,  
9 or provided without charge;

10 (b) instruction whether theory or clinical originating from or delivered within Kentucky  
11 utilizing teachers, trainers, counselors, advisors, sponsors, or mentors;

12 (c) an agent, recruiter, in-state liaison personnel, institution, or business located in  
13 Kentucky that advises, promotes, or solicits for enrollment or credits or for the award of an  
14 educational or occupational credential,

15 (d) an articulation agreement with a Kentucky licensed college or state-supported  
16 institution; or

17 (e) advertising, promotional material, or public solicitation in any form that targets  
18 Kentucky residents through distribution or advertising in the state.

19 (9) "Out-of-state college" means a college that is chartered, organized, or has its principal  
20 location outside Kentucky.

21 (10) "President" means the president of the Council on Postsecondary Education.

22 (11) "Unearned tuition" means the excess of cumulative collections of tuition and other  
23 instructional charges over the cumulative amount of earned tuition and other instructional charges

- 1 prior to the first date of refund in accordance with the college's refund policy.

APPROVED

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Paul Patton, Chair  
Council on Postsecondary Education

---

Date

APPROVED

---

Dennis L. Taulbee, General Counsel  
Council on Postsecondary Education

---

Date

**PUBLIC HEARING AND PUBLIC COMMENT PERIOD:** A public hearing on this administrative regulation shall be held on October 27, 2009 at 10:00 a.m. at the Council on Postsecondary Education, 1024 Capital Center Drive, Suite 320, Frankfort, Kentucky, 40601 in Conference Room A. Individuals interested in being heard at this hearing shall notify this agency in writing five workdays prior to the hearing, of their intent to attend. If no notification to attend the hearing is received by that date, the hearing may be cancelled.

This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until October 31, 2009.

Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

**CONTACT PERSON:**

Sarah Levy  
Council on Postsecondary Education  
1024 Capital Center Dr.  
Suite 350  
Frankfort, Kentucky 40601  
Phone: 502.573.1555 ext. 350  
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Email: sarah.levy@ky.gov

REGULATORY IMPACT ANALYSIS  
AND TIERING STATEMENT

Administrative Regulation *13 KAR 1:040. Definitions for Independent Colleges.*

Contact person: Sarah Levy, Sr. Associate – Academic Affairs  
Council on Postsecondary Education  
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Frankfort, KY 40601  
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- (1) Provide a brief summary of:
  - (a) What this administrative regulation does: This administrative regulation sets forth the common definitions for 13 KAR 1:020 and 13 KAR 1:050.
  - (b) The necessity of this administrative regulation: KRS 164.945 through 164.947 requires the Council on Postsecondary Education to license these institutions as a protection for Kentucky citizens and to protect bona fide institutions from those who engage in fraudulent practices, unfair competition, or substandard educational programs; and KRS 164.785 requires that out-of-state colleges licensed by the Council for which accreditation by the Southern Association of Colleges and Schools (SACS) is not an option shall be reviewed and approved by the Council based on accreditation criteria that mirrors Southern Association of Colleges and Schools accreditation criteria in order to qualify as an eligible college in which a student may enroll and receive a Kentucky tuition grant.
  - (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 164. 947 requires that the Council on Postsecondary Education by regulation shall adopt standards and procedures for the licensing of colleges.
  - (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: The administrative regulation sets forth the definitions for 13 KAR 1:020 and 13 KAR 1:050.
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
  - (a) How the amendment will change this existing administrative regulation: N/A – not an amendment to an existing administrative regulation.



- (b) The necessity of the amendment to this administrative regulation: N/A – not an amendment to an existing administrative regulation.
  - (c) How the amendment conforms to the content of the authorizing statutes: N/A – not an amendment to an existing administrative regulation.
  - (d) How the amendment will assist in the effective administration of the statutes: N/A – not an amendment to an existing administrative regulation.
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: There are over 50 institutions licensed by the Council on Postsecondary Education. The primary impact is on institutions currently licensed by the Council, and on those new institutions who will seek licenses from the Council.
- (4) Provide an assessment of how the above group or groups will be impacted by either the implementation of this administrative regulation, if new, or by the change if it is an amendment: This new regulation will provide definitions applicable to 13 KAR 1:020 and 13 KAR 1:050. By itself, this regulation will have minimal impact on the institutions—the impact is measured in the two substantive regulations that relate to this one, 13 KAR 1:020 and 13 KAR 1:050.
- (5) Provide an estimate of how much it will cost to implement this administrative regulation:
- (a) Initially: No additional cost is contemplated as a result of the definitions.
  - (b) On a continuing basis: No additional cost is contemplated as a result of the definitions.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Not applicable for this definitions regulation.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Not applicable for this definitions regulation.
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: Not applicable for this definitions regulation.
- (9) TIERING: Is tiering applied? Tiering is not appropriate under these circumstances.

**Council on Postsecondary Education  
September 10, 2009**

**New Regulation Regarding Licensed Out-of-State Colleges'  
Eligibility for Kentucky Tuition Grants**

**ACTION:** The staff recommends that the Council approve the new administrative regulation 13 KAR 1:050 regarding licensed out-of-state colleges' eligibility for Kentucky tuition grants.

13 KAR 1:050 *Licensed out-of-state college's eligibility for Kentucky tuition grant* is a new administrative regulation promulgated pursuant to KRS 164.785, as revised effective July 15, 2008.

KRS 164.785(7)(c) provides that beginning with the 2011-12 academic year, in order to be eligible for Kentucky tuition grants, a licensed out-of-state school for which accreditation by the Southern Association of Colleges and Schools is not an option shall undergo a review by the Council on Postsecondary Education based upon SACS accreditation criteria.

Accordingly, 13 KAR 1:050 mirrors the core requirements and comprehensive standards of SACS. The application that will be used also mirrors the application used by SACS.

CPE staff plans to conduct site visits with consultants to assess a college's compliance with these requirements and standards.

In accordance with KRS 164.785, the applicant college will pay all costs associated with the reviews.

1 COUNCIL ON POSTSECONDARY EDUCATION

2 New Administrative Regulation

3 13 KAR 1:050. Licensed out-of-state college's eligibility for Kentucky tuition grant.

4 RELATES TO: KRS 164.020(37), 164.945, 164.946, 164.947, 164.992

5 STATUTORY AUTHORITY: KRS 164.785

6 NECESSITY, FUNCTION, AND CONFORMITY: This administrative regulation is promulgated  
7 pursuant to KRS 164.785 which requires that beginning with the 2011-2012 academic year  
8 programs or campuses of any out-of-state postsecondary education college that is licensed by the  
9 Council on Postsecondary Education to operate in Kentucky and whose institutional programs are  
10 not composed solely of sectarian instruction, but in which accreditation by the Southern  
11 Association of Colleges and Schools is not an option, shall be reviewed and approved by the  
12 Council on Postsecondary Education based on accreditation criteria that mirrors Southern  
13 Association of Colleges and Schools accreditation criteria in order to qualify as an eligible college  
14 in which a student may enroll and receive a Kentucky tuition grant.

15 Section 1. General Requirements. (1) If an out-of-state college licensed by the Council on  
16 Postsecondary Education is seeking to qualify as an eligible college in which a student may enroll  
17 and receive a Kentucky tuition grant, and if accreditation by the Southern Association of Colleges  
18 and Schools is not an option for the college, then the college shall apply with the Council on  
19 Postsecondary Education per this regulation.

1 (2) (a) Approval by the Council on Postsecondary Education per this regulation shall be for  
2 the sole purpose of qualifying a college as an eligible college in which a student may enroll and  
3 receive a Kentucky tuition grant, and shall not mean that the college is accredited by the  
4 Commission on Colleges of the Southern Association of Colleges and Schools, the Council on  
5 Postsecondary Education, or any other agency.

6 (b) A college shall not represent its status under this regulation as seeking or being  
7 accredited by the Commission on Colleges of the Southern Association of Colleges and Schools,  
8 the Council on Postsecondary Education, or any other agency.

9 (3) (a) A college seeking eligibility under this regulation shall submit the “Application for  
10 Council on Postsecondary Education Approval for Eligibility Pursuant to 13 KAR 1:050” herein  
11 incorporated by reference for each licensed Kentucky program and instructional site to the  
12 president, and make available to the president the application and all documentation required via  
13 an electronic data portal on the college’s website.

14 (b) A college that seeks to be eligible under this administrative regulation beginning with  
15 the 2011-2012 academic year shall submit a complete and accurate “Application for Council on  
16 Postsecondary Education Approval for Eligibility Pursuant to 13 KAR 1:050” by May 30, 2010.

17 (c) After May 30, 2010, a college that seeks to be eligible under this administrative  
18 regulation shall submit a complete and accurate “Application for Council on Postsecondary  
19 Education Approval for Eligibility Pursuant to 13 KAR 1:050” by May 30 of the year prior to the  
20 first academic year for which it seeks to be eligible.

21 (4) The college shall pay a nonrefundable fee of \$1,000 to the Council on Postsecondary  
22 Education with the submission of the application. Review of the application shall not occur until  
23 the fee is paid by the college. This fee shall be in addition to any costs associated with a site visit.

1 (5) The president shall review the application and documentation submitted by the  
2 applicant college.

3 (6) Site Visits.

4 (a) Within ninety (90) working days of the receipt of a full and complete “Application for  
5 Council on Postsecondary Education Approval for Eligibility Pursuant to 13 KAR 1:050” or  
6 notification of a substantive change, the president may conduct, or may have conducted, a site  
7 visit.

8 (b) Personnel conducting a site visit shall possess the expertise appropriate to the type of  
9 college to be visited.

10 (c) The purpose of a site visit shall be to make an assessment of a college using the  
11 standards as set forth in this administrative regulation.

12 (d) The president may conduct, or may have conducted, an announced or unannounced site  
13 visit of a licensed college approved under this regulation during reasonable business hours to  
14 inspect the files, facilities, and equipment as well as conduct interviews to determine the college’s  
15 eligibility under this administrative regulation.

16 (e) Failure to provide full access to the college’s files, facilities, and equipment or  
17 prevention of interviews shall be grounds for ineligibility under this administrative regulation.

18 (f) All costs associated with a site visit and subsequent visits as may be necessary, such as  
19 travel, meals, lodging, and honoraria shall be paid by the applicant college. The estimated cost of  
20 the site visit shall be paid by the college prior to the site visit, and final settlement regarding actual  
21 expenses incurred shall be paid no later than thirty (30) days following the completion of the site  
22 visit. Failure to pay these costs shall result in ineligibility under this administrative regulation.

23 Section 2. Integrity of college. (1) The college shall operate with integrity in all matters.

1           (2) The Council on Postsecondary Education reviews and approves colleges, not  
2 individuals. Therefore, the college shall be responsible for any of its agents and any individual who  
3 reports to the president on behalf of a college, either by virtue of his or her office or as delegated  
4 by the chief executive officer of the college, in all matters regarding institutional integrity.

5           (3) Failure to respond appropriately to the president’s decisions and requests or to make  
6 complete, accurate, and honest disclosure shall be grounds for the president to impose a sanction,  
7 including ineligibility under this administrative regulation.

8           Section 3. Core requirements. A college applying for approval by the Council on  
9 Postsecondary Education under this regulation shall meet the following requirements: (1) Degree-  
10 granting authority. The college shall be licensed by the Council on Postsecondary Education in  
11 accordance with 13 KAR 1:020 prior to seeking eligibility under this regulation.

12           (2) Accreditation. The college shall be accredited by a regional accrediting agency.

13           (3) Governing Board.

14           (a) The college shall have a governing board of at least five members which shall be the  
15 legal body with specific authority over the college.

16           (b) The board shall be an active policy-making body for the college and shall ultimately be  
17 responsible for ensuring that the financial resources of the college are adequate to provide a sound  
18 educational program.

19           (c) The board shall not be controlled by a minority of board members or by organizations  
20 or interests separate from it.

21           (d) Both the presiding officer of the board and a majority of other voting members of the  
22 board shall be free of any contractual, employment, or personal or familial financial interest in the  
23 college.

1 (e) A military college authorized and operated by the federal government to award degrees  
2 shall have a public board on which both the presiding officer and a majority of the other members  
3 are neither civilian employees of the military nor active or retired military.

4 1. The board shall have broad and significant influence upon the college's programs and  
5 operations, play an active role in policy-making, and ensure that the financial resources of the  
6 college are used to provide a sound educational program.

7 2. The board shall not be controlled by a minority of board members or by organizations or  
8 interests separate from the board except as specified by the authorizing legislation.

9 3. Both the presiding officer of the board and a majority of other voting board members  
10 shall be free of any contractual, employment, or personal or familial financial interest in the  
11 college.

12 (4) Chief Executive Officer. The college shall have a chief executive officer whose  
13 primary responsibility is to the college and who is not the presiding officer of the board.

14 (5) Institutional Mission. The college shall have a clearly defined, comprehensive, and  
15 published mission statement that is specific to the college and appropriate for higher education.  
16 The mission shall address teaching and learning and, where applicable, research and public service.

17 (6) Institutional Effectiveness. The college shall engage in ongoing, integrated, and  
18 institution-wide research-based planning and evaluation processes that:

19 (a) incorporate a systematic review of institutional mission, goals, and outcomes;

20 (b) result in continuing improvement in institutional quality; and

21 (c) demonstrate the college is effectively accomplishing its mission.

22 (7) Continuous Operation. The college shall be in operation and shall have students  
23 enrolled in degree programs.

1 (8) Program Length.

2 (a) The college shall offer one or more degree programs based on:

- 3 1. at least sixty (60) semester credit hours or the equivalent at the associate level;
- 4 2. at least 120 semester credit hours or the equivalent at the baccalaureate level; or
- 5 3. at least 30 semester credit hours or the equivalent at the post-baccalaureate, graduate, or
- 6 professional level.

7 (b) If a college uses a unit other than semester credit hours, then the college shall provide

8 an explanation for the equivalency.

9 (c) The college shall provide a justification for all degrees that include fewer than the

10 required number of semester credit hours or its equivalent unit.

11 (9) Program Content. The college shall offer degree programs that embody a coherent

12 course of study that shall be compatible with its stated mission and shall be based upon fields of

13 study appropriate to higher education.

14 (10) General Education.

15 (a) In each undergraduate degree program, the college shall require the successful

16 completion of a general education component at the collegiate level that is a substantial component

17 of each undergraduate degree, ensures breadth of knowledge, and is based on a coherent rationale.

18 (b) The component shall constitute a minimum of:

- 19 1. fifteen (15) semester hours or the equivalent for degree completion in associate
- 20 programs; or
- 21 2. thirty (30) semester hours or the equivalent for degree completion in baccalaureate
- 22 programs.



1 (c) These credit hours shall be drawn from and include at least one course from each of the  
2 following areas: humanities and fine arts, social and behavioral sciences, and natural science and  
3 mathematics.

4 (d) The courses shall not narrowly focus on those skills, techniques, and procedures  
5 specific to a particular occupation or profession.

6 (e) If a college uses a unit other than semester credit hours, the college shall provide an  
7 explanation for the equivalency.

8 (f) The college shall provide a justification if it allows for fewer than the required number  
9 of semester credit hours or its equivalent unit of general education courses.

10 (11) Course Work for Degrees.

11 (a) The college shall provide instruction for all course work required for at least one degree  
12 program at each level at which it awards degrees.

13 (b) If the college does not provide instruction for all course work and makes arrangements  
14 for some instruction to be provided by other accredited colleges or entities through contracts or  
15 consortia, or uses some other alternative approach to meeting this requirement, then the  
16 arrangement or alternative approach shall be approved by the president.

17 (c) For either sub-section (10)(a) or (b) of this section, the college shall demonstrate that it  
18 controls all aspects of its educational program.

19 (12) Faculty.

20 (a) The number of full-time faculty members shall be adequate to support the mission of  
21 the college and to ensure the quality and integrity of its academic programs.

22 (b) Upon application for eligibility under this regulation, a college shall demonstrate that it  
23 meets the required faculty qualifications.

1 (13) Learning Resources and Services.

2 (a) The college, through ownership or formal agreements, shall provide and support student  
3 and faculty access and user privileges to adequate library collections and services and to other  
4 learning and information resources consistent with the degrees offered.

5 (b) Collections, resources, and services shall be sufficient to support all its educational,  
6 research, and public service programs.

7 (14) Student Support Services. The college shall provide student support programs,  
8 services, and activities consistent with its mission that promote student learning and enhance the  
9 development of its students.

10 (15) Financial Resources.

11 (a) The college shall have a sound financial base and demonstrated financial stability to  
12 support the mission of the college and the scope of its programs and services.

13 (b) The college shall provide the following financial statements:

14 1. an institutional audit or Standard Review Report issued in accordance with Statements  
15 on Standards for Accounting and Review Services issued by the AICPA for those colleges audited  
16 as part of a systemwide or statewide audit;

17 2. written institutional management letter for the most recent fiscal year prepared by an  
18 independent certified public accountant;

19 3. a statement of financial position of unrestricted net assets, exclusive of plant assets and  
20 plant-related debt, which represents the change in unrestricted net assets attributable to operations  
21 for the most recent year; and

22 4. an annual budget that shall be preceded by sound planning, subject to sound fiscal  
23 procedures, and approved by the governing board.

1 (16) Physical Resources. The college shall have adequate physical resources to support the  
2 mission of the college and the scope of its programs and services.

3 (17) Quality Enhancement Plan. The college shall have developed an acceptable Quality  
4 Enhancement Plan (QEP) that:

5 (a) includes a broad-based institutional process identifying key issues emerging from  
6 institutional assessment;

7 (b) focuses on learning outcomes and the environment supporting student learning and  
8 accomplishing the mission of the college;

9 (c) demonstrates institutional capability for the initiation, implementation, and completion  
10 of the QEP;

11 (d) includes broad-based involvement of institutional constituencies in the development  
12 and proposed implementation of the QEP; and

13 (e) identifies goals and a plan to assess their achievement.

14 Section 4. Comprehensive Standards. A college applying for approval by the Council on  
15 Postsecondary Education under this regulation shall meet the following standards: (1) Institutional  
16 Mission. The college's mission statement shall be current and comprehensive, shall accurately  
17 guide the college's operations, shall be periodically reviewed and updated, shall be approved by  
18 the governing board, and shall be communicated to the college's constituencies.

19 (2) Governance and Administration.

20 (a) The governing board of the college shall be responsible for the selection and the  
21 periodic evaluation of the chief executive officer.

22 (b) Governing board control. The legal authority and operating control of the college shall  
23 be clearly defined for the following areas within the college's governance structure:

- 1 1. college's mission;
- 2 2. fiscal stability of the college;
- 3 3. collegeal policy, including policies concerning related and affiliated corporate entities
- 4 and all auxiliary services; and
- 5 4. related foundations for athletics, research, and other areas and other corporate entities
- 6 whose primary purpose is to support the college and its programs.

7 (c) Board conflict of interest. The board shall have a policy addressing conflict of interest  
8 for its members.

