

KY COUNCIL ON POSTSECONDARY EDUCATION EXECUTIVE COMMITTEE



March 6, 2020 – 9:00 AM ET
CPE Offices, 100 Airport Road, Frankfort

- I. **Call to Order and Roll Call**
- II. **Approval of the Minutes**
- III. **Comments from the President and Legislative Update**
- IV. **2020-21 Council Meeting Schedule**
- V. **2020 Symposium on Postsecondary Education Trusteeship**
- VI. **Preliminary Discussion of the next Statewide Strategic Agenda**
- VII. **Setting Priorities for 2020**
- VIII. **Other Business**
- IX. **Adjournment**
Next Meeting: April 3, 2020 @ 9:00 AM ET

DRAFT MINUTES
Council on Postsecondary Education

Type: Executive Committee Meeting
Date: June 28, 2019
Time: 8:00 a.m.
Location: Midway University, LRC 014

CALL TO ORDER

The Executive Committee of the Council on Postsecondary Education met Friday, June 28, 2019, at 8:00 a.m., ET, at Midway University. Chair Sherrill Zimmerman presided.

ATTENDANCE

Members in attendance: Ron Beal, Ben Brandstetter, Kim Halbauer, Kristi Nelson, and Sherrill Zimmerman.

Council staff in attendance: Heather Faesy, Lee Nimocks, Travis Powell, and Aaron Thompson.

APPROVAL OF THE MINUTES

The minutes of the November 15, 2018 Executive Committee meeting were approved as distributed.

COMMITTEE OVERSIGHT DISCUSSION

Per the Council by-laws, the responsibilities for the Executive Committee are to review the agency budget, provide for an annual audit of the agency, evaluate the president, and recommend annual compensation for the president. Additionally the Committee only met a few times a year.

To facilitate a cohesive relationship between the President and the Council, the committee agreed to the following changes:

- The Committee will meet monthly on the first Thursday following the monthly Presidents' meetings.

- Meetings will be conducted via teleconference with at least 2 meetings occurring in person.

OTHER BUSINESS

President Thompson briefed the Committee on a contract being finalized that would allow for a more comprehensive and efficient review of programs at the public universities. Due to multiple questions and the amount of the contract, the Committee asked for a follow-up meeting on the topic.

ADJOURNMENT

The meeting adjourned at 9:00 a.m. ET.

MINUTES REVIEWED AND APPROVED BY THE EXECUTIVE COMMITTEE: _____

DRAFT MINUTES
Council on Postsecondary Education

Type: Executive Committee
Date: July 3, 2019
Time: 9:00 a.m.
Location: Council on Postsecondary Education, Conference Room A

WELCOMING & CALL TO ORDER

The Council on Postsecondary Education met Wednesday, July 3, 2019 at 9:00 p.m., ET, at the CPE offices in Frankfort, Kentucky. Chair Sherrill Zimmerman presided.

ATTENDANCE

Members in attendance: Ron Beal, Ben Brandstetter, Kim Halbauer, and Sherrill Zimmerman. All attended by teleconference.

Members not in attendance: Kristi Nelson

CPE President Aaron Thompson attended the meeting and served as Secretary of the board, per the CPE Bylaws. Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes.

DISCUSSION ON PROGRAM REVIEW SYSTEM

At the June 28, 2019 Executive Committee meeting, members asked staff for additional information regarding the budget and RFP process for a comprehensive academic program review system that would allow the Council to focus more deeply on program costs and efficiency, graduation and employment outcomes, the state's return on investment and program quality.

Kentucky Revised Statute (KRS) 164.020(16) calls on CPE to undertake regular review of public higher education academic programs to assure they are consistent with institutional mission and aligned with the goals and priorities of the state's Strategic Agenda for Postsecondary Education. The process has undergone several

iterations over the past 20 years, with CPE paying progressively more attention to academic quality considerations, program costs, and graduate outcomes in the workforce. The importance of academic program review as a key responsibility of CPE was elevated with the appointment of Dr. Aaron Thompson as CPE president in the fall of 2018. Academic program quality is such a high priority of both President Thompson and the board that strengthening the review process was included as one of two mandates in Dr. Thompson's annual performance evaluation.

CPE staff discussed several areas of the Academic Program Review System including the project's scope of work, how the utilization of the system will help CPE make decisions in the future, and how the project will be funded.

ADJOURNMENT

The committee adjourned at 10:12 a.m., ET.