9 (d) External influence. The governing board shall be free from undue influence from  
10 political, religious, or other external bodies and shall protect the college from such influence.

11 (e) Board Dismissal. The governing board shall have a policy whereby members can be  
12 dismissed only for appropriate reasons and by a fair process.

13 (f) Board and Administration Distinction. There shall be a clear and appropriate  
14 distinction, in writing and practice, between the policy-making functions of the governing board  
15 and the responsibility of the administration and faculty to administer and implement policy.

16 (g) Organizational Structure. The college shall have a clearly defined and published  
17 organizational structure that delineates responsibility for the administration of policies.

18 (h) Qualified Administrative and Academic Officers. The college shall have qualified  
19 administrative and academic officers with the experience, competence, and capacity to lead the  
20 college.

21 (i) Faculty and Staff Appointment. The college shall define and publish policies regarding  
22 appointment and employment of faculty and staff.

1 (j) Administrative Staff Evaluations. The college shall evaluate the effectiveness of its  
2 administrators on a periodic basis.

3 (k) Control of Intercollegiate Athletics. The college's chief executive officer shall have  
4 ultimate responsibility for, and exercises appropriate administrative and fiscal control over, the  
5 college's intercollegiate athletics program.

6 (l) Fund-Raising Activities. The college's chief executive officer shall control the college's  
7 fund-raising activities exclusive of institution-related foundations that are independent and  
8 separately incorporated.

9 (m) Institution-related foundations.

10 1. Any institution-related foundation not controlled by the college shall have a contractual  
11 or other formal agreement that accurately describes the relationship between the college and the  
12 foundation, and describes any liability associated with that relationship.

13 2. The college shall ensure that the relationship is consistent with its mission.

14 (n) Intellectual Property Rights.

15 1. The college's policies shall be clear concerning ownership of materials, compensation,  
16 copyright issues, and the use of revenue derived from the creation and production of all intellectual  
17 property.

18 2. These policies shall apply to students, faculty, and staff.

19 (3) Institutional Effectiveness. The college shall identify expected outcomes, assess the  
20 extent to which it achieves these outcomes, and provide evidence of improvement based on  
21 analysis of the results in each of the following areas:

22 (a) educational programs, to include student learning outcomes;

23 (b) administrative support services;

- 1 (c) educational support services;
- 2 (d) research within its educational mission, if appropriate; and
- 3 (e) community and public service within its educational mission, if appropriate.

4 (4) All Educational Programs. For all educational programs including on-campus, off-  
5 campus, and distance learning programs and course work, the college shall meet the following  
6 standards:

7 (a) Academic Program Approval. The college shall demonstrate that each educational  
8 program, including all on campus, off-campus, and distance learning programs and course work,  
9 for which academic credit is awarded is approved by the faculty and the administration.

10 (b) Continuing Education and Service Programs. The college’s continuing education,  
11 outreach, and service programs shall be consistent with the college’s mission.

12 (c) Admissions Policies. The college shall publish admissions policies that are consistent  
13 with its mission.

14 (d) Acceptance of Academic Credit.

15 1. The college shall have a defined and published policy for evaluating, awarding, and  
16 accepting credit for transfer, experiential learning, advanced placement, and professional  
17 certificates that is consistent with its mission and ensures that course work and learning outcomes  
18 are at the collegiate level and comparable to the college’s own degree programs.

19 2. The college shall assume responsibility for the academic quality of any course work or  
20 credit recorded on the college’s transcript.

21 (e) Academic Policies.

22 1. The college shall publish academic policies that adhere to principles of good educational  
23 practice.

1           2. The college’s academic policies shall be disseminated to students, faculty, and other  
2 interested parties through publications that accurately represent the programs and services of the  
3 college.

4           (f) Practices for Awarding Credit. The college shall employ sound and acceptable  
5 practices for determining the amount and level of credit awarded for courses, regardless of format  
6 or mode of delivery.

7           (g) Consortial Relationships and Contractual Agreements. The college shall ensure the  
8 quality of educational programs and courses offered through consortial relationships or contractual  
9 agreements, shall ensure ongoing compliance with the comprehensive requirements, and shall  
10 evaluate the consortial relationship and agreement against the purpose of the college.

11           (h) Noncredit to Credit. The college shall award academic credit for course work taken on  
12 a noncredit basis only when there is documentation that the noncredit course work is equivalent to  
13 a designated credit experience.

14           (i) Academic Support Services. The college shall provide appropriate academic support  
15 services.

16           (j) Responsibility for Curriculum. The college shall place primary responsibility for the  
17 content, quality, and effectiveness of the curriculum with its faculty.

18           (k) Academic Program Coordination.

19           1. For each major in a degree program, the college shall assign responsibility for program  
20 coordination, as well as for curriculum development and review, to persons academically qualified  
21 in the field.

22           2. In those degree programs for which the college does not identify a major, this  
23 requirement shall apply to a curricular area or concentration.

1 (l) Technology Use.

2 1. The college's use of technology shall enhance student learning and shall be appropriate  
3 for meeting the objectives of its programs.

4 2. Students shall have access to and training in the use of technology.

5 (5) Undergraduate Educational Programs.

6 (a) College-level Competencies. The college shall identify college-level general education  
7 competencies and the extent to which graduates have attained them.

8 (b) Institutional Credits for a Degree.

9 1. At least twenty (25) percent of the credit hours required for the degree shall be earned  
10 through instruction offered by the college awarding the degree.

11 2. In the case of undergraduate degree programs offered through joint, cooperative, or  
12 consortia arrangements, the student shall earn twenty (25) percent of the credits required for the  
13 degree through instruction offered by the participating colleges.

14 (c) Undergraduate Program Requirements.

15 1. The college shall define and publish requirements for its undergraduate programs,  
16 including its general education components.

17 2. These requirements shall conform to commonly accepted standards and practices for  
18 degree programs.

19 (d) Terminal Degrees of Faculty. At least twenty (25) percent of the discipline course  
20 hours in each major at the baccalaureate level shall be taught by faculty members holding the  
21 terminal degree, usually the earned doctorate, in the discipline, or the equivalent of the terminal  
22 degree.

23 (6) Graduate and Post-Baccalaureate Professional Educational Programs.



1 (a) Post-baccalaureate Program Rigor. The college's post-baccalaureate professional  
2 degree programs, master's and doctoral degree programs, shall be progressively more advanced in  
3 academic content than its undergraduate programs.

4 (b) Graduate Curriculum. The college shall structure its graduate curricula to include  
5 knowledge of the literature of the discipline and to ensure ongoing student engagement in research  
6 and appropriate professional practice and training experiences.

7 (c) Institutional Credits for a Degree. The majority of credits toward a graduate or a post-  
8 baccalaureate professional degree shall be earned through instruction offered by the college  
9 awarding the degree. In the case of graduate and postbaccalaureate professional degree programs  
10 offered through joint, cooperative, or consortial arrangements, the student shall earn a majority of  
11 credits through instruction offered by the participating colleges.

12 (d) Post-baccalaureate Program Requirements.

13 1. The college shall define and publish requirements for its graduate and post-baccalaureate  
14 professional programs.

15 2. These requirements shall conform to commonly accepted standards and practices for  
16 degree programs.

17 (7) Faculty.

18 (a) Faculty Competence.

19 1. The college shall employ competent faculty members qualified to accomplish the  
20 mission and goals of the college.

21 2. When determining acceptable qualifications of its faculty, a college shall give primary  
22 consideration to the highest earned degree in the discipline.

1           3. The college shall consider competence, effectiveness, and capacity, including, as  
2 appropriate, undergraduate and graduate degrees, related work experiences in the field,  
3 professional licensure and certifications, honors and awards, continuous documented excellence in  
4 teaching, or other demonstrated competencies and achievements that contribute to effective  
5 teaching and student learning outcomes.

6           4. For all cases, the college shall be responsible for justifying and documenting the  
7 qualifications of its faculty.

8           (b) Faculty Evaluation. The college shall regularly evaluate the effectiveness of each  
9 faculty member in accord with published criteria, regardless of contractual or tenured status.

10          (c) Faculty Development. The college shall provide ongoing professional development of  
11 faculty as teachers, scholars, and practitioners.

12          (d) Academic Freedom. The college shall ensure adequate procedures for safeguarding  
13 and protecting academic freedom.

14          (e) Faculty Role in Governance. The college shall publish policies on the responsibility  
15 and authority of faculty in academic and governance matters.

16          (8) Library and Other Learning Resources.

17          (a) Learning and Information Resources. The college shall provide facilities and learning  
18 and information resources that are appropriate to support its teaching, research, and service  
19 mission.

20          (b) Instruction of Library Use. The college shall ensure that users have access to regular  
21 and timely instruction in the use of the library and other learning and information resources.

1 (c) Qualified Staff. The college shall provide a sufficient number of qualified staff with  
2 appropriate education or experiences in library and other learning and information resources to  
3 accomplish the mission of the college.

4 (9) Student Affairs and Services.

5 (a) Student Rights. The college shall publish a clear and appropriate statement of student  
6 rights and responsibilities and shall disseminate the statement to the campus community.

7 (b) Student Records. The college shall protect the security, confidentiality, and integrity of  
8 student records and maintains special security measures to protect and back up data.

9 (c) Qualified Staff. The college shall employ qualified personnel to ensure the quality and  
10 effectiveness of its student affairs programs.

11 (10) Financial Resources.

12 (a) Financial Stability. The college's recent financial history shall demonstrate financial  
13 stability.

14 (b) Submission of Financial Statements.

15 1. The college shall provide financial profile information on an annual basis and other  
16 measures of financial health as requested by the president.

17 2. All information shall be presented accurately and appropriately and shall represent the  
18 total operation of the college.

19 (c) Financial Aid Audits. The college shall audit financial aid programs as required by  
20 federal and state regulations.

21 (d) Control of Finances. The college shall exercise appropriate control over all its  
22 financial resources.

1 (e) Control of Sponsored Research and External Funds. The college shall maintain  
2 financial control over externally funded and sponsored research and programs.

3 (11) Physical Resources.

4 (a) Control of Physical Resources. The college shall exercise appropriate control over all  
5 its physical resources.

6 (b) Institutional Environment. The college shall take reasonable steps to provide a healthy,  
7 safe, and secure environment for all members of the campus community.

8 (c) Physical Facilities. The college shall operate and maintain physical facilities, both on  
9 and off campus, that appropriately serve the needs of the college's educational programs, support  
10 services, and other mission-related activities.

11 (12) Compliance with Federal Requirements.

12 (a) Student Achievement. The college shall evaluate success with respect to student  
13 achievement including, as appropriate, consideration of course completion, state licensing  
14 examinations, and job placement rates.

15 (b) Program Curriculum. The college's curriculum shall be directly related and  
16 appropriate to the purpose and goals of the college and the diplomas, certificates, or degrees  
17 awarded.

18 (c) Publication of Policies. The college shall make available to students and the public  
19 current academic calendars, grading policies, and refund policies.

20 (d) Program Length. Program length shall be appropriate for each of the college's  
21 educational programs.

1 (e) Student Complaints. The college shall have adequate procedures for addressing written  
2 student complaints and shall be responsible for demonstrating that it follows those procedures  
3 when resolving student complaints.

4 (f) Recruitment Materials. Recruitment materials and presentations shall accurately  
5 represent the college's practices and policies.

6 (g) Title IV Program Responsibilities. The college shall be in compliance with its program  
7 responsibilities under Title IV of the 1998 Higher Education Amendments.

8 Section 5. Action on Application. Within six (6) months of the submission of an  
9 "Application for Council on Postsecondary Education Approval for Eligibility Pursuant to 13 KAR  
10 1:050" where a site visit is not conducted, or within ninety (90) working days of the completion of  
11 a site visit, the president shall do one (1) of the following: (1) Approve the applicant college for  
12 status as an eligible college in which a student may enroll and receive a Kentucky tuition grant;  
13 (2) Deny the applicant college for status as an eligible college; or  
14 (3) Notify the applicant college of deficiencies which shall be corrected before approval  
15 can be granted.

16 Section 6. Substantive Change. (1) Approval pursuant to this regulation shall be specific  
17 to a licensed college and based on conditions existing at the time of the most recent evaluation and  
18 shall not be transferable to other colleges or entities.

19 (2) An approved college shall notify the president within thirty (30) days of action by an  
20 accrediting agency that results in that results in the college being placed on probationary status, a  
21 college losing accreditation, or a college being denied accreditation.

22 (3) The president shall be responsible for evaluating all substantive changes to assess the  
23 impact of the change on the college's compliance with this regulation. The president may conduct,

1 or may have conducted a site visit in accordance with sub-section (6) of section 1 of this  
2 administrative regulation.

3 (4) A college's failure to follow the president's procedures for notification and approval of  
4 substantive changes shall be grounds for ineligibility under this administrative regulation.

5 (6) If a college is unclear as to whether a change is substantive in nature, then the college  
6 shall contact the Council on Postsecondary Education in writing for consultation.

7 (7) A substantive change shall include the following:

8 (a) Action by an accrediting agency that results in the college being placed on probationary  
9 status, a college losing accreditation, or a college being denied accreditation;

10 (b) Initiating distance learning;

11 (c) Initiating a merger or consolidation;

12 (d) Altering significantly the educational mission of the college;

13 (e) Relocating a licensed Kentucky instructional site or principal location of the college;

14 (f) Changing the college's governance, ownership, control, or legal status;

15 (g) Changing the name of the college;

16 (h) Altering significantly the length of a program;

17 (i) Initiating degree completion programs;

18 (j) Adding a new instructional site or program licensed in accordance with 13 KAR 1:020;

19 (k) Denial, suspension, or revocation of licensure by the Council on Postsecondary

20 Education pursuant to 13 KAR 1:020; and

21 (l) Closing the college, a Kentucky licensed instructional site, or a Kentucky licensed

22 program and initiating teach out agreements.

1 (8) Within six (6) months of notification by the college of a substantive change where a site  
2 visit is not conducted, or within ninety (90) working days of the completion of a site visit, the  
3 president shall do one (1) of the following:

4 (a) approve the substantive change and continued approval under this administrative  
5 regulation without changing the approval period;

6 (b) deny the substantive change and require that the college abandon and not proceed with  
7 the substantive change or else lose approval under this administrative regulation;

8 (c) notify the college of deficiencies which must be corrected before the substantive change  
9 can be approved, and may suspend or revoke approval under this administrative regulation; or

10 (d) suspend or revoke approval under this administrative regulation.

11 Section 7. Hearings and Appeals. (1) The president may, for cause, require the chief  
12 administrative officer, or other officers, of a college to appear for a hearing consistent with the  
13 provisions of KRS Chapter 13B.005 – 13B.170, in order to determine the facts if the president has  
14 determined that there are sufficient grounds for ineligibility under this administrative regulation.

15 (2) The officer, or other officers, of the college may be accompanied at the hearing by  
16 counsel of their own choosing and at their expense.

17 (3) Within thirty (30) working days after a hearing is held, the president shall reach a  
18 determination and shall issue findings, in writing, to the Council and to the chief executive officer  
19 of the college.

20 (4) A college may appeal the actions of the president regarding a college's ineligibility  
21 under this administrative regulation according to the following procedure:

22 (a) A college shall notify the president of the intent to appeal an action within fourteen  
23 (14) days of the receipt of the letter notifying the college of the action taken;

1 (b) The president shall request that the Office of Administrative Hearings appoint a  
2 hearing officer who shall conduct an administrative hearing consistent with the provisions of KRS  
3 13B.005 – 13B.170;

4 (c) The appeal shall be presented in writing no later than sixty (60) days following the  
5 receipt of notification of intent to appeal;

6 (d) The appeals officer shall review findings of fact, consider testimony, draw conclusions,  
7 and formulate a recommendation consistent with the facts and this administrative regulation;

8 (e) Within fourteen (14) days, the report of the appeals officer shall be forwarded to the  
9 college and to the president of the Council on Postsecondary Education;

10 (f) The president shall act on the appeal at its next regular or special meeting; and

11 (g) Upon receipt of the report of the appeals officer, the president shall approve or not  
12 approve the college.

13 Section 9. Incorporation by Reference. (1) “Application for Council on Postsecondary  
14 Education Approval for Eligibility Pursuant to 13 KAR 1:050” is incorporated by reference.

15 (2) This material may be inspected, copied, or obtained, subject to applicable copyright  
16 law, at the Kentucky Council on Postsecondary Education, 1024 Capital Center Drive, Suite 320,  
17 Frankfort, Kentucky 40601.



APPROVED:

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Paul Patton, Chair  
Council on Postsecondary Education

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Date

APPROVED AS TO FORM:

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Dennis L. Taulbee, General Counsel  
Council on Postsecondary Education

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Date

**PUBLIC HEARING AND PUBLIC COMMENT PERIOD:** A public hearing on this administrative regulation shall be held on October 27, 2009 at 10:00 a.m. at the Council on Postsecondary Education, 1024 Capital Center Drive, Suite 320, Frankfort, Kentucky, 40601 in Conference Room A. Individuals interested in being heard at this hearing shall notify this agency in writing five workdays prior to the hearing, of their intent to attend. If no notification to attend the hearing is received by that date, the hearing may be cancelled.

This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation.

Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

**CONTACT PERSON:**

Sarah Levy  
Council on Postsecondary Education  
1024 Capital Center Dr.  
Suite 350  
Frankfort, Kentucky 40601  
Phone: 502.573.1555 ext. 350  
Fax: 502.573.1535  
Email: [sarah.levy@ky.gov](mailto:sarah.levy@ky.gov)

REGULATORY IMPACT ANALYSIS  
AND TIERING STATEMENT

*Administrative Regulation 13 KAR 1:050. Licensed out-of-state college's eligibility for Kentucky tuition grant.*

Contact person: Sarah Levy, Sr. Associate – Academic Affairs  
Council on Postsecondary Education  
1024 Capital Center Drive, Suite 320  
Frankfort, KY 40601  
502.573.1555 ext. 350  
sarah.levy@ky.gov  
FAX: 502.573.1535

- (1) Provide a brief summary of:
  - (a) What this administrative regulation does: This administrative regulation establishes the standards and requirements of licensed out-of-state colleges who seek to qualify as an eligible college in which a student may enroll and receive a Kentucky tuition grant.
  - (b) The necessity of this administrative regulation: KRS 164.785 requires that beginning with the 2011-2012 academic year programs or campuses of any out-of-state postsecondary education college that is licensed by the Council on Postsecondary Education to operate in Kentucky and whose institutional programs are not composed solely of sectarian instruction, but in which accreditation by the Southern Association of Colleges and Schools is not an option, shall be reviewed and approved by the Council on Postsecondary Education based on accreditation criteria that mirrors Southern Association of Colleges and Schools accreditation criteria in order to qualify as an eligible college in which a student may enroll and receive a Kentucky tuition grant.
  - (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 164.785(7)(c) requires that the Council on Postsecondary Education shall promulgate administrative regulations in accordance with KRS Chapter 13 A to carry out the provisions of that paragraph.

- (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: The administrative regulation sets out the standards and requirements that out-of-state licensed colleges must meet in to be approved by the Council to be an eligible college in which a student may enroll and receive a Kentucky tuition grant.
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
    - (a) How the amendment will change this existing administrative regulation: N/A – this is a new regulation.
    - (b) The necessity of the amendment to this administrative regulation: N/A – this is a new regulation.
    - (c) How the amendment conforms to the content of the authorizing statutes: N/A – this is a new regulation.
    - (d) How the amendment will assist in the effective administration of the statutes: N/A – this is a new regulation.
  - (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: There are approximately 3 out-of-state colleges currently licensed by the Council on Postsecondary Education for which SACS is not an option as they are accredited by another regional accrediting agency whose students have been receiving Kentucky tuition grants.
  - (4) Provide an assessment of how the above group or groups will be impacted by either the implementation of this administrative regulation, if new, or by the change if it is an amendment: The colleges would need to comply with the requirements and standards of this regulation in order to be an eligible college in which a student may enroll and receive a Kentucky tuition grant.
  - (5) Provide an estimate of how much it will cost to implement this administrative regulation:
    - (a) Initially: There will be a cost to the Council anytime a college wants to seek to become an eligible college in which a student may enroll and receive a Kentucky tuition grant. We estimate needing at least one more additional staff person to review application materials, to arrange for site visit consultants, and to coordinate and attend site visits, plus travel costs.

- (b) On a continuing basis: There will be a cost to the Council anytime a new college wants to seek become an eligible college in which a student may enroll and receive a Kentucky tuition grant. Also, there will be costs for Council whenever a college that is approved has a substantive change.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: KRS 164.785 provides that “[a]ll costs associated with the institutional reviews shall be the responsibility of the institution seeking approval by the council.” There will be an application fee of \$1,000. In addition, the regulation requires the college to pay for the cost of any site visit.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Yes, a fee will be necessary to implement this administrative regulation. This is a new regulation, and an application fee of \$1,000 is included.
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: Yes, this is a new regulation, and there is an application fee of \$1,000.
- (9) TIERING: Is tiering applied? Tiering is not appropriate under these circumstances.

## **Summary of Material Incorporated by Reference**

The “Application for Council on Postsecondary Education Approval for Eligibility Pursuant to 13 KAR 1:050” is the 18-page application form that an out-of-state licensed college, for which accreditation by the Southern Association of Colleges and Schools is not an option, is required to submit in order to seek approval from the Council on Postsecondary Education to qualify as an eligible college in which a student may enroll and receive a Kentucky tuition grant.

**Council on Postsecondary Education  
September 10, 2009**

**Revision to Student Residency Regulation**

**ACTION: The staff recommends that the Council approve the revision to the residency administrative regulation to conform to new federal legislation on tuition benefits for active duty military personnel.**

KRS 164.020(8) says in part that the Council shall: “(8) Determine tuition and approve the minimum qualifications for admission to state postsecondary education institutions. . .” Kentucky historically has distinguished tuition rates for Kentucky residents from those of nonresidents with higher tuition rates for nonresidents. Kentucky institutions also may have limitations on the number of nonresidents who may be admitted to selective programs at colleges or universities.

The policies establishing differential tuition rates for residents and nonresidents, and the need to sometimes make selective admission decisions based on residency, give rise to the need for an administrative regulation that sets out the criteria for evaluating whether a person is, in fact, a Kentucky resident. That administrative regulation is *13 KAR 2:045. Determination of residency status for admission and tuition assessment purposes.*

Recently, the federal government enacted legislation (The Higher Education Opportunity Act) requiring states that participate in federal student financial aid programs to grant in-state tuition to members of the Armed Forces who have been on active duty for 30 days, where that member has a permanent duty station in the state where he/she is enrolling. The federal law also provides that the benefit will continue regardless of the status of the individual if that person remains in continuous enrollment. The benefit conferred by the federal law extends to the spouse of a person so situated and a dependent child of that person. The new federal provision took effect July 1, 2009.

Kentucky’s residency provisions contained in 13 KAR 2:045, Section 7, have slightly different criteria from those set forth in the federal law. Kentucky requires that a person have an assignment that stations them in Kentucky for one year before being entitled to in-state tuition.

The best way to conform the Kentucky administrative regulation to the new federal law is to use the emergency provisions of the administrative regulation process. This allows Kentucky to conform to the changes in the federal law immediately without going through the regulatory review process. However, in order to use the emergency regulation process, an

ordinary administrative regulation that ultimately will replace the emergency administrative regulation must be filed simultaneously.

The recommendation above includes approval of both the emergency regulation, designated by the letter "E," and the ordinary administrative regulation that will replace it.



## STATEMENT OF EMERGENCY

### **13 KAR 2:045E. Determination of residency status for admission and tuition assessment purposes.**

- (1) The federal government passed the Higher Education Opportunity Act, HR 4137, with an effective date of July 1, 2009. One of the provisions of HR 4137 adds a new section to 20 U.S.C 1015, § 135 granting in-state tuition rates to members of the armed forces on active duty, and to their spouses and dependents. The current Kentucky administrative regulation on student residency contains criteria for determining state residency for military personnel that conflicts with the new federal legislation. The emergency administrative regulation brings Kentucky into compliance with the new federal law.
- (2) The administrative regulation is promulgated under the emergency provisions of KRS 13A.190(1)(2)2., in order that military families enrolling at state colleges and universities for the Fall semester can be evaluated based on the new residency criteria. A delay in implementation of the federal provisions is not possible, and the current conflicts between the federal and state provisions will confuse military members applying to colleges and universities and to the staff at those colleges and universities who implement the administrative regulation.
- (3) This administrative regulation will be replaced by an ordinary administrative regulation. The ordinary administrative regulation was filed with the Regulations Compiler on September 14, 2009.

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Steven L. Beshear, Governor

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Paul E. Patton, Chairman  
Council on Postsecondary Education

1 COUNCIL ON POSTSECONDARY EDUCATION

2 (Emergency Amendment)

3 13 KAR 2:045E. Determination of residency status for admission and tuition assessment purposes.

4 RELATES TO: KRS Chapter 13B, 164.020, 164.030, 164A.330(6)

5 STATUTORY AUTHORITY: KRS 164.020(8)

6 NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.020(8) requires the Council on  
7 Postsecondary Education to determine tuition and approve the minimum qualifications for  
8 admission to a state-supported postsecondary education institution and authorizes the Council to  
9 set different tuition amounts for residents of Kentucky and for nonresidents. This administrative  
10 regulation establishes the procedure and guidelines for determining the residency status of a  
11 student who is seeking admission to, or who is enrolled at, a state-supported postsecondary  
12 education institution.

13 Section 1. Definitions. (1) "Academic term" means a division of the school year during which  
14 a course of studies is offered, and includes a semester, quarter, or single consolidated summer term  
15 as defined by the institution.

16 (2) "Continuous enrollment" means enrollment in a state-supported postsecondary education  
17 institution at the same degree level for consecutive terms, excluding summer term, since the  
18 beginning of the period for which continuous enrollment is claimed unless a sequence of

1 continuous enrollment is broken due to extenuating circumstances beyond the student's control,  
2 including serious personal illness or injury, or illness or death of a parent.

3 (3) "Degree level" means enrollment in a course or program which could result in the award of

4 a:

5 (a) Certificate, diploma or other program award at an institution;

6 (b) Baccalaureate degree or lower including enrollment in a course by a nondegree-seeking  
7 postbaccalaureate student;

8 (c) Graduate degree or graduate certification other than a first-professional degree in law,  
9 medicine, dentistry or "Pharm. D"; or

10 (d) Professional degree in law, medicine, dentistry, or "Pharm. D".

11 (4) "Demonstration of Kentucky domicile and residency" means the presentation of  
12 documented information and evidence sufficient to prove by a preponderance of the evidence that  
13 a person is domiciled in Kentucky and is a resident of Kentucky.

14 (5) "Dependent person" means a person who cannot demonstrate financial independence from  
15 parents or persons other than a spouse and who does not meet the criteria established in Section 5  
16 of this administrative regulation.

17 (6) "Determination of residency status" means the decision of a postsecondary education  
18 institution that may include a formal hearing that results in the classification of a person as a  
19 Kentucky resident or as a nonresident for admission and tuition assessment purposes.

20 (7) "Domicile" means a person's true, fixed, and permanent home and is the place where the  
21 person intends to remain, and to which the person expects to return if absent without intending to  
22 establish a new domicile elsewhere.

1 (8) "Full-time employment" means continuous employment for at least forty-eight (48) weeks  
2 at an average of at least thirty (30) hours per week.

3 (9) "Independent person" means a person who demonstrates financial independence from  
4 parents or persons other than a spouse and who can meet the criteria established in Section 5 of this  
5 administrative regulation.

6 (10) "Institution" means an entity defined in KRS 164.001(11) if the type of institution is not  
7 expressly stated and includes the Kentucky Virtual University, the Council on Postsecondary  
8 Education, and the Kentucky Higher Education Assistance Authority.

9 (11) "Kentucky resident" means a determination by an institution that a person is domiciled in  
10 and is a resident of Kentucky as determined by this administrative regulation.

11 (12) "Nonresident" means a person who is domiciled outside of Kentucky or who currently  
12 maintains legal residence outside Kentucky or who is not a Kentucky resident within the meaning  
13 of this administrative regulation.

14 (13) "Parent" means one (1) of the following:

15 (a) A person's father or mother; or

16 (b) A court-appointed legal guardian if:

17 1. The guardianship is recognized by an appropriate court within the United States;

18 2. There was a relinquishment of the rights of the parents; and

19 3. The guardianship was not established primarily to confer Kentucky residency on the person.

20 (14) "Preponderance of the evidence" means the greater weight of evidence, or evidence  
21 which is more credible and convincing to the mind.

1 (15) "Residence" means the place of abode of a person and the place where the person is  
2 physically present most of the time for a noneducational purpose in accordance with Section 3 of  
3 this administrative regulation.

4 (16) "Student financial aid" means all forms of payments to a student if one (1) condition of  
5 receiving the payment is the enrollment of the student at an institution.

6 (17) "Sustenance" means living expenses including room, board, maintenance, transportation,  
7 and also may include educational expenses including tuition, fees, books, and supplies.

8 Section 2. Scope. (1) State-supported postsecondary education institutions were established and  
9 are maintained by the Commonwealth of Kentucky primarily for the benefit of qualified residents  
10 of Kentucky. The substantial commitment of public resources to postsecondary education is  
11 predicated on the proposition that the state benefits significantly from the existence of an educated  
12 citizenry. As a matter of policy, access to postsecondary education shall be provided so far as  
13 feasible at reasonable cost to an individual who is domiciled in Kentucky and who is a resident of  
14 Kentucky.

15 (2) The Council on Postsecondary Education may require a student who is neither domiciled in  
16 nor a resident of Kentucky to meet higher admission standards and to pay a higher level of tuition  
17 than resident students.

18 (3) This administrative regulation applies to all student residency determinations regardless of  
19 circumstances, including residency determinations made by the state-supported institutions for  
20 prospective and currently-enrolled students; the Southern Regional Education Board contract  
21 spaces; reciprocity agreements, where appropriate; the Kentucky Virtual University; academic  
22 common market programs; the Kentucky Educational Excellence Scholarship Program; and other  
23 state student financial aid programs, as appropriate.

1 Section 3. Determination of Residency Status; General Rules. (1) A determination of residency  
2 shall include:

3 (a) An initial determination of residency status by an institution during the admission process  
4 or upon enrollment in an institution for a specific academic term or for admission into a specific  
5 academic program;

6 (b) A reconsideration of a determination of residency status by an institution based upon a  
7 changed circumstance; and

8 (c) A formal hearing conducted by an institution upon request of a student after other  
9 administrative procedures have been completed.

10 (2) An initial determination of residency status shall be based upon:

11 (a) The facts in existence when the credentials established by an institution for admission for a  
12 specific academic term have been received and during the period of review by the institution;

13 (b) Information derived from admissions materials;

14 (c) Other materials required by an institution and which are consistent with this administrative  
15 regulation; or

16 (d) Other information available to the institution from any source.

17 (3) An individual seeking a determination of Kentucky residency status shall demonstrate that  
18 status by a preponderance of the evidence.

19 (4) A determination of residency status shall be based upon verifiable circumstances or actions.

20 (5) Evidence and information cited as the basis for Kentucky domicile and residency shall  
21 accompany the application for a determination of residency status.

22 (6) A student classified as a nonresident shall retain that status until the student is officially  
23 reclassified by an institution.

1 (7) A student may apply for a review of a determination of residency status once for each  
2 academic term.

3 (8) If an institution has information that a student's residency status may be incorrect, the  
4 institution shall review and determine the student's correct residency status.

5 (9) If the Council on Postsecondary Education has information that an institution's  
6 determination of residency status for a student may be incorrect, it may require the institution to  
7 review the circumstances and report the results of that review.

8 (10) An institution shall impose a penalty or sanction against a student who gives incorrect or  
9 misleading information to an institutional official, including payment of nonresident tuition for  
10 each academic term for which resident tuition was assessed based on an improper determination of  
11 residency status. The penalty may also include:

12 (a) Student discipline by the institution through a policy written and disseminated to students;  
13 or

14 (b) Criminal prosecution.

15 Section 4. Presumptions Regarding Residency Status. (1) In making a determination of  
16 residency status, it shall be presumed that a person is a nonresident if:

17 (a) A person is, or seeks to be, an undergraduate student and admissions records show the  
18 student to be a graduate of an out-of-state high school within five (5) years prior to a request for a  
19 determination of residency status;

20 (b) A person's admissions records indicate the student's residence to be outside of Kentucky at  
21 the time of application for admission;

22 (c) A person moves to Kentucky primarily for the purpose of enrollment in an institution;

1 (d) A person moves to Kentucky and within twelve (12) months enrolls at an institution more  
2 than half time; or

3 (e) A person has a continuous absence of one (1) year from Kentucky.

4 (2) A presumption arising from subsection (1) of this section shall be overcome by presentation  
5 of evidence that is sufficient to demonstrate that a person is domiciled in and is a resident of  
6 Kentucky.

7 Section 5. Determination of Whether a Student is Dependent or Independent. (1) In a  
8 determination of residency status, an institution shall first determine whether a student is dependent  
9 or independent. This provision is predicated on the assumption that a dependent person lacks the  
10 financial ability to live independently of the person upon whom the student is dependent and  
11 therefore lacks the ability to form the requisite intent to establish domicile.

12 (2) In determining the dependent or independent status of a person, the following information  
13 shall be considered as well as other relevant information available at the time the determination is  
14 made:

15 (a)1. Whether the person has been claimed as a dependent on the federal or state tax returns of  
16 a parent or other person for the year preceding the date of application for a determination of  
17 residency status; or

18 2. Whether the person is no longer claimed by a parent or other person as a dependent or as an  
19 exemption for federal and state tax purposes; and

20 (b) Whether the person has financial earnings and resources independent of a person other than  
21 an independent spouse necessary to provide for the person's own sustenance.



1 (3) An individual who enrolls at an institution immediately following graduation from high  
2 school and remains enrolled shall be presumed to be a dependent person unless the contrary is  
3 evident from the information submitted.

4 (4) Domicile may be inferred from the student's permanent address, parent's mailing address, or  
5 location of high school of graduation.

6 (5) Marriage to an independent person domiciled in and who is a resident of Kentucky shall be  
7 a factor considered by an institution in determining whether a student is dependent or independent.

8 (6) Financial assistance from or a loan made by a parent or family member other than an  
9 independent spouse, if used for sustenance of the student:

10 (a) Shall not be considered in establishing a student as independent; and

11 (b) Shall be a factor in establishing that a student is dependent.

12 Section 6. Effect of a Determination of Dependent Status on a Determination of Residency  
13 Status. (1) The effect of a determination that a person is dependent shall be:

14 (a) The domicile and residency of a dependent person shall be the same as either parent. The  
15 domicile and residency of the parent shall be determined in the same manner as the domicile and  
16 residency of an independent person.

17 (b) The domicile and residency of a dependent person whose parents are divorced, separated, or  
18 otherwise living apart shall be Kentucky if either parent is domiciled in and is a resident of  
19 Kentucky regardless of which parent has legal custody or is entitled to claim that person as a  
20 dependent pursuant to federal or Kentucky income tax provisions.

21 (2)(a) If the parent or parents of a dependent person are Kentucky residents and are domiciled  
22 in Kentucky but subsequently move from the state, the dependent person shall be considered a

1 resident of Kentucky while in continuous enrollment at the degree level in which currently  
2 enrolled.

3 (b) If continuous enrollment is broken or the current degree level is completed, the dependent  
4 person's residency status shall be reassessed when the circumstances detailed in subparagraph 1 of  
5 this paragraph are present.

6 Section 7. Member of Armed Forces of the United States, Spouse and Dependents; Effect on a  
7 Determination of Residency Status. (1) A member, spouse, or dependent of a member whose  
8 domicile and residency was Kentucky at the time of induction into the Armed Forces of the United  
9 States, and who maintains Kentucky as home of record and permanent address, shall be entitled to  
10 Kentucky residency status:

11 (a) During the time of active service; or

12 (b) If the member, [~~spouse, or dependent~~] returns to this state within six (6) months of the date  
13 of the member's discharge from active duty.

14 (2)(a) A member of the armed services on active duty who meets the criteria set forth in 20  
15 U. S. C § 1015d shall be classified as Kentucky resident and shall be entitled to in-state tuition as  
16 shall the spouse or a dependent of the member [~~A member, spouse or dependent of a member of~~  
17 ~~the Armed Forces of the United States stationed in Kentucky on active military orders shall be~~  
18 ~~considered a Kentucky resident while the member is on active duty in this state pursuant to those~~  
19 ~~orders if the member is not:~~

20 1. ~~Stationed in Kentucky for the purpose of enrollment at an institution; or~~

21 2. ~~On temporary assignment of less than one (1) year].~~

1 (b) A member, spouse or dependent of a member, shall not lose Kentucky residency status if  
2 the member is thereafter transferred on military orders while the member, spouse or dependent  
3 requesting the status is in continuous enrollment at the degree level in which currently enrolled.

4 (3) Membership in the National Guard or civilian employment at a military base alone shall not  
5 qualify a person for Kentucky residency status under the provisions of subsections (1) and (2) of  
6 this section.

7 (4) A person's residency status established pursuant to this section shall be reassessed if the  
8 qualifying condition is terminated.

9 Section 8. Status of Nonresident Aliens; Visas and Immigration. (1)(a) A person holding a  
10 permanent residency visa or classified as a political refugee shall establish domicile and residency  
11 in the same manner as another person.

12 (b) Time spent in Kentucky and progress made in fulfilling the conditions of domicile and  
13 residency prior to obtaining permanent residency status shall be considered in establishing  
14 Kentucky domicile and residency.

15 (2) A person holding a nonimmigrant visa with designation A, E, G, H-1, H-4 if accompanying  
16 a person with an H-1 visa, I, K, L, N, R, shall establish domicile and residency the same as another  
17 person.

18 (3)(a) An independent person holding a nonimmigrant visa with designation B, C, D, F, H-2,  
19 H-3, H-4 if accompanying a person with an H-2 or H-3 visa, J, M, O, P, Q, S, TD or TN shall not  
20 be classified as a Kentucky resident, because that person does not have the capacity to remain in  
21 Kentucky indefinitely and therefore cannot form the requisite intent necessary to establish domicile  
22 within the meaning of this administrative regulation.

1 (b) A dependent person holding a visa as described in paragraph (a) of this subsection, but who  
2 is a dependent of a parent holding a visa as described in subsection (2) of this section, shall be  
3 considered as holding the visa of the parent.

4 (c) A dependent person holding a visa described in subsection (2) of this section or paragraph  
5 (a) of this subsection, if a parent is a citizen of the United States and is a resident of and domiciled  
6 in Kentucky, shall be a resident of Kentucky for the purposes of this administrative regulation.

7 (4) A person shall be a Kentucky resident for the purpose of this administrative regulation if  
8 the person graduated from a Kentucky high school and:

9 (a) Is an undocumented alien;

10 (b) Holds a visa listed in subsections (2) or (3)(a) of this section; or

11 (c) Is a dependent of a person who holds a visa listed in subsections (2) or (3)(a) of this  
12 section.

13 (5)(a) Except as provided in paragraph (b) of this subsection, a person who has petitioned the  
14 federal government to reclassify visa status shall continue to be ineligible until the petition has  
15 been decided by the federal government.

16 (b) A person who has petitioned the federal government to reclassify visa status based on a  
17 marriage to a Kentucky resident and who can demonstrate that the petition has been filed and  
18 acknowledged by the federal government, may establish Kentucky domicile and residency at that  
19 time.

20 Section 9. Beneficiaries of a Kentucky Educational Savings Plan Trust. A beneficiary of a  
21 Kentucky Educational Savings Plan Trust shall be granted residency status if the beneficiary meets  
22 the requirements of KRS 164A.330(6).

1 Section 10. Criteria Used in a Determination of Residency Status. (1) A determination of  
2 Kentucky domicile and residency shall be based upon verifiable circumstances or actions. A single  
3 fact shall not be paramount, and each situation shall be evaluated to identify those facts essential to  
4 the determination of domicile and residency.

5 (2) The following facts, although not conclusive, shall have probative value in their entirety  
6 and shall be individually weighted, appropriate to the facts and circumstances in each  
7 determination of residency:

8 (a) Acceptance of an offer of full-time employment or transfer to an employer in Kentucky or  
9 contiguous area while maintaining residence and domicile in Kentucky;

10 (b) Continuous physical presence in Kentucky while in a nonstudent status for the twelve (12)  
11 months immediately preceding the start of the academic term for which a classification of  
12 Kentucky residency is sought;

13 (c)1. Filing of Kentucky resident income tax return for the calendar year preceding the date of  
14 application for a change in residency status; or

15 2. Payment of Kentucky withholding taxes while employed during the calendar year for which  
16 a change in classification is sought;

17 (d) Full-time employment of at least one (1) year while living in Kentucky;

18 (e) Attendance as a full-time, nonresident student at an out-of-state institution based on a  
19 determination by that school that the person is a resident of Kentucky;

20 (f) Abandonment of a former domicile or residence and establishing domicile and residency in  
21 Kentucky with application to or attendance at an institution following and incidental to the change  
22 in domicile and residency;

1 (g) Obtaining licensing or certification for a professional and occupational purpose in  
2 Kentucky;

3 (h) Payment of real property taxes in Kentucky;

4 (i) Ownership of real property in Kentucky, if the property was used by the student as a  
5 residence preceding the date of application for a determination of residency status;

6 (j) Long-term lease of at least twelve (12) consecutive months of noncollegiate housing;

7 (k) Marriage of an independent student to a person who was domiciled in and a resident of  
8 Kentucky prior to the marriage;

9 (l) Continued presence in Kentucky during academic breaks; and

10 (m) The extent to which a student is dependent on student financial aid in order to provide  
11 basic sustenance.

12 (3) Except as provided in subsection (4) of this section, the following facts, because of the ease  
13 and convenience in completing them, shall have limited probative value in a determination that a  
14 person is domiciled in and is a resident of Kentucky:

15 (a) Kentucky automobile registration;

16 (b) Kentucky driver's license; and

17 (c) Registration as a Kentucky voter.

18 (4) The absence of a fact contained in subsection (3) of this section shall have significant  
19 probative value in determining that a student is not domiciled in or is not a resident of Kentucky.

20 (5) A person shall not be determined to be a Kentucky resident by the performance of an act  
21 which is incidental to fulfilling an educational purpose or by an act performed as a matter of  
22 convenience. Mere physical presence in Kentucky, including living with a relative or friend, shall

1 not be sufficient evidence of domicile and residency. A person shall respond to all information  
2 requested by an institution.

3 Section 11. Effect of a Change in Circumstances on Residency Status. (1) If a person becomes  
4 independent or if the residency status of a parent or parents of a dependent person changes, an  
5 institution shall reassess residency either upon a request by the student or a review initiated by the  
6 institution.

7 (2) Upon transfer to a Kentucky institution, a student's residency status shall be assessed by the  
8 receiving institution.

9 (3) A reconsideration of a determination of residency status for a dependent person shall be  
10 subject to the provisions for continuous enrollment, if applicable.

11 Section 12. Student Responsibilities. (1) A student shall report under the proper residency  
12 classification which includes the following actions:

13 (a) Raising a question in a timely manner concerning residency classification;

14 (b) Making application for change of residency classification in a timely manner with the  
15 designated office or person at the institution; and

16 (c) Notifying the designated office or person at the institution immediately upon a change in  
17 residency.

18 (2) If a student fails to notify an institutional official of a change in residency, an institutional  
19 official may investigate and evaluate the student's residency status.

20 (3)(a) If a student fails to provide, by the date specified by the institution, information required  
21 by an institution in a determination of residency status, the student shall be notified by the  
22 institution that the review has been canceled and that a determination has been made.

23 (b) Notification shall be made by registered mail, return receipt requested.

1 (c) Notification shall be made within ten (10) calendar days after the deadline for receipt of  
2 materials has passed.

3 (4) A student shall not be entitled to appeal a determination of residency status if the  
4 determination made by an institution is because a student has failed to meet published deadlines for  
5 the submission of information as set forth in subsection (3) of this section. A student may request a  
6 review of a determination of residency status in a subsequent academic term.

7 Section 13. Institutional Responsibilities. Each institution shall:

8 (1) Provide for an administrative appeals process that includes a residency appeals officer to  
9 consider student appeals of an initial residency determination and which shall include a provision  
10 of fourteen (14) days for the student to appeal the residency appeals officer's determination;

11 (2) Establish a residency review committee to consider appeals of residency determinations  
12 by the residency appeals officer. The residency review committee shall make a determination of  
13 student residency status and notify the student in writing within forty-five (45) days after receipt  
14 of the student appeal;

15 (3) Establish a formal hearing process as described in Section 14 of this administrative  
16 regulation; and

17 (4) Establish written policies and procedures for administering the responsibilities established  
18 in subsections (1), (2), and (3) of this section and that are:

19 (a) Approved by the institution's governing board;

20 (b) Made available to all students; and

21 (c) Filed with the council.

22 Section 14. Formal Institutional Hearing. (1) A student who appeals a determination of  
23 residency by a residency review committee shall be granted a formal hearing by an institution if



1 the request is made by a student in writing within fourteen (14) calendar days after notification of  
2 a determination by a residency review committee.

3 (2) If a request for a formal hearing is received, an institution shall appoint a hearing officer  
4 to conduct a formal hearing. The hearing officer:

5 (a) Shall be a person not involved in determinations of residency at an institution except for  
6 formal hearings; and

7 (b) Shall not be an employee in the same organizational unit as the residency appeals officer.

8 (3) An institution shall have written procedures for the conduct of a formal hearing that have  
9 been adopted by the board of trustees or regents, as appropriate, and that provide for:

10 (a) A hearing officer to make a recommendation on a residency appeal;

11 (b) Guarantees of due process to a student that include:

12 1. The right of a student to be represented by legal counsel; and

13 2. The right of a student to present information and to present testimony and information in  
14 support of a claim of Kentucky residency; and

15 (c) A recommendation to be issued by the hearing officer.

16 (4) An institution's formal hearing procedures shall be filed with the Council on  
17 Postsecondary Education and shall be available to a student requesting a formal hearing.

18 Section 15. Cost of Formal Hearings. (1) An institution shall pay the cost for all residency  
19 determinations including the cost of a formal hearing.

20 (2) A student shall pay for the cost of all legal representation in support of the student's claim  
21 of residency.

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Date

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Paul E. Patton, Chair  
Council on Postsecondary Education

APPROVED AS TO FORM:

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Date

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Dennis L. Taulbee, General Counsel  
Council on Postsecondary Education

REGULATORY IMPACT ANALYSIS  
AND TIERING STATEMENT

*Administrative Regulation 13 KAR 2:045E. Determination of residency status for admission and tuition assessment purposes.*

Contact person: Dennis L. Taulbee, General Counsel  
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Frankfort, KY 40601  
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sarah.levy@ky.gov  
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- (1) Provide a brief summary of:
  - (a) What this administrative regulation does: This administrative regulation sets the criteria for determining whether a student is, or is not, a Kentucky resident for the purpose of admissions to a state-supported institution, or for the purpose of assessing tuition.
  - (b) The necessity of this administrative regulation: This is an emergency administrative regulation promulgated because new federal legislation has expanded the benefits to the military on active duty status, and their spouses and dependents. The expanded benefit is resident tuition, and the effective date for the expanded benefit is July 1, 2009.
  - (c) How this administrative regulation conforms to the content of the authorizing statutes: The regulation conforms both to the authorizing statute and to new federal legislation.
  - (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: By conforming to the new federal legislation, the residency officers at the public institutions will be better able to counsel prospective students and the Commonwealth of Kentucky will avoid a potential loss of federal funds.
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
  - (a) How the amendment will change this existing administrative regulation: The emergency administrative regulation conforms Section 7 of the current regulation to allow military personnel, their spouses, and dependents to receive in-state tuition if they have a permanent duty station in Kentucky.

- (b) The necessity of the amendment to this administrative regulation: Federal law changed effective July 1, 2009 extending the benefit of in-state tuition to military personnel and requiring states to comply.
  - (c) How the amendment conforms to the content of the authorizing statutes: The amendment conforms exactly to the authorizing statute and brings Kentucky into compliance with federal law.
  - (d) How the amendment will assist in the effective administration of the statutes: By explicitly conforming to the change in the federal law, we avoid confusion and the possible loss of federal funds.
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Eight state-supported postsecondary education institutions and the Kentucky Community and Technical College System (KCTCS).
- (4) Provide an assessment of how the above group or groups will be impacted by either the implementation of this administrative regulation, if new, or by the change if it is an amendment: The universities will have to increase the amount of tuition waived to accommodate the change.
- (5) Provide an estimate of how much it will cost to implement this administrative regulation:
- (a) Initially: No additional cost for implementation is anticipated.
  - (b) On a continuing basis: No additional cost for implementation is anticipated.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Not applicable.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: No additional fees or revenue are necessary.
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: No.
- (9) TIERING: Is tiering applied? Tiering is not appropriate in these circumstances.

**Council on Postsecondary Education  
September 10, 2009**

**CPE President's Plan of Work  
July 2009-July 2010**

**ACTION: The staff recommends that the Council approve the Plan of Work, July 2009-July 2010.**

The attached Plan of Work provides a clear set of policy priorities and tasks that will guide the work of the Council president and staff over the coming year. It was provided for initial review by the President Evaluation Committee and the full Council at the July 2009 meeting. Implementation will be monitored carefully by the Council president and chair, and periodic reports will be made to the full Council throughout the year to ensure adequate progress is being made in each of the areas of focus. The Evaluation Committee will evaluate implementation of the plan as part of the president's annual performance review in July 2010.

**CPE President's Plan of Work**  
**Priority goals and objectives, July 2009 through July 2010**

**1) Strengthen partnerships with key stakeholders of postsecondary education reform.**

- a. Reestablish campus-Council relationships based on trust, respect, and mutually supportive goals and objectives.
- b. Enhance the Council's role as a respected and credible consensus builder, educational advisor, and policy resource for members of the General Assembly and Governor's office.
- c. Build effective and productive partnerships with other key stakeholders, including state agencies, and business, labor, and community groups.
- d. Partner with KDE to establish a state-level, unified voice for P-20 education advocacy.

**2) Develop the agency into a preeminent postsecondary education coordinating board guided by a strong, data-driven policy agenda advancing the goals of reform.**

- a. Conduct a thorough review of agency operations, responsibilities, and activities and align resources with priority needs and key agency functions. Discontinue or transfer those functions that are not core to the mission of the agency.
- b. Rebuild/reorganize the Council staff infrastructure (to the extent the current budget allows) addressing key vacancies in academic affairs, budget and policy analysis and research, and program administration.
- c. Ensure the organization operates efficiently and professionally, and is fully responsive to its statutory obligations and to the needs of its many constituencies, including the board, the Governor, the legislature, the campuses, students, and the public.

**3) Accomplish key projects and initiatives.**

- a. Address funding for postsecondary and adult education.
  - i. Develop postsecondary operations and capital request for 2010-12.
  - ii. Initiate work on funding distribution process for 2012-14.
  - iii. Establish tuition-setting process for 2010-11.
  - iv. Collaborate with Governor's office on monitoring/coordinating ARRA (stimulus) funding for postsecondary education.
  - v. Identify and facilitate statewide purchasing opportunities to leverage resources.
- b. Strengthen college readiness and P-16 partnerships.
  - i. Align K-12 and postsecondary education academic standards (SB1).
  - ii. Develop remediation reduction plan (SB1).
  - iii. Implement initial phase of the development of a P-20 data warehouse in collaboration with KDE.

- iv. Create teacher professional development programs in partnership with KDE.
- c. Improve college access and success.
  - i. Complete statewide diversity plan.
  - ii. Develop policies and recommendations to improve state student aid programs (Higher Education Work Group).
  - iii. Finalize recommendations to improve transfer and facilitate implementation in partnership with the campuses.
  - iv. Work with campuses to implement adult learner recommendations.
- d. Provide appropriate regulation and oversight.
  - i. Revise licensing regulations for nonpublic institutions and institute fee structure.
  - ii. Build new comprehensive postsecondary database system.
  - iii. Initiate revisions of academic program approval process and program productivity review process.
- e. Improve strategic planning, accountability, and transparency.
  - i. Initiate postsecondary education strategic planning for 2010-15.
  - ii. Revise performance measures and key goals/objectives.
  - iii. Widely disseminate system and institutional level performance results and accomplishments.
  - iv. Develop and disseminate comprehensive Higher Education Finance Report.
- f. Enhance workforce and economic development partnerships.
  - i. Reengage statewide business community in supporting/advocating postsecondary education reform agenda.
  - ii. Work with presidents, business community, and other leaders to advance agenda of STEM Task Force.

**Council on Postsecondary Education  
September 10, 2009**

**Morehead State University  
Request for a Qualitative Waiver**

**ACTION: The Committee on Equal Opportunities recommends that the Morehead State University request for a temporary waiver of the requirements of KRS 164.020(19) be granted.**

At its August 26 meeting, the Committee on Equal Opportunities voted to recommend to the Council on Postsecondary Education that a temporary waiver of the requirements of KRS 164.020(19) be granted to Morehead State University. Granting this waiver will enable Morehead State University to implement or ask the Council to approve new academic programs during calendar year 2009. If the waiver is granted, Morehead will not be eligible for a waiver in calendar year 2010.

At its April 20 meeting, the CEO heard Morehead's request for a temporary waiver and decided not to recommend to the Council that it be granted at that time. Instead, the CEO made a number of recommendations for consideration by the university to strengthen its request.

Upon receipt of new information from MoSU, the CEO reconsidered the request at its August 26 meeting. President Wayne Andrews and Charles Holloway, chief diversity officer, presented new information in support of the MoSU waiver request. According to their presentation to the CEO:

- On June 11 the Morehead State University board of regents adopted a resolution sustaining and clearly stating its commitment to diversity.
- The university has committed significant resources and effort to revise programs and develop plans to address the needs of African American students.
- The university has developed and is implementing diversity training strategies.
- The board of regents elected its first African American vice chair at the July 2009 meeting.
- The university hired a chief diversity officer and identified the position as a full-time, cabinet-level position.
- The university added five new ethnic minority staff and faculty which further expand the level of diversity on campus.
- The university has increased the frequency of its assessment of its status toward increasing the level of diversity.



- The university has restructured and identified new ways to encourage African Americans to seek leadership opportunities.
- The university has restructured student support resources (advising, minority retention, academic support network, academic enrichment, training programs, mentoring, social and cultural activities, and employee training).
- According to *U. S. News and World Report* the university has improved its status/ranking among regional public universities in the south (ranked 20<sup>th</sup>).
- The university has created specific language in its strategic plan and business plan to implement strategies to achieve the goals expressed in the mission, core values, and strategic goals.
- The university acknowledged that because of the timing of the plan, its strategies related to retention will not pay dividends immediately but will generate positive results in two or three years and over the long term.

The CEO was unanimous in its support for the revised MoSU action plan and commended the university on its vision and action to improve diversity on campus and in the community. The CEO will continue to monitor the implementation of the MoSU action plan and will report to the Council through the status reports of CEO activities at each CPE meeting.

**Council on Postsecondary Education  
September 10, 2009**

## **2009-10 Agency Operating Budget**

*In late August 2009, the Office of the State Budget Director notified Council staff that consistent with the Governor's pro-education agenda, Kentucky Adult Education (statewide adult education provider program funds) and Kentucky's contract spaces program (student financial aid that pays the difference between in-state and out-of-state tuition for Kentucky students who enroll in veterinary and optometry programs out-of-state) are being exempted from the current round of budget cuts for 2009-10 (FY10).*

*Excluding these two statewide educational programs, the rest of the Council's General Fund budget for FY10 is expected to be reduced \$952,500.*

<b>ACTION: The staff recommends that the Council approve the proposed 2009-10 agency operating budget.</b>
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The following FY10 agency operating budget provides a summary of revenues and expenditures proposed for the new fiscal year, as well as comparative information from FY09. A more technical and detailed version of the proposed FY10 agency budget is available upon request.

Traditionally, most attention is paid to CPE's recurring General Fund appropriation and the corresponding expenditures.

However, it is important to note that CPE's total agency budget does include other sources of revenue including tobacco settlement funds and cigarette tax revenue that support cancer research, trust funds that provide incentives for institutions to enhance various strategic initiatives, federal funds that support Kentucky's Adult Education programs, Kentucky GEAR UP, teacher quality grants, and miscellaneous agency receipts. All of these various funds have traditionally been channeled through CPE from an accounting and budgetary perspective.

The proposed FY10 agency operating budget is divided into two parts:

- 1) Statewide Coordination
- 2) Statewide Educational Programs and Services
  - o Kentucky Adult Education Statewide Administration and Instruction
  - o Student Assistance and Educational Support
  - o Technology and Academic Support
  - o Research and Economic Development

## Statewide Coordination

The budget for statewide coordination supports the traditional expenditures associated with a postsecondary education coordinating board, including funds spent for policy leadership, strategic planning, regulation of the state’s postsecondary education system, finance (including biennial budget preparation and tuition setting), administrative services, communications, academic affairs and program review, economic and STEM initiatives, and information, research, and technology.

### FY10 Budget Highlights

- Only about 12 percent of the FY10 agency General Fund appropriation is allocated to statewide coordination while the other 88 percent is allocated to statewide educational programs and services.
- As with most service agencies, salaries and benefits account for the largest portion of the statewide coordination budget (80 percent), which currently supports 61 staff members (58 full-time and three part-time). This does not include state level coordination of Kentucky Adult Education (KYAE).
- Council staff (excluding KYAE staff) has been reduced by 11 people since FY08.
- Travel expenses, cut by 23 percent over the past two years, will be cut another 11 percent in FY10.
- Most other operating budget items, such as rent, utilities, office supplies, etc., were basically flat-lined for FY10.

Table 1: Statewide Coordination		
	FY09 Actual	FY10 Budgeted
<b>REVENUE</b>		
General Fund	\$6,484,480	\$6,465,000
Restricted	\$602,400	\$452,100
Agency Receipts		
Total	\$7,086,880	\$6,917,100
<b>EXPENDITURES</b>		
Salaries and Benefits	\$5,569,807	\$5,524,300
Other Professional Services	\$287,731	\$167,000
Rent and Utilities	\$432,595	\$433,500
Travel	\$123,679	\$110,000
Technology and Equipment	\$372,932	\$389,200
Statewide Dues	\$113,876	\$114,000
Other Operating Expenses	\$186,260	\$179,100
Total	\$7,086,880	\$6,917,100

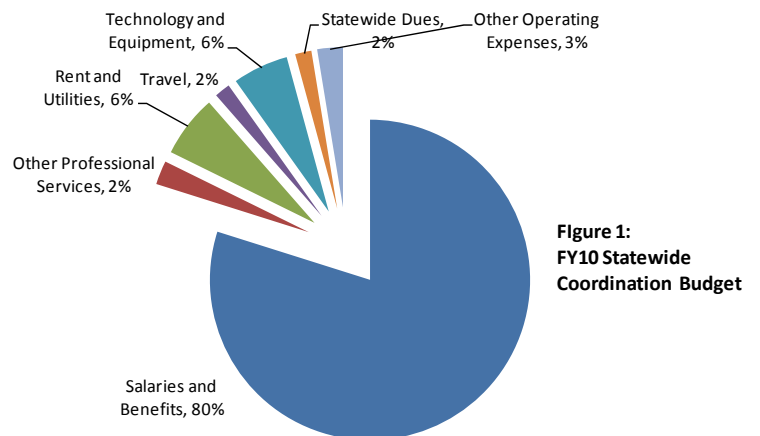


Figure 1: FY10 Statewide Coordination Budget

## Kentucky Adult Education Statewide Administration and Instruction

Kentucky Adult Education was transferred to the Council in 2003. Comprehensive adult education programs are offered in every Kentucky county. Services range from all levels of adult education instruction to ESL, family literacy, corrections education, and workforce education.

In recent years, the Council consolidated various KYAE administrative functions and centralized a number of key support functions with other Council operations. However, for the budget display highlighted below, only the salaries and benefits for statewide coordination are included in the expenditure totals.

### *FY10 Budget Highlights*

- General Funds account for 74.5 percent of KYAE’s program budget and federal funds account for 24.6 percent.
- Approximately 90 percent of KYAE program funds are distributed to the local adult education providers, while 5 percent support salary and benefits for statewide coordination, and another 5 percent support statewide programs and services.
- General Fund appropriations support approximately 23 staff members that work under the Council and provide statewide coordination and leadership for KYAE. KYAE’s staff has been reduced by four (4) since FY08.
- The combination of prudent fiscal management of federal funds and the adult education funding program have helped KYAE minimize the impact of previous cuts on statewide adult education providers.

<b>Table 2: KYAE Statewide Administration and Instruction</b>		
	<b>FY09 Actual</b>	<b>FY10 Budgeted</b>
<b>REVENUE</b>		
General Funds	\$24,339,220	\$24,226,280
Federal Funds	\$7,964,970	\$8,000,000
Other	\$153,980	\$252,000
Total	\$32,458,170	\$32,478,280
<b>EXPENDITURES</b>		
Statewide Coordination Salary and Benefits	\$1,754,220	\$1,641,280
Program Support	\$28,814,859	\$28,900,000
System Support	\$1,573,587	\$1,519,000
Evening Programs at Correctional Facilities	\$153,980	\$252,000
Administration/Other	\$161,524	\$166,000
Total	\$32,458,170	\$32,478,280

## Student Assistance and Educational Support

Kentucky's contract spaces program accounts for approximately 84 percent of the budget for student assistance and educational support. Since the Commonwealth does not have professional schools in veterinary medicine and optometry, the contract spaces program provides Kentucky students with access to training spaces in these two professional programs through contracts with SREB and Indiana University. This area of the budget also supports a small number of educational and college preparation programs that mostly serve under-represented and at-risk youth and young adults.

### *FY10 Budget Highlights*

- Additional recurring General Funds were allocated in FY10 to support 154 veterinary contract spaces (Kentucky students) and 44 optometry students. Unanticipated increases in tuition during FY09 resulted in significant budget pressure in this area which is now relieved with these additional resources.
- Due to the 4 percent reduction in CPE's total General Fund in FY10, all other programs in this area will receive a similar 4 percent cut in FY10 and will further reduce the number of students served by these programs.

<b>Table 3: Student Assistance and Educational Support</b>		
	<b>FY09 Actual</b>	<b>FY10 Budgeted</b>
<b>REVENUE</b>		
General Funds	\$4,974,600	\$5,583,000
Restricted Agency Receipts	\$399,610	\$343,900
Other	\$102,550	\$0
Total	\$5,476,760	\$5,926,900
<b>EXPENDITURES</b>		
Contract Spaces Program	\$4,180,350	\$4,686,100
Professional Education Preparation Program	\$341,500	\$327,800
Governor's Minority Student College Preparation Program	\$349,760	\$334,500
State Autism Training Center	\$170,400	\$163,600
SREB Doctoral Scholars Program	\$280,600	\$276,900
Washington Internship Program	\$54,150	\$88,000
P-16 Council	\$100,000	\$50,000
Total	\$5,476,760	\$5,926,900

## Technology and Academic Support

There are a number of statewide academic support programs and services provided for in the FY10 agency operating budget. Many of these are funded predominantly with General funds and include substantial technology investments for postsecondary network connections, software, and licenses for the Kentucky Virtual Campus and Virtual Library, statewide faculty development, college outreach work, and college-level learning assessments.

Kentucky's educational system also benefits from several federally funded academic grant programs. Kentucky GEAR UP serves at-risk students and influences their educational choices through enhanced guidance and support. The Improving Educator Quality (IEQ) grant focuses on increasing the academic achievement of all students through professional development initiatives that ensure K-12 teachers and administrators are highly qualified.

### *FY10 Budget Highlights*

- Statewide technology and academic support initiatives supported by General Funds were reduced by 4 percent due to the overall cut to CPE's agency budget in FY10.
- Both Kentucky GEAR UP and Kentucky's Improving Educator Quality Grant Program are expected to see slight increases in federal funds during FY10.
- A number of the larger discrepancies between FY09 actual and FY10 budgeted are the result of funds carried forward due to contractual timing issues.

**Table 4: Technology and Academic Support**

	FY09 Actual	FY10 Budgeted
<b>REVENUE</b>		
General Funds	\$5,982,800	\$5,743,500
Federal Funds	\$4,551,337	\$5,550,000
Restricted Agency Receipts	\$1,397,038	\$1,050,000
Carry Forward Funds	\$906,178	\$3,121,170
Trust Fund Interest	\$49,786	\$45,000
Total	\$12,887,139	\$15,509,670
<b>EXPENDITURES</b>		
Statewide Technology Services		
Kentucky Postsecondary Education Network	\$4,000,132	\$3,183,336
Kentucky Virtual Campus/Virtual Library	\$2,990,563	\$4,176,237
Faculty Development	\$27,956	\$71,325
College Access Initiative	\$381,206	\$151,307
College Level Learning Assessment	\$107,116	\$253,684
Other Technology Trust Fund Initiatives	\$412,824	\$1,693,703
Other Grant Funded Initiatives	\$416,005	\$430,078
Kentucky GEAR UP Program (Federally Funded)		
Host Institutions and Other Partners	\$1,839,376	\$2,671,600
Administrative and Centralized Services	\$1,622,567	\$1,328,400
Improving Educator Quality Grant (Federally Funded)		
IEQ Sub-Grants	\$1,029,298	\$1,476,200
IEQ Administrative Costs	\$60,096	\$73,800
Total	\$12,887,139	\$15,509,670

## Research and Economic Development

The Council's FY10 agency operating budget includes a number of significant, statewide research and economic development initiatives. Funds for these initiatives originate from various sources, including General Funds, tobacco settlement funds, one cent per pack from the state cigarette tax, and trust funds.

The majority of the Science and Technology Fund Program is channeled through the Kentucky Science and Technology Corporation (KSTC) to fund a number of new economy initiatives that promote research and economic development in all areas of the Commonwealth. The Endowment Match Program (Bucks for Brains), translational research at UofL, and significant investments in lung cancer and ovarian cancer research also are channeled through the Council's agency budget with various levels of accountability and reporting requirements.

### *FY10 Budget Highlights*

- Bond funds to support \$60 million in Bucks for Brains are budgeted for FY10.
- UofL also has \$7.5 million in translational research budgeted for FY10.
- All research and economic development projects supported by General Fund appropriations in FY10 are reduced by the 4 percent budget reduction due to the overall cut in CPE's agency budget in FY10.
- For the first time, tobacco settlement funds were appropriated to support two capital projects at UK in FY10.

<b>Table 5: Research and Economic Development</b>		
	<b>FY09 Actual</b>	<b>FY10 Budgeted</b>
<b>REVENUE</b>		
General Funds	\$8,698,940	\$8,345,200
Bond Funds	\$0	\$67,500,000
Tobacco Settlement Funds	\$7,264,220	\$6,656,600
Cigarette Tax (1 cent per pack)	\$5,460,338	\$6,500,000
Total	\$21,423,498	\$89,001,800
<b>EXPENDITURES</b>		
Science and Technology Funding Program (KSTC)	\$6,862,943	\$6,589,950
P-16 Engineering Pipeline	\$315,000	\$302,400
Program Administration	\$80,997	\$70,450
Regional Stewardship Funding Program	\$1,440,000	\$1,382,400
Endowment Match Program		
UK and UofL	\$0	\$50,000,000
Comprehensive Universities	\$0	\$10,000,000
Translational Research (UofL)	\$0	\$7,500,000
Cancer Research Institutions Matching Fund	\$5,460,338	\$6,500,000
Lung Cancer Research (Tobacco Settlement Funds)	\$5,514,220	\$4,705,600
Ovarian Cancer Screening Program (Tobacco Settlement Funds)	\$1,750,000	\$975,000
UK Capital Projects – debt service (Tobacco Settlement Funds)	\$0	\$976,000
Total	\$21,423,498	\$89,001,800

Staff preparation by John Hayek and Ed Sergent

**Council on Postsecondary Education**  
**September 10, 2009**

## **2010-12 Budget Recommendation Update**

The current economic slowdown and ongoing state fiscal crisis provide a challenging environment for the Council on Postsecondary Education to make a reasonable yet aggressive 2010-12 budget recommendation that is aligned with statewide priorities and consistent with the mandates of the *Kentucky Postsecondary Education Improvement Act of 1997*.

As discussed earlier in the summer with the Council, the timeline called for drafting a Points of Consensus document in July/August, reviewing draft budget documents in August/September, discussing a more complete draft at a special budget meeting October 1, and taking final action on the budget request at its November 6, 2009, meeting.

To assist in the budget development process, Chair Patton appointed a Council work group consisting of Dan Flanagan (chair), Chris Crumrine, Glenn Denton, and Pam Miller.

The work group met in mid-August and reviewed the following information.

- State Budget Planning Estimates (Attachment A)
- Points of Consensus (Attachment B)
- Potential Impact of Points of Consensus on 2010-12 Budget Recommendation (Attachment C)

The Budget Development Work Group agreed that in the current environment there is an advantage to keeping the budget development process simple. Thus, instead of detailed budget presentations from each institution, it has requested that each institution prepare a two-page summary discussing how it would use any additional state appropriations if they become available in 2010-12. A similar two-page summary also will be drafted for the Council's agency request.

These documents, due September 22, will be shared in advance of the October 1 Council meeting and provide context for an open discussion with Council members and presidents regarding the 2010-12 budget request.

The state's revenue outlook will continue to change over the next several months, so it will be critically important that there is good dialogue among the presidents, the Council, the Governor's office, and legislative leadership as the Council moves forward with its 2010-12 budget recommendation.



### State Budget Planning Estimates

In mid-August, the Office of the State Budget Director (OSBD), in conjunction with the Consensus Forecast Group, released initial revenue planning estimates for the next biennium. Although these estimates are not official budget numbers for FY11 and FY12, they provide an early snapshot of anticipated General Fund revenue over the next several years and important context for the Council's 2010-12 budget recommendation.

General Fund Revenue (in \$millions)			
Fiscal Year	Amount	% Change from Previous Year	\$ Change from Previous Year
2006 *	\$8,376	9.6%	\$731
2007 *	\$8,573	2.4%	\$197
2008 *	\$8,664	1.1%	\$91
2009 *	\$8,426	(2.7%)	(\$238)
2010 **	\$8,295	(1.5%)	(\$131)
2011 ***	\$8,422	1.5%	\$127
2012 ***	\$8,712	3.5%	\$290
2013 ***	\$9,012	3.4%	\$300
2014 ***	\$9,289	3.1%	\$277
* Actual			
** Current CFG office estimate (May 29, 2009)			
*** CFG Planning Estimate (August 12, 2009)			

The budget planning estimates call for an increase in General Fund revenue of \$127 million (1.5 percent growth) in FY11 and an increase of \$290 million (3.5 percent growth) in FY12.

At these levels, assuming no new revenue from other sources, if postsecondary education maintained its current share of the General Fund (approximately 12 percent excluding state financial aid), this would equate to approximately \$15 million in additional General Fund appropriations in FY11 and approximately \$35 million in FY12.

This example is for illustrative purposes only; however, it highlights the challenge of seeking additional General Funds in the current fiscal environment. It is also important to note that this example and the revenue estimates do not account for any growth of other state expenditures over the next several years, including anticipated growth in Medicaid, Corrections, and other areas of state government.

Points of Consensus

For the last several months, Council staff worked collaboratively with the Chief Budget Officers and the presidents on a Points of Consensus document that reinforces basic principles to guide the development of the Council on Postsecondary Education's 2010-12 operating and capital budget recommendation.

Given the current economic and budget difficulties, it was agreed that the Points of Consensus for the 2010-12 budget recommendation should be a simple document that provides historical context for the request and is focused on two areas, base funding and capital investments.

The attached document is the latest draft that is intended to highlight a unified approach to the 2010-12 budget recommendation on behalf of postsecondary education and be signed by the Council president, the university presidents, and the president of KCTCS.

## Points of Consensus Among University Presidents, KCTCS President, and the Council President Concerning the 2010-12 Funding Request

The following Points of Consensus are principles that should guide the development of the Council on Postsecondary Education's 2010-12 operating and capital budget recommendation.

Since 2002, the postsecondary education system has absorbed mid-year cuts in state appropriations with three of the most severe reductions occurring since December 2007. These budget cuts have negatively impacted the system's ability to achieve the goals of the *Kentucky Postsecondary Education Improvement Act of 1997* (House Bill 1). Aggressive cost containment and cost avoidance tactics, productivity gains, and increases in tuition rates have helped the system survive and even prosper during this difficult period.

Despite these economic and budget difficulties, the aggressive goals outlined in House Bill 1 have not changed and neither has the determination of the public postsecondary education community to transform the Commonwealth and dramatically improve the quality of life and standard of living for all Kentuckians.

Stable and consistent investment in education at all levels is essential to achieving a brighter future for Kentucky. The Governor has committed to keep public funding of postsecondary education in fiscal year 2009-10 level with its fiscal year 2008-09 funding through a combination of General Funds and federal stimulus funds, and asserted that base funding in future years for postsecondary education and K-12 should not be penalized when stimulus funds are exhausted.

It is imperative that the system of postsecondary education work with the Governor and the General Assembly to determine a reasonable, yet aggressive, funding level for 2010-12 that is aligned with statewide budget priorities and is sensitive to the budget reductions experienced since the beginning of fiscal year 2007-08.

Given the traditional inverse relationship between state appropriations and tuition rates, CPE will work with the institutions to set tuition and mandatory fees at levels that support the operational needs, quality, and strategic goals of the institutions and the state, while keeping the system accessible.

### General Principles

- The operating and capital request will be simple and abbreviated and will include two parts:
  - Base Funding
  - Capital Investments

- Each part of the request will directly advance the goals of the *Kentucky Postsecondary Education Improvement Act of 1997*.
- No redistribution among institutions of existing institutional General Fund base appropriations should occur.
- General Fund appropriations to institutions should continue to be lump sum with necessary accountability requirements.
- General Funds for debt service, the UofL hospital contract, and mandated public service and research programs that are not student credit hour generating will be excluded from any funding comparisons and performance measures.

## I. Base Funding

In recognition of the Commonwealth's commitment to postsecondary education as the long-term solution to Kentucky's chronic problems, recommendations for funding to be appropriated to the base budgets of the universities and the Kentucky Community and Technical College System will include:

- Base adjustments
  - Changes in debt service requirements for institutional bond issues supported by state appropriations and to be paid by the institution.
  - Changes to the UofL hospital contract.
  - Changes to the federal match required for KSU's land grant program.
  - Maintenance and operating funds for new educational and general facilities. (Note: Because such funds are traditionally provided, but were not during the 2008-10 biennium, funding levels for 2010-12 should be calculated by including new buildings beginning in 2008-09.)
- If funds become available, through the normal budget process, the budget bill's General Fund Surplus Expenditure Plan, or other means that increase fiscal capacity, institutions' General Fund base appropriations should increase in the manner in which they have been reduced.
- Additional General Fund base appropriations will be strategically used to enhance access and enrollment growth, quality, degree production, research, regional and statewide stewardship, and other initiatives that support institutional business plans or strategic plans consistent with the mandates of the *Kentucky Postsecondary Education Improvement Act of 1997*.

## II. Capital Investments

- Projects recommended for state bonds or state funds:

The capital budget recommendations should align with the findings and recommendations of the 2007 statewide facilities assessment by VFA, Inc., including capital renewal, space adequacy and renovations, and new and expanded educational and general facilities.

Given the large backlog of capital renewal and deferred maintenance needs across Kentucky's public postsecondary education institutions, preserving current assets should be a priority in the capital funding request.

The capital budget recommendation should include the total cost of new projects, as well as funds required for maintenance and operations and debt service.

- Projects recommended for agency bonds or agency funds:

The CPE should continue to recommend a sufficient agency bond pool amount and recommend that institutions have the autonomy to bond their projects without affecting the state bonding capacity and be given greater flexibility to seek interim legislative authorization for projects.

The CPE and the institutions will work together to identify models which maximize institutional authority to finance capital projects.

### Potential Impact of Points of Consensus on 2010-12 Budget Recommendation

The following information provides a brief summary of the potential impact of the Points of Consensus on the Council's 2010-12 budget recommendation.

#### *Base Funding*

- After the additional 2 percent mid-year budget cut in FY09, the General Fund appropriation (net of debt service and the UofL contract) for the public postsecondary institutions equaled \$1.006 billion.
- The projected net General Fund appropriation for FY10 will be \$936 million plus \$70 million in federal stimulus funds (State Fiscal Stabilization Funds) in order to maintain combined resources at the FY09 revised net General Fund level.

	FY09 Revised Net GF (After 2% Cut)	FY10 Projected Net GF	FY10 SFSF	FY10 Combined	FY10 Percent of SFSF
EKU	\$73,731,000	68,663,500	\$5,067,500	\$73,731,000	7%
KSU	\$25,496,900	23,730,600	\$1,766,300	\$25,496,900	3%
MoSU	\$44,630,700	41,577,500	\$3,053,200	\$44,630,700	4%
MuSU	\$51,884,300	48,413,800	\$3,470,500	\$51,884,300	5%
NKU	\$51,267,200	47,662,900	\$3,604,300	\$51,267,200	5%
UK	\$310,271,400	289,204,600	\$21,066,800	\$310,271,400	30%
UofL	\$154,522,400	142,343,600	\$12,178,800	\$154,522,400	17%
WKU	\$79,013,800	73,597,700	\$5,416,100	\$79,013,800	8%
KCTCS	\$214,931,200	200,554,700	\$14,376,500	\$214,931,200	21%
<b>Total</b>	<b>\$1,005,748,900</b>	<b>935,748,900</b>	<b>\$70,000,000</b>	<b>\$1,005,748,900</b>	<b>100%</b>

#### *Technical Adjustments to Base Funding*

- Debt service: In FY11, total debt service provided to institutions to pay for state funded capital projects in prior years is estimated at \$18.9 million and \$12.6 million in FY12. These estimates are down from the approximately \$20.5 million provided in FY10. Note: The majority of the current debt service (\$135 million in FY09) for new state funded public postsecondary education facilities resides within the Finance Cabinet's budget.
- UofL's Quality and Charity Care Trust Contract: In FY11, the technical adjustment for this contract is expected to be about \$20.8 million and \$21.5 million in FY12, up slightly from approximately \$20 million in FY10.
- Change in federal match for KSU's land grand program is unknown at this time, but could be approximately \$.5 million.
- Maintenance and operating funds (M&O) for new university and college facilities combined for FY09, FY10, FY11, and FY12 is approximately \$26.9 million in FY11 and an additional \$9.7 million in FY12, for a total biennial request of \$36.4 million.

	2010-11 M&O New Facilities*	2011-12 M&O New Facilities*	Biennial M&O Request*
EKU	\$779,534	\$3,118,547	\$3,898,081
KSU	\$457,360	\$63,576	\$520,936
MoSU	\$2,004,120	\$920,240	\$2,924,360
MuSU	\$762,572	\$20,304	\$782,876
NKU	\$5,402,578	\$1,496,549	\$6,899,127
UK	\$3,800,828	\$2,179,720	\$5,980,548
UofL	\$5,901,774	\$602,793	\$6,504,567
WKU	\$2,100,791	\$931,054	\$3,031,845
KCTCS	\$5,538,760	\$345,272	\$5,884,032
<b>Total</b>	<b>\$26,748,317</b>	<b>\$9,678,055</b>	<b>\$36,426,372</b>

\* Initial Estimates

#### *Additional Funds Above Technical Adjustments*

- As a reminder, net General Fund appropriations to Kentucky's public postsecondary institutions were reduced by about \$78 million from their enacted FY08 levels.
- If funds become available above technical base adjustments, they would be distributed in the manner in which they were reduced over the last biennium.
- In addition, if funds become available above the technical adjustment, they would be strategically used to support initiatives consistent with the mandates of the *Kentucky Postsecondary Education Improvement Act of 1997* (HB 1).
- Over the next four to six weeks, the magnitude of the request for additional funds above technical base adjustments will be discussed among the presidents, the Council, the Governor, and legislative leadership, in order to determine a reasonable, yet aggressive 2010-12 budget request for postsecondary education.
- Given the modest General Fund planning estimates for FY11 and FY12, it is likely that the amount of funds requested in the first year of the biennium would be smaller than the amount requested in the second year.

Institution	FY08 Net GF Enacted	FY09 Net GF Revised	Dollar Change	Percent of Total
EKU	\$79,761,400	\$73,731,000	\$6,030,400	8%
KSU	\$27,441,700	\$25,496,900	\$1,944,800	2%
MoSU	\$48,202,100	\$44,630,700	\$3,571,400	5%
MuSU	\$56,068,700	\$51,884,300	\$4,184,400	5%
NKU	\$55,099,500	\$51,267,200	\$3,832,300	5%
UK	\$335,071,000	\$310,271,400	\$24,799,600	32%
UofL	\$168,572,300	\$154,522,400	\$14,049,900	18%
WKU	\$85,115,600	\$79,013,800	\$6,101,800	8%
KCTCS	\$228,704,900	\$214,931,200	\$13,773,700	18%
<b>Total</b>	<b>\$1,084,037,200</b>	<b>\$1,005,748,900</b>	<b>\$78,288,300</b>	<b>100%</b>

### *2010-12 Capital Request*

- Over the last month, Council staff, in conjunction with the public postsecondary education institutions and several external facility experts, has reviewed and begun to prioritize the top capital projects from each of the institutions based upon a methodology used over the last several biennia.
- The total amount and balance between renewal, renovation, new, and information technology will depend in large part on the state's capacity for additional bonding in 2010-12.
- In any capital request, it will be important to highlight not only the total cost of the new facilities, but also the debt service needed to pay for the projects and the maintenance and operating funds needed to maintain and operate the facilities, such as utility costs and custodial services.

### *Tuition 2010-11*

- Revenue from tuition becomes even more essential in a budget environment where there are limited or no additional state appropriations to support the general operations of the postsecondary education system.
- Given that Kentucky's economy typically lags the national economy, the tuition setting environment for 2010-11 will most likely be similar to that of 2009-10.
- This could result in a continuation of modest tuition increases across the sectors.
- The combination of modest increases in both tuition rates and enrollment could generate additional tuition revenue of approximately \$40-\$60 million (rough initial estimate).
- A number of universities have expressed interest in moving from a flat-rate billing structure in 2009-10 to a per credit hour billing structure in 2010-11, similar to the way that Morehead State University made the transition several years ago. This will require additional discussions between CPE and the institutions on the impact of the change on certain segments of the student population during the transition period.

### *State Financial Aid*

- Over the last several years, Governor Beshear has kept state financial aid a top budget priority by exempting it from budget cuts.
- The Governor's Higher Education Work Group is taking a detailed look at the state's financial aid programs to make sure they are achieving the desired goals and outcomes.
- It will be important for the Council to be aware of the Work Group's recommendations as they surface later this fall, particularly as they relate to need-based aid, transfer and time to degree, and the efficient use of institutional resources.
- There does appear to be a growing consensus that additional need-based aid is needed to maintain access for college ready students from low-to-moderate income backgrounds.



**SUMMARY OF KENTUCKY BOARD OF EDUCATION WORK  
FROM COMMISSIONER TERRY HOLLIDAY  
FOR  
SEPTEMBER 10, 2009 COUNCIL ON POSTSECONDARY EDUCATION  
MEETING**

**August 5-6, 2009, Kentucky Board of Education Meeting, Frankfort, KY**

Highlights of the meeting were as follows:

➤ ***BOARD ELECTS OFFICERS FOR 2009-10***

At the August 5-6, Kentucky Board of Education (KBE) meeting, election of the 2009-10 officers occurred. Joe Brothers of Elizabethtown was re-elected chair, C.B. Akins of Lexington was re-elected vice chair and Dorie Combs of Richmond was elected as an additional vice chair. All votes were unanimous.

For more information on board officers, contact Mary Ann Miller at (502) 564-3141 or via e-mail at [MaryAnn.Miller@education.ky.gov](mailto:MaryAnn.Miller@education.ky.gov).

➤ ***FINAL APPROVAL GIVEN TO 704 KAR 4:020***

704 KAR 4:020, School Health Services was given final approval at the August meeting. The amendments to the regulation addressed the following:

- technical amendments to update regulatory language
- implementation of a dental examination or screening prior to the initial entry of a five or six-year-old in the public schools as required by KRS 156.160(1)(i)
- beginning with the 2010-2011 school year, implementation of a training course approved by the Kentucky Board of Education to be completed by all unlicensed school personnel who have accepted delegation to perform medication administration in school. The course is to be developed in consultation with the Kentucky Board of Nursing to ensure compliance with 201 KAR 20:400.

For questions on the provisions of 704 KAR 4:020, contact Karen Erwin at (502) 564-5625 or via e-mail at [Karen.Erwin@education.ky.gov](mailto:Karen.Erwin@education.ky.gov).

➤ ***BOARD DISCUSSES CONTENT OF INTERIM ACCOUNTABILITY  
REGULATION***

Associate Commissioner Ken Draut, Office of Assessment and Accountability, raised the state board's awareness of the need to provide an interim accountability system for the next two years as required by Senate Bill 1. He explained that Senate Bill 1 requires accountability to be determined in terms of the requirements of the federal No Child Left Behind (NCLB) Act. Draut noted interim accountability can be defined through

amendment to 703 KAR 5:060, Interim accountability, which was created during a previous change to the state assessment and accountability system.

Decision points outlined by Draut that need to be dealt with in the revised regulation include:

- A new calculation for NCLB Other Academic Indicator for elementary and middle schools. Currently, the Other Academic Indicator is comprised of CATS index scores at the elementary and middle school levels. Since these will no longer be computed per requirements of Senate Bill 1, the NCLB Other Academic Indicator must be redefined. Department staff recommended, and the state board supports, using the scores from science, social studies and writing on-demand to serve as the Other Academic Indicator for elementary and middle schools.
- A new calculation for safe harbor for all schools. The previous calculation provided that if a subpopulation did not meet its Annual Measurable Objective, it could still be in “safe harbor” and considered to have made Adequate Yearly Progress (AYP) if the school reduced by at least 10% the number of students in the subpopulation who were not proficient in reading and math, and that subpopulation met the criteria for demonstrating improvement on the academic index. Since the academic index will no longer be computed, both the School Curriculum, Assessment and Accountability Council and the District Assessment Coordinators support removing the academic index portion of the calculation and having safe harbor based on the reduction by at least 10% the number of students in the subpopulation that are not proficient.
- Revisions to the Kentucky Department of Education’s Assistance and Support School Improvement Success Team (ASSIST) model. Since school and district Adequate Yearly Progress status will now serve as the eligibility criteria for assistance during the interim, new guidelines must be developed for state assistance.
- Changes to the graduation rate calculation and reporting. National changes by the United States Department of Education must be accommodated and Kentucky must conform its calculation and reporting for graduation rate to meet these new requirements.

The actual regulatory language for the interim accountability model will come before the state board in October with final approval scheduled in December.

For more information on the interim accountability regulation, contact Ken Draut at (502) 564-2257 or via e-mail at [Ken.Draut@education.ky.gov](mailto:Ken.Draut@education.ky.gov).

**Next Meeting: October 7-8, 2009, Frankfort, KY**

**Council on Postsecondary Education  
September 10, 2009**

**2011-2015 Strategic Agenda  
Initial Discussion**

**Background**

The *Kentucky Postsecondary Education Improvement Act of 1997* (House Bill 1) requires the Council to review its strategic agenda every four years and the strategic implementation plan every two years. The purpose of the strategic agenda is to “identify specific short-term objectives in furtherance of the long-term goals” established in HB 1.

The current strategic (public) agenda covers the period 2005-10 and is called *Five Questions - One Mission: Better Lives for Kentucky’s People*. It is focused on five policy areas: (1) college preparation, (2) affordability, (3) participation and completion, (4) learning, and (5) economic and community impact.

To monitor progress on the strategic agenda, the Council tracks approximately 20 state-level key indicators and a smaller number of institutional key indicators. The Council reviews progress on its strategic agenda by setting performance goals and producing an annual accountability report.

The Council’s strategic implementation plan is essentially in two parts, statewide plans and institutional plans. The “How We Get to Yes” statements published in the public agenda serve as part of the statewide strategic implementation plan. Much of the policy work and initiatives that the Council focused on over the last four years originated from these “How to Get to Yes” statements.

At the institutional level, campus action plans were originally created in collaboration with the institutions based upon their strategic plans. However, in practice, instead of tracking and reporting separately on the campus action plans, the Council monitored institutional strategic plans for alignment with the strategic agenda and received periodic progress reports on the various institutional strategic plans, which typically are reviewed annually on campus and get updated every four to five years.

As part of the last strategic planning process, the Council used data and information to assess progress on HB 1 goals, solicited feedback from the public using regional forums, revised the key indicators of progress (reducing the total number to 20), and developed the campus action plans for each public university, KCTCS, and AIKCU. The Council also used

the opportunity to review institutional missions as required by statute by approving mission parameters for the public universities and KCTCS.

The work was carried out in five phases, outlined below:

Phase 1: Planning process design

Phase 2: Assessment of the current state of postsecondary education (data analysis, policy scans, national and international trends, and best practices)

Phase 3: Conversations with key stakeholders on the future of postsecondary education in Kentucky (regional forums, work groups, individual meetings)

Phase 4: Institutional mission review

Phase 5: Development of strategic plan documents (Public Agenda and Campus Action Plans)

The new strategic plan, which is scheduled to be unveiled in fall 2010, will take effect on January 1, 2011, and extend until the end of 2015.

## **The Current Landscape**

There have been several important changes in Kentucky's postsecondary education landscape that will shape the development of the new strategic plan and may necessitate a different approach:

- New leadership, which includes the Governor, Council chair, Council president, KDE commissioner, Secretary of Education, Secretary of the Cabinet, and Secretary of the Economic Development Cabinet.
- New legislation, in particular Senate Bill 1 of 2009.
- A new budget and fiscal environment, which demands doing more with less and greater financial transparency.
- The publication of Double the Numbers in 2007, the Council's plan for doubling the number of bachelor's degree holders in Kentucky by the year 2020, and the development of institutional business plans.
- A 2007 postsecondary education task force report, coordinated by the Kentucky State Chamber of Commerce, calling for a recommitment to the goals of House Bill 1 and better alignment between planning documents and reform legislation.

- Work by the Council's Developmental Education Task Force in 2007, the STEM Task Force in 2007, and the Governor's Higher Education Work Group in 2008-09.
- The impact of the American Recovery and Reinvestment Act of 2009 (ARRA).

## Guiding Questions

- At the half-way point to 2020, what has worked well with the Council's strategic agenda and implementation plan, and what needs to be changed in order to increase the rate of improvement?
- How can campus representatives be more actively and meaningfully involved in the strategic plan development process?
- How can executive and legislative leadership be more actively and meaningfully involved in the strategic plan development process?
- What is the proper relationship between the Council's strategic agenda and institutions' strategic plans and business plans?
- Does the strategic agenda and accountability system give appropriate focus and attention to the specific goals outlined in HB 1?
- Should mission review be part of the next strategic planning process or is it a separate process?

## Next Steps

For the next Council meeting, the Council staff will begin soliciting informal feedback from key policy leaders on the strengths and weaknesses of the Council's current strategic agenda and implementation plan.

In addition, based upon Council member and key stakeholder feedback, a more detailed development process and timeline will be drafted for discussion.

**Council on Postsecondary Education  
September 10, 2009**

**Association of Independent Kentucky Colleges and Universities  
Annual Report to CPE**

Pursuant to KRS 164.020 (13)\*, the Association of Independent Kentucky Colleges and Universities is charged with presenting an annual report to the Council on Postsecondary Education. This reporting requirement was added in 2002 to ensure that the contributions of the state's nonprofit, SACS accredited colleges and universities are recognized and considered by the Council in carrying out its statutory responsibilities to most effectively and efficiently meet the state's postsecondary needs. At the September 10 meeting, John Roush, chair of the AIKCU board of directors, and AIKCU staff will deliver the 2009 annual report and make brief comments. A group of private college and university presidents also will attend the meeting to respond to specific questions.

The positive relationship between Kentucky's private colleges and universities and the Council has evolved over the years. The Commonwealth's earliest providers of a college education were private colleges. These private colleges and universities persevered in some of the most underserved areas of the Commonwealth, meeting educational needs in many remote areas as well as in the state's larger cities. As the public collegiate sector was established and grew, private and public institutions coexisted with little structured interaction at the campus or state levels. This began to change in the second half of the twentieth century with the establishment of the Kentucky Tuition Grant program in the early 1970's and continued with the evolution of the modern Council. In the 1980's the Council on Public Higher Education was restructured and in the process became the Council on Higher Education, tacitly recognizing that private college and university assets should be valued and could be utilized by the state's higher education planning and coordinating body. Incremental, seemingly innocuous relationships such as the voluntary agreement by private colleges to participate in the state data collection process developed during this time and laid the foundation for increased collaboration. Private college students also were recognized and included in the College Access Program, a financial aid program designed to assist the state's neediest students attend college.

The passage of the 1997 postsecondary education reforms followed by the passage of the KEES program in 1998 proved to be the catalysts that made private colleges effective postsecondary education partners. The 1997 reform act established the Council on Postsecondary Education and shifted the Council's focus to one of developing, promoting, and measuring success based on statewide goals. Private colleges make a significant, measurable contribution to the achievement of statewide goals. Passage of the 1998 act included the commitment of a dedicated source of revenue in support of public and private

college students, resulting in a growing source of aid for students wishing to enroll in public and private colleges.

Other statutory changes, such as the requirement that AIKCU present an annual report, as well as state policymakers' willingness to include AIKCU leaders in virtually all major postsecondary policy initiatives, have solidified the role of private colleges in Kentucky's comprehensive postsecondary system.

The annual report provides a summary of the role private colleges are playing in the state's effort to meet its postsecondary education goals. It also provides an opportunity for AIKCU leaders to indicate ways in which their role can be further enhanced and challenges they face in that effort. Finally, it provides an opportunity for Council members to ask questions and offer suggestions to private college and university leaders.

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**\*Powers and Duties of the Council:** The Council on Postsecondary Education in Kentucky shall: (13) Ensure that the state postsecondary system does not unnecessarily duplicate services and programs provided by private postsecondary institutions and shall promote maximum cooperation between the state postsecondary system and private postsecondary institutions. Receive and consider an annual report prepared by the Association of Independent Kentucky Colleges and Universities stating the condition of independent institutions, listing opportunities for more collaboration between the state and independent institutions and other information as appropriate.



**Eastern Kentucky University ranks in the first tier of Southern Master's Universities in the 2010 edition of "America's Best Colleges," published by U.S. News & World Report.** Data is gathered for a set of widely accepted indicators of academic excellence, and institutions in each category are ranked against their peers, based on their composite weighted score. The indicators fall into several categories, including peer assessment, retention, class size and faculty/student ratio, student selectivity, financial resources, and alumni giving rate, and include input measures that reflect a school's student body, its faculty, and its financial resources, along with outcome measures that signal how well the institution does its job of educating students.

**Eastern Kentucky University again ranks among "America's Best Colleges," according to Forbes, the popular business magazine.** Of the 600 public and private colleges and universities recognized, ECU ranked No. 519. Because there are more than 4,000 college campuses nationwide, the ranking essentially places Eastern among the top 15 percent of colleges and universities. The second annual report, compiled by Forbes and the Center for College Affordability and Productivity (CCAP), ranks undergraduate institutions based on the quality of the education they provide, the experience of the students and how much they achieve.

**Eastern Kentucky University and its host community, Richmond, have joined the International Town & Gown Association as Full General Members.** A non-profit organization that brings together leaders from college and university campuses and communities from across the U.S. and Canada, the ITGA acts as a communication, education, consulting and training resource for decision makers of colleges and college communities in areas of shared resources, programs, planning and project opportunities while addressing existing and potential conflicts. ECU and Richmond comprise the second university-community team to join from the Commonwealth of Kentucky.

**Eastern Kentucky University ranks second nationally in the number of criminal justice textbooks produced by its faculty, led by Dr. Vic Kappeler, who ranks third nationally in publications.** The rankings are especially significant given the fact that most of the other top-ranked schools have doctoral programs. In a study published in the Southwest Journal of Criminal Justice, Eastern ranks behind only John Jay College of Criminal Justice and ahead of such revered criminal justice programs as Sam Houston State University and Michigan State University. Kappeler's nine textbooks are commonly used by leading universities worldwide, and he is recognized as a leading scholar in media and the social construction of crime, police deviance and police civil liability, among other related fields.

**Through its P-16 Regional Council, Eastern Kentucky University has entered into a collaborative arrangement with three area school districts to develop a math transition course.** The course, to be taught at Madison Central, Madison Southern, Berea Community and Somerset high schools beginning this fall, is expected to reduce the number of students who must enroll in developmental math courses (for no academic credit) in college. Students who pass the transition course and make a passing grade on the KYOTE exam will be recommended (if reading and writing scores are acceptable) to take Math 105 or 107 upon admission to ECU.



# KCTCS GOOD NEWS REPORT

HIGHER EDUCATION BEGINS HERE

AUGUST 2009

## KCTCS Workforce Solutions Program



"A lot of businesses are missing out if they don't let West Kentucky come in and at least do a needs assessment of their employees and the educational level they have attained. We knew full well that a lot of the employees might make themselves more marketable and go to other companies, but that was a chance we were willing to take because that also raises the level from an economic development standpoint in Western Kentucky."

—Leon Owens, Swift and Staley, Kevil, KY

KCTCS has re-engineered its workforce education and training division to be more responsive to the needs Kentucky's businesses and industries. The initiative entitled KCTCS Workforce Solutions is focused on high wage, high skilled jobs in targeted industry segments such as allied

health, advanced manufacturing, energy, banking/financial services, and transportation/logistics. By providing customized employee training programs, KCTCS is helping businesses across the state transform into more advanced, more productive competitors in the global economy.

Last year alone, our 16 colleges trained over 50,000 employees serving nearly 5,000 businesses.

As Kentucky's primary provider of workforce education, KCTCS is delivering programs and services that address the full spectrum of needs faced by business and industry, as well as programs for individuals who want to upgrade their skills. Our focus is on training Kentucky's workforce today for the jobs of tomorrow.

### What We Do

Our statewide system of 16 colleges provides anytime, anyplace customized training and support services for business and industry, which:

- Develop a better workforce with the knowledge and skills for the jobs of the future.
- Assist the Commonwealth of Kentucky in competing for and sustaining businesses and industries that thrive on innovative ideas and technologies.
- Provide Kentucky workers with world-class transferable, portable skills.
- Increase the productivity of Kentucky's workforce
- Improve the employability of Kentucky citizens.
- Strengthen and improve state and local economies.



TRANSFORMING LIVES  
TRANSFORMING  
KENTUCKY

## KCTCS GOOD NEWS REPORT

### Statewide Results

We are a results-oriented training provider, with a track record of success providing workforce solutions to more than 5,000 Kentucky companies annually. KCTCS colleges provide training in multiple formats, making it easy to find and develop unique solutions for businesses. Additionally, through the Kentucky Workforce Investment Network System (KY WINS), KCTCS can provide funding for companies to offset the cost of training their employees.

“Recently we were the recipient of the Kentucky Pacesetters Small Business award. Southeast was instrumental in providing the necessary tools for us to receive this award. That sends volumes of positive messages to this area that if you participate in the [KCTCS Workforce Solutions] program, you can be recognized for excellence.”

—The Combs Group, Middlesboro, KY



“Now that I’m in administration in nursing, I recognize how good it is for the hospital to be so close to the community college and the training that’s provided there for all of our clinical staff. Hospitals across the country suffer nursing shortages, often with a 20% vacancy rate. We’re very fortunate here because we have about a 5% vacancy rate because of the community college being so close.”

—Stacy, VP of Nursing  
Former Madisonville Community College student, now administrator at Trover Health Systems

### Customized Training

Across the state, KCTCS colleges deliver high-quality, cost-effective customized training and assessment services that are designed to improve the performance and efficiency of organizations. KCTCS Workforce Solutions staff work with businesses and industries to design convenient, onsite training programs to meet their specific needs. In addition, KCTCS colleges offer open enrollment classes on a myriad of topics to help individuals and companies meet their workforce training goals.

Workforce Solutions is just one way KCTCS is Transforming Lives. Transforming Kentucky.

“I’ve been here for 12 years. Recently I moved into a management position. What I learned at MCC gave me the tools I didn’t have. I was in a maintenance position before this, and lacked the skills I needed to manage people.

MCC gave me the tools I need to advance my career here. I probably would not have been able to take the advancement training if the college had not been here locally. MCC gave me the opportunity five minutes away to leave here in the evening and go take my classes at night. It’s really worked out well with my job here.”

—Brad, Project Manager



TRANSFORMING LIVES  
TRANSFORMING  
KENTUCKY



Kentucky State University

August 31, 2009

## KSU Choir Members Featured In Washington



Brandon Lockhart, Qiana Younge, Arielle Cosby and Dr. Carl H. Smith

Kentucky State University students performed in the 105 Voices of History National Choir on Aug. 30 in the Kennedy Center's Concert Hall, Washington, D.C. Senior baritone Brandon Lockhart, soprano Arielle Cosby and alto Qiana Younge joined KSU's Dr. Carl H. Smith, who was one of four conductors leading the 105 Voices of History. Last year, Smith was honored at the HBCU Conductors Summit for his 50 years of service as Concert Choir director at KSU.

Last year the choir, composed of 105 students from American historically black colleges and universities, helped kick off National HBCU Week and close the first HBCU Conductors Summit with a sold-out performance. Lockhart, who was part of the inaugural performance, was one of eight students chosen this year to serve on the second summit's Student Leadership Council. The council members act as assistants to the 105 Voices of History's four conductors.

Along with meeting students from other schools and networking, the participants studied under top conductors and learned new ways to interpret music. The host was Tom Joyner, nationally syndicated radio host and philanthropist, and the concert featured the multi-Grammy Award winning vocal ensemble Take 6.

## KSU Named One Of Best Colleges In The South

Once again U.S. News and World Report has named Kentucky State University one of the best baccalaureate universities in the South and a top historically black university in the nation.

## KSU Hosts U.S. Department Of Education Representative For 'A Conversation About Education Reform'

Kentucky State University partnered with the U.S. Department of Education on Aug. 4 to host "A Listening and Learning Forum: A Conversation About Education Reform." Peter Groff, director of the U.S. Department of Education's Center for Faith-Based and Neighborhood Partnerships, moderated the discussion.

The campus and community members alike were invited to come share their thoughts and ideas with Mr. Groff and pose questions about education, including early childhood education, higher standards for students and institutions, teacher quality, workforce development, higher education funding and the Elementary and Secondary Education Act's possible reauthorization and its impact on higher education.





# **GOOD NEWS REPORT**

**September 2009**

**Wayne D. Andrews**

**President**

Officials of Morehead State University along with the Board of Regents, local legislators and the current and several past Student Government Association presidents broke ground August 11 for the new \$24 million campus recreation and wellness center. The center will feature a three-court gymnasium and fitness area with cardio and weight machines and free weights. The second floor will include two racquetball courts, multi-purpose rooms, running track, wellness lab, running and cardio balcony, game room, and lounge. The aquatics area will consist of a six-lane, 25-yard pool with outdoor sun deck. The project should be completed in approximately 18 months.

Charles Holloway of Lexington has been named chief diversity officer at MSU. Holloway was selected in a national search. He comes to MSU with more than 20 years of experience. Prior to accepting his new job, he was a global delivery project executive with IBM.

Morehead State University's Program of Distinction, IRAPP (Institute for Regional Analysis and Public Policy), a part of the new College of Business and Public Affairs, received a grant from the U.S. Department of Homeland Security in partnership with the University of Kentucky. The grant was announced by the National Institute for Hometown Security (NIHS) as part of the DHS Critical Infrastructure Protection Program. Congressman Harold "Hal" Rogers (R-KY5) convened a meeting of grant recipients in Somerset where the partnership between IRAPP, the UK Transportation Center, General Dynamics Advanced Information Systems, and Coldstream Digital LLC was recognized for their \$3,500,000 grant award.

MSU Board of Regents elected its first African American to serve as an officer as the group approved John C. Merchant of Cincinnati to be vice chair. Three new members – Julie A. Butcher of Lexington, Terry White of Morehead and Kyle Yarawsky of Burlington – and one reappointed member, Merchant, received the oath of office from retired Circuit Court Judge William Mains at its special meeting on Aug. 11.

Morehead State University's annual distinguished service awards were presented at the annual Fall Convocation. William H. (Bill) Redwine, assistant vice president for auxiliary services, received the Distinguished Staff Service Award. Sharon T. Walters, associate professor of accounting, received the Distinguished Faculty Service Award. Faculty members honored were: Jeffrey Hill, associate professor of mass communication, Distinguished Creative Productions Award; Dr. Gerd H. Fricke, professor of mathematics, Distinguished Researcher, and Dr. Layne Neeper, professor of English, Distinguished Teacher.

## **MSU Good News Report- Sept. 2009**

### **Page 2**

MSU's Kentucky Folk Art Center will receive the Folk Heritage Award for its role in promoting Kentucky's self-taught visual artists and conserving their work. The Kentucky Arts Council announced the 2009 recipients of the Governor's Awards in the Arts that will be honored by Gov. Steve Beshear at a public ceremony and celebration on Tuesday, Oct. 6.

President Wayne D. Andrews announced a new program for teachers. The Master's of Arts in Education: Teacher Leader will begin this fall. The program was approved Monday, Aug. 3, by the Education Professional Standards Board and will lead to a Rank II and endorsement for Teacher Leaders.

U.S. Congressman Harold "Hal" Rogers (KY-05) announced that the Department of Health and Human Services (HHS), through the Office of National Institute of General Medical Sciences (NIGMS), has awarded MSU a \$198,768 grant for cancer research. The research will focus on improved cancer prevention and drug treatments. Dr. Janelle Hare, assistant professor of biology in the Department of Biology and Chemistry, is the principal investigator.

Kevin McKee of Leeco, owner and operator of KD's Homemade BBQ Sauce, was recently named the 2009 Kentucky Microenterprise Business of the Year. With the assistance of MSU's Small Business Development Center in West Liberty, a business plan and projections were created to seek lender financing for his business.

MSU's Jason Dailey, systems and accounts manager at the University Bookstore, has accepted a volunteer position with the Campus Computer Resellers Alliance (CCRA). CCRA is a special interest group of the National Association of College Stores (NACS). As a member of the CCRA Council, he will establish and help achieve the goals and objectives of the Alliance in order to support and strengthen the higher education technology resale channel and CCRA's 937 members.



**MURRAY**  
STATE UNIVERSITY

## MSU debuts new brand

University invites students to explore



The branding process for the university began in the spring with national marketing consultants and focus groups that included many members of the Murray State community. Faculty, administrators, staff, current students, prospective students, alumni and donors were all interviewed on the question — What does Murray State University mean to you? From that research, a key message emerged — academic quality, close community, affordability/value and school spirit. That information led to a new tag line, “your world to explore,” that emphasizes education as a life-changing experience, with MSU’s Shield as the university’s most important brand mark.

## Cofer elected to national LGBT governing board

During the Equality Federation’s annual business session at the summer meeting, leaders voted on a slate of candidates for the organization’s board of directors. Kentuckian



Jody Cofer was elected to the Federation’s board. “Mr. Cofer’s election to the Federation board is a great step toward securing fairness in public policy for all Americans. His passion for achieving civil rights for people regardless of their sexual orientation or gender identity plays a valuable role in the Kentucky community, and it will now do so in the national community,” said John J. Johnson, executive director of the Kentucky Commission on Human Rights.

## Lumina Foundation provides additional \$30,000 grant for adult learner initiative

The project is part of the Double the Numbers initiative, which seeks to significantly increase the number of bachelor’s degree holders in Kentucky by the year 2020. The Murray State plan will focus on four major initiatives including easing transfer between MSU and Kentucky’s community colleges, developing additional flexible scheduling options, integrating prior learning assessment into degree programs, and expansion of the Project Graduate Initiative.

## National rankings

MSU still raising the bar



Among the nation’s “**Top Tier**” universities in academic quality for 19 consecutive years.

- *U.S. News & World Report 1992 - 2010*

Ranked in the **Top 10 for five consecutive years** among all public master’s universities.

- *U.S. News & World Report 2006 - 2010*

**Ranked 7th** among all public universities in the southern region.

- *U.S. News & World Report 2010*

**Highest rated Kentucky** public university in freshman retention category.

- *U.S. News & World Report 2009*

Ranked as **Kentucky’s best value** in higher education and one of the best values in America.

- *Kiplinger’s Personal Finance 2006 - 2009*

Ranked in the top **100 America’s Best College Buys**.

- *Forbes.com 2009*

Rated among the **Top 50 Best Buys in Online Business Schools** for its B.S. in business and B.S. in Telecommunications Systems Management distance learning degree programs.

- *GetEducated.com 2009*

## **Murray State introduces new shuttle service**

Murray State, in partnership with Murray-Calloway Transit Authority, now provides free transportation for students and faculty with the addition of two new shuttles. Students, faculty and staff can ride the shuttle free by showing their Racercards to the shuttle driver. Although this transit system is new to the Murray State community, Murray State officials and the city of Murray have worked on the idea for the past two years. Josh Jacobs, chief of staff at Murray State, said Murray State started a parking and transportation work group on campus that included faculty and staff. One of the recommendations from the work group was a free shuttle service to reduce some of the parking difficulty.

## **Murray state receives National Science Foundation grant**

Murray State's Hancock Biological Station (HBS), the University of Montana's Flathead Lake Biological Station (FLBS), the University of Kentucky, Montana State University, and the National Center for Supercomputing Applications (NCSA, University of Illinois) have received a \$6 million cyberinfrastructure grant from the National Science Foundation. Among other aspects, the funding will allow for state-of-the-art environmental sensors to be placed in Kentucky Lake and Flathead Lake to understand and visualize ecological processes. The cyberinfrastructure plan will serve the ecological research communities of our regions, enhance the undergraduate and graduate educational curricula and research experiences at the participating universities, facilitate outreach to underserved and underrepresented members of society, provide relevant and contemporary ecological K-12 education, and offer web-based engagement with interested public interest groups.

## **Regional stewardship awards \$288,000 to region**

Murray State University's Office of Regional Stewardship and Outreach recently announced Regional Grants totaling \$288,000 to fund eight specific projects in the 18 county service region for the 2009-2010 academic term. Award recipients include the STEM (Science, Technology, Engineering, and Math) Initiative, School Administrators' Leadership Academy, Cultural Awareness Series, Middle and High School Mathematics Improvement Project, the Center for Entrepreneurship, a regional grant writer, Project ACCESS, and a rural children's health/education service. With these endeavors, MSU through the Office of Regional Stewardship and Outreach pushes toward the vision of a united west Kentucky changing its culture to succeed in the new century by expanding educational attainment opportunities.

## **Joint agreement between Murray State University and Madisonville Community College opens pathway to four-year degree**

Officials at Madisonville Community College (MCC) and Murray State University (MSU) hope that a new joint admissions agreement will encourage more students to pursue an education beyond their coursework at MCC. "The efforts of several people from both institutions have paid off and we will begin offering a better transfer experience to the students of MCC," said Dr. Randy J. Dunn, president of Murray State University. "Once students complete two years of college courses, we need to do everything we can to enroll them at Murray State so they have every opportunity to realize a four-year degree.

## **TSM is "Best Graduate Program" according to International Telecommunications Education and Research Association**

The Center for Telecommunications Systems Management at Murray State continued to demonstrate its nationally recognized quality by earning the Best Graduate Program for its Program of Distinction for the third consecutive year from the International Telecommunications Education and Research Association. The program also has a leading role in three projects through the Department of Homeland Security. Incident Management and Decision Support System (two years/\$1.1 million); Portable Community Infrastructure Resiliency System (one year/\$100,000); and Incident Management and Decision Support System-Health (two years/\$1.7 million).



## ***NSF Grant Will Help NKU, Kentucky Math Center Prepare, Graduate and Retain Skilled Math Teachers***

An NSF Robert Noyce Teacher Scholarship Program grant funded by the American Recovery and Reinvestment Act will help Northern Kentucky University and the Kentucky Center for Mathematics prepare more high school mathematics teachers.

NKU will select talented undergraduate students interested in mathematics education and prepare them to be fully qualified, well-prepared teachers who will teach secondary mathematics in high-need schools. In addition to the scholarship funding, these students will be provided with ongoing support during their early teaching years.

The grant, totaling \$897,690, will create at least 28 scholarships over the course of the five-year program for talented NKU students interested in teaching mathematics at the secondary level. Scholarships will be at least \$10,000 per recipient and will be available to junior mathematics majors who plan to teach at the high school level. The scholarships will be renewable for one year.

In addition to the two-year scholarships, the program will include an aggressive recruiting plan; opportunities for incoming freshmen and rising sophomores to engage in summer experiences to stimulate their interest in becoming secondary mathematics teachers working in high-need schools; an outstanding teacher preparation pro-

gram including valuable enhancements that foster a community of learners and expose participants to contemporary literature on, and effective practices in, the teaching and learning of secondary mathematics; and mentoring and coaching support for program graduates.

The program exemplifies the power of collaboration, with a project team that includes two NKU departments, the university's Center for Integrative Natural Science and Mathematics, the Kentucky Center for Mathematics as well as the Covington Independent, Newport Independent and Cincinnati Public Schools.

"Increasing the number of well-qualified secondary mathematics teachers, particularly in high-need schools, is key to ensuring that students receive the foundation needed to be successful in college and the workplace," said Kirsten Fleming, who will coordinate the program.

### ***Strengthening Libraries Across the State***

Thanks to a million dollar grant from the Laura Bush 21st Century Librarian Program, NKU is also working to expand online paraprofessional library programs and provide scholarships and technology stipends to 50 library staff members working in the commonwealth's high-poverty rural areas.

The grant will enhance existing associate and bachelor's degree programs and provide scholarships which will increase the level of education and leadership among library staff in 50 targeted counties in eastern and far western Kentucky. The programs will include Kentucky's compulsory online certification program, the online associate's degree at Bluegrass Community and Technical College and a new bachelor's completer program in library informatics at NKU.

"Funds from this grant will enable training for public library staff members across Kentucky and better prepare them for assisting library users," said Wayne Onkst, Kentucky's state librarian and commissioner of the Kentucky Department for Libraries and Archives. "The result of this grant will be stronger libraries that improve the quality of life in Kentucky's communities."

## **New Programs Prepare Chase Students for Fast-Paced Legal Field**

Two new certificate programs at the NKU Chase College of Law will provide students with training in real-world practice skills and extensive interaction with practicing attorneys.

The Certificate in Advocacy and the Certificate in Transactional Law are tied to Chase's two Centers of Excellence, the Center for Excellence in Advocacy and the Transactional Law Practice Center. The centers are designed to make the transition from law study to law practice a seamless one.

"Knowing the law is not enough," said Professor Rick Bales, director of the Center for Excellence in Advocacy. "A successful attorney must also know how to practice the law to effectively promote a client's interests and advance justice."

Students must complete a designated course of study, including classroom instruction and externship components, to earn each certificate. The courses and externships provide Chase students with the opportunity to focus their skills on the type of law practice they intend to pursue, and to demonstrate to prospective employers that they are practice-ready on the day they graduate from Chase.

"Students interested in transactional law will learn not only the law but the skills that are required to be a transactional attorney in today's fast-paced legal field," said Sherry Porter, director of the Chase Transactional Law Practice Center.

NKU Chase is one of only a handful of law schools in the nation to offer certificate programs in both advocacy and transactional law.





### Campus Success

- President Barack Obama awarded the Presidential Early Career Award for Scientists and Engineers to two University of Kentucky professors earlier this summer. Chemical and Materials Engineering Associate Professor Bruce Hinds and Plant and Soil Science Assistant Professor David McNear, Jr. will be honored at the White House this Fall. According to the White House, "The Presidential Early Career Awards embody the high priority the Administration places on producing outstanding scientists and engineers to advance the nation's goals and contribute to all sectors of the economy. Nine federal departments and agencies join together annually to nominate the most meritorious young scientists and engineers - researchers whose early accomplishments show the greatest promise for strengthening America's leadership in science and technology and contributing to the awarding agencies' missions."
- UK's Office of Development had a very successful year in FY 2008-09, bringing in more than \$68 million for colleges and programs across the University. That's an 18 percent increase over the previous year. More than 30,000 donors participated - an increase of more than six percent from the previous year.

### Student Success

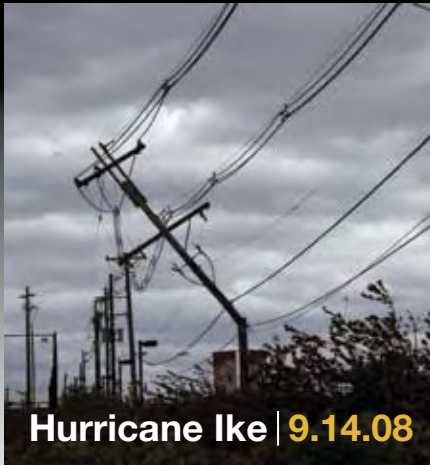
- Twenty-seven high school seniors were named Otis A. Singletary Scholars for Fall 2009 at the University of Kentucky. The Singletary Scholarship is the most prestigious four-year scholarship awarded by the University. The Scholarship, which is named for former UK President Otis A. Singletary, began in 1985 and covers the full cost of tuition, room and board, and a personal stipend for four years of undergraduate study. The Fall 2009 Singletary Scholars were selected from 535 eligible candidates and include 10 National Merit finalists, 11 valedictorians, 24 Kentucky Governor's Scholars, and three Governor's School for the Arts alumni. All 27 students are from Kentucky.

### Research and Outreach Success

- The National Cancer Institute has awarded UK's Markey Cancer Center a SPORE (Specialized Program in Research Excellence) grant in gastrointestinal (GI) cancers. The three-year grant is for \$1.5 million. The Markey Cancer Center has one of six GI SPOREs in the U.S. Gastrointestinal cancers include tumors of the liver, colon, rectum, esophagus, stomach, and pancreas. The SPORE is led by Dr. B. Mark Evers, the new Director of the Markey Cancer Center. Dr. Evers also is Professor and Vice Chair for Research in the Department of Surgery and Physician-in-Chief for the oncology service line.
- UK researchers received a \$1.98 million grant to develop new processes to convert a plant cell component to liquid fuels and chemicals, offsetting the demand for liquids currently derived from petroleum. The project targets lignin, which is part of a plant cell more energy dense than cellulose. While cellulose is easily fermented to alcohol, lignin doesn't convert using existing fermentation processes. The project focus is to develop efficient and effective methods to convert lignin to use. The project is an interdisciplinary collaboration involving researchers across UK's campus, including those at UK's Center for Applied Energy Research, the Department of Chemistry, and the Department of Horticulture.
- The University of Kentucky Albert B. Chandler Hospital is ranked among the nation's top hospitals for 2009-10 by *U.S. News and World Report*. UK Chandler Hospital's Ear, Nose, and Throat (33) and Gynecology (40) programs are recognized in the study of almost 5,000 hospitals nationwide. UK is one of only 174 hospitals to receive specialty rankings after evaluation. This year's rankings surpassed last year's scores, with Ear, Nose, and Throat moving up 11 spots and Gynecology moving up two.

## Weathering the Storms

Three major weather disasters have had a devastating effect on the University of Louisville. With the total damage topping \$15.5 million, the university community is working hard to restore the campus to its original beauty and ensure our students have adequate classrooms and facilities in which to learn and grow. While insurance and FEMA will cover a portion of the damage, our losses are still significant.



**Hurricane Ike | 9.14.08**

- Shattered windows, downed power lines and destroyed several roofs
- Uprooted dozens of trees and severely damaged campus landscape
- No greater damage on record for such a widespread area
- Cost to UofL: \$364,081



**Ice Storm | 1.26.09**

- Killed 36 trees and damaged hundreds more (between Hurricane Ike and the ice storm, every tree on Belknap Campus was affected)
- Widespread damage and power outage closed all three UofL campuses for four days
- Cost to UofL: \$217,463



**Flash Flood | 8.4.09**

- 6 inches of rain in one hour—the most the city has seen in its history
- Dozens of UofL students, faculty, staff stranded
- 29 buildings flooded—three closed indefinitely
- Cost to UofL: \$15 million (estimated)

### A Message from **Dr. Ramsey**

*Dear Kentucky Policy Maker:*

As we continue to clean up after the flash flood of Aug. 4, I want to update you on how things are going at UofL.

Many buildings on Belknap Campus were affected. Some remain closed while we clean mud and remaining water from floors and other surfaces and remove ruined carpeting, wallboard and baseboard. The College of Education is out of commission indefinitely, so we are making alternative arrangements for classes.

At the Health Sciences Center, the School of Public Health and Information Sciences was hit hardest with a foot of water in its basement. The images in this newsletter illustrate the severity of the situation.

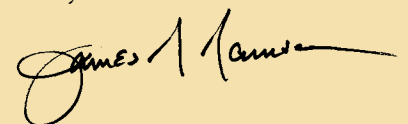
You can learn more about the flood and our recovery efforts at [louisville.edu/update/flood](http://louisville.edu/update/flood).

As you know, the past 12 months have presented us with some of the fiercest weather in our history: first, the winds of Hurricane Ike last September, then the January ice storm and this month a devastating flood.

Despite the task before us, we are making progress. Our physical plant has done an amazing job restoring buildings and grounds. Our faculty and staff are pitching in, too, cleaning up the damage and moving displaced offices to new locations while doing their normal jobs helping students prepare for the new semester.



We appreciate their hard work, just as we appreciate your support. We trust that you will remember us and the entire Louisville community as we recover from this latest calamity.





## Ready for **Back to School**

*First Day of Class: Aug. 24*

The 2,496 freshmen entering UofL this year come from all over the world. Their average ACT score of 24.5 is the highest of any incoming class in UofL history.

When freshmen come to UofL, it is imperative they be well prepared for the level of study and behavioral changes that accompany the move from high school to university life.



Dr. Ramsey and the university community pitched in to help students move into residence halls during Welcome Weekend.

**Here are some of the ways UofL is helping those who need assistance make a seamless transition:**



### **AP Summer Institute**

UofL has applied to be an AP Summer Institute, to educate teachers on AP course-level instruction methods for college-bound students.



### **REACH**

UofL's central academic support unit tutors students in numerous undergraduate courses, offers peer mentoring and advice, provides seminars on study skills and student success, and much more.

### **Freshmen LEAD**

Participants develop their leadership skills and then move on the following year to become REACH Ambassadors, working with first-year and transfer students to help them transition to UofL.



### **Advance in Mathematics**

This seven-week intensive mathematics review program offers fast-paced instruction in a self-paced format.

### **Speed Calculus Preview Program**

This review program for intermediate and advanced algebra helps first-year J.B. Speed School of Engineering students prepare for the engineering calculus course.

### **ULtra**

ULtra (University of Louisville Transfer Program) supports JCTC students who plan to continue their educations at UofL.

### **Supplemental Study in College Reading**

This 1-hour credit course is linked to a general education course and boosts the reading skills of students who scored below 20 on the ACT or 470 on the SAT verbal exam.

## **Stem cell infusion improves heart function**

UofL physicians recently performed one of the world's first stem cell infusions to treat heart failure. On July 17, they injected Mike Jones of Louisville with his own cardiac stem cells in attempt to regrow damaged muscle tissue in his heart. The procedure was performed at Jewish Hospital.



From left: Robert Shircliff, president and CEO of Jewish Hospital HealthCare Services; Dr. Bolli; President Ramsey; and Dr. Mark Slaughter, chief of UofL's Division of Thoracic and Cardiovascular Surgery.

Since then, Jones' heart function has improved 20 to 30 percent, said Roberto Bolli, who directs UofL's Institute for Molecular Cardiology and holds the Jewish Hospital Heart & Lung Institute Distinguished Chair in Cardiology. His position is supported by Bucks for Brains.

More patients will undergo the experimental procedure over the next two years. If successful, the treatment could become widely available in several years.

## Governor Calls on **UofL Flu Experts**

The UofL School of Public Health and Information Sciences will co-host the Governor's Summit on H1N1 on Sept. 3. Richard Clover, the school's dean, is an internationally known influenza expert working with the Centers for Disease Control and Prevention to address the H1N1 issue from a national perspective. Clover said that partnering with the state on the summit was "both an honor and a good opportunity to help people understand the dangers and dispel some myths about swine flu."

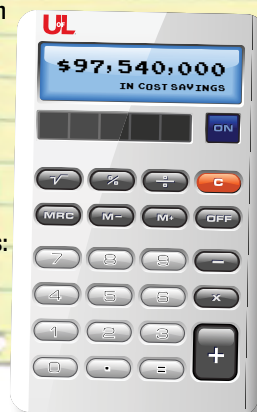


**UNIVERSITY OF LOUISVILLE**  
**It's Happening Here.**

The University of Louisville is an equal opportunity institution. This publication is printed on recycled paper. It was produced by the University of Louisville and printed using non-state funds.

## **UofLSavings Calculator**

- Implemented efficient use of DataSeam technology with Kentucky's public school computers to provide expanded cancer research at a much reduced cost: **\$4.8 million cost avoidance**
- Increased income from licenses, royalties and patent agreements: **\$3.2 million one time**



Western Kentucky University news for the Council on Postsecondary Education, September 2009



**WKU Fall Enrollment Expected to Top 20,000**

For the first time in WKU's history, total enrollment will top 20,000 students this fall. "WKU has experienced incredible growth in enrollment over the last 12 years, and surpassing 20,000 in total enrollment is a significant milestone for us. I want to compliment our faculty and staff who have worked hard to recruit and retain a record number of students," WKU President Gary Ransdell said. Enrollments are up in every category this year – freshmen, returning students, transfers, graduate students and also in

online programs. Enrollment is also up at each of WKU's regional campuses in Elizabethtown/Ft. Knox/Radcliff, Glasgow and Owensboro. "This is a great boost for our community and for the south central Kentucky regional economy as WKU students convene for the 2009-10 academic year," he said.

**Cyber Defense Lab Awarded \$1.35 Million Contract**

The Cyber Defense Laboratory, located at the WKU Center for Research and Development, has been awarded \$1.35 million for an 18-month cooperative agreement with Electronic Warfare Associates and the University of Arizona to work on one of the nation's top priorities – cybersecurity, the protection and encryption of digital data, identities, finances and transactions, and intrusion detection and prevention methodologies. The collaborative research team will be led by Director Dr. Keith Andrews with assistance from Dr. Phil Womble, the lab's founder, along with students, research scientists and other members of WKU's Department of Mathematics and Computer Science, the Department of Sociology, the Department of Folk Studies and Anthropology, and the Department of Physics and Astronomy.

**WKYU-PBS Wins Two Emmy Awards**

WKYU-PBS, WKU's Public Television service, received two Emmy Awards from the National Academy of Television Arts & Sciences, Ohio Valley Chapter. The documentary "Joe Downing: Poet of Color and Light" won in the Nostalgia Program category (Producers Barbara Deeb and David Brinkley, Editor Stephen Kertis, and Executive Producer Jerry Baker) and David Brinkley won for Lighting in the craft category for a composite of his work on "Joe Downing: Poet of Color and Light," "An Evening with Sylvia Kersenbaum" and "MainStreet."



**Big Red Named to All-America Mascot Team**

For the sixth time in the last eight years, WKU's Big Red has been named to the 2009 CapitalOne All-America Mascot Team and will compete for the coveted title of CapitalOne Mascot of the Year.

Big Red was announced as one of 12 competing mascots joining: Billy the Goat (Navy), Testudo (Maryland), Sebastian the Ibis (Miami), Bearcat (Cincinnati), Bucky Badger (Wisconsin), Mike the Tiger (LSU), SuperFrog (TCU), Jack Rabbit (South Dakota State), Butch T. Cougar (Washington State), Booker (Oklahoma) and Hairy Dawg

(Georgia). Voting takes place online through December at [capitalonebowl.com](http://capitalonebowl.com).

### **Eight WKU Students Spending the Semester at Sea**

Eight WKU students are aboard the MV Explorer as part of the prestigious Semester at Sea study abroad program. “Semester at Sea is one of the most unique educational programs in the world,” said Dr. Bernie Strenicky, scholar-in-residence at WKU. He also is the ship’s director of service learning and a member of the Semester at Sea’s alumni board of directors. This fall, the Semester at Sea program will celebrate its 100th voyage with about 520 students aboard the floating campus. The University of Virginia serves as academic sponsor. Schools such as Pittsburgh, Colorado, Stanford, Virginia and UCLA traditionally send groups of students on the voyages.



Established in 1963, Semester at Sea is the only study abroad program of its kind in the world. Using a ship as its traveling campus, students, faculty, and lecturers learn and reside together while fully circumnavigating the globe each fall and spring semester and exploring a world region each summer.

### **WKU New Home for Kentucky Institute for International Studies**

The Kentucky Institute for International Studies has a new home at WKU, but the consortium of 21 schools has the same objectives to provide quality international education for students, faculty and professionals. “Our motto is we provide a great experience at a great price,” said Rebekah Golla, coordinator of Communications and Marketing for KIIS.

KIIS, which was founded in 1975, has sent more than 8,400 students and more than 300 faculty members abroad in the past 35 years. In 2009 alone, KIIS will send 474 students. Today, students can study abroad and faculty can teach abroad in 18 countries and choose from more than 26 programs with most programs occurring over the summer months.

“The Kentucky Institute is delighted that WKU has agreed to become our new sponsoring institution; we look forward to a long and mutually beneficial partnership with WKU,” said Chris Bierwirth, KIIS Executive Director.

### **Gatton Academy Students Perform Well on ACT**

Students at the Carol Martin Gatton Academy of Mathematics and Science in Kentucky at WKU made significant gains on the state-required American College Test (ACT). Gatton Academy students outpaced their peers, receiving an average composite score of 29.9 out of 36 possible points on the exam — a score 11.7 points ahead of the statewide average. In the individual subjects, Gatton Academy students scored an average of 29.9 in English, 30.4 in mathematics, 30.3 in reading and 29.0 in science. As mandated by state law, all of Kentucky’s public school juniors participate in the ACT.

### **Three to be Inducted Into WKU Hall of Distinguished Alumni**

A former Hilltopper football standout/NFL coach, a World War II hero/pediatrician and a banker/philanthropist will join WKU’s Hall of Distinguished Alumni this fall. Romeo Crennel, the late Daniel McIlvoy and Leon Page will be inducted during WKU’s Homecoming celebration Nov. 6. Crennel is a former player and coach at WKU and most recently head coach of the NFL’s Cleveland Browns. McIlvoy distinguished himself as a member of the 82nd Airborne Division’s 505th Parachute Infantry Regiment that was memorialized in a 2004 book “Doc McIlvoy and his Parachuting Medics,” written by Belgian historian Michel de Trez. Page is an original founder of Franklin Bank and Trust Company and made the first seven-figure gift in WKU’s history to establish the Leon Page Professorship in Banking and Financial Planning and the Leon Page Endowed Scholarship to support programs in the business college.

For more WKU news, go to <http://www.wku.edu/news/index.html> or <http://wkunews.wordpress.com/>.