MINUTES REVIEWED AND APPROVED BY THE EXECUTIVE COMMITTEE: _____

DRAFT MINUTES
Council on Postsecondary Education

Type: Executive Committee
Date: August 12, 2019
Time: 11:00 a.m.
Location: Council on Postsecondary Education, Conference Room C

WELCOMING & CALL TO ORDER

The Council on Postsecondary Education met Monday, August 12, 2019 at 11:00 a.m., ET, at the CPE offices in Frankfort, Kentucky. Chair Sherrill Zimmerman presided.

ATTENDANCE

Members in attendance: Ron Beal, Ben Brandstetter, Kristi Nelson and Sherrill Zimmerman. All attended by teleconference.

Members not in attendance: Kim Halbauer

CPE President Aaron Thompson attended the meeting and served as Secretary of the board, per the CPE Bylaws. Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes.

UPDATES SINCE LAST EXECUTIVE COMMITTEE MEETING

Presenter: Aaron Thompson, CPE President

President Thompson provided updates to the Committee on the following topics:

- Vice President Mike Pence's visit in Eastern Kentucky.
- Discussions at the August 9 meeting with the Board of Student Body Presidents.
- Discussions from the August President's meeting.
- Results of various speaking engagements and conferences attended during the summer months.
- The developments of the upcoming Trusteeship Symposium.
- Results of the listening tours held in August.

CONTRACT REVIEW PROCESS

Presenters: Travis Powell, CPE's Vice President & General Counsel
Melissa Bell, CPE's Vice President for Academic Affairs and Student Success

In an effort to ensure the Council is engaged appropriately with the expenditure of agency funds, Mr. Powell discussed potential ways staff could regularly provide updates to the committee. Ideas discussed included a monthly budget tracker system, a signature authority grid and creating a watch list for contracts that exceed a certain dollar threshold. Members asked that the discussion continue at the next meeting.

PRESIDENT EVALUATION PROCESS

Presenter: Lee Nimocks, CPE's Vice President and Chief of Staff

Ms. Nimocks provided an overview of the board's annual evaluation process for former President Robert L. King. Included in this discussion was the timeline followed, survey questions and the list of persons asked to complete the survey. She also discussed what worked well in the last decade of those evaluations as well as how those results were used in performance evaluation discussions.

Committee members discussed the various options as well as optimal completion dates. Chair Zimmerman asked staff to draft potential questions for the committee to review and provide feedback on prior to the next meeting.

ADJOURNMENT

The committee adjourned at 12:20 p.m. ET.

MINUTES REVIEWED AND APPROVED BY THE EXECUTIVE COMMITTEE: _____

DRAFT MINUTES
Council on Postsecondary Education

Type: Executive Committee
Date: September 5, 2019
Time: 3:30 p.m.
Location: Council on Postsecondary Education, Conference Room A

WELCOMING & CALL TO ORDER

The Council on Postsecondary Education met Thursday, September 5, 2019 at 3:30 p.m., ET, at the CPE offices in Frankfort, Kentucky. Chair Sherrill Zimmerman presided.

ATTENDANCE

Members in attendance: Ben Brandstetter, Kim Halbauer and Sherrill Zimmerman. All attended by teleconference.

Members not in attendance: Ron Beal and Kristi Nelson

CPE President Aaron Thompson attended the meeting and served as Secretary of the board, per the CPE Bylaws. Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes.

UPDATES SINCE LAST EXECUTIVE COMMITTEE MEETING

Presenters: Aaron Thompson, CPE President
Lee Nimocks, CPE Vice President & Chief of Staff

President Thompson provided updates to the Committee on the discussions from the September 4 Presidents' meeting and his meeting with State Budget Director John Chilton. He also asked Ms. Nimocks to brief the committee on the sessions of the 2019 Symposium on Postsecondary Education Trusteeship.

CPE PLANNING DOCUMENT THROUGH 2020

Presenters: Lee Nimocks, CPE Vice President & Chief of Staff

Ms. Nimocks presented the agency planning priorities document through 2020. The planning document was developed to help frame and advance the work and activities of CPE through 2020. It was driven by (1) the key priorities of CPE board, (2) the statewide goals of the 2016-2021 Strategic Agenda for Postsecondary Education and educational attainment goal, and (3) the performance items in President Thompson's contract. It includes four overarching goals to drive postsecondary change and improvement in the Commonwealth.

1. Build broad understanding that higher education is the key to personal opportunity and Kentucky's economic growth.
2. Make higher education affordable for all Kentuckians.
3. Ensure more students earn degrees or certificates regardless of race, income, age, or geography.
4. Meet Kentucky's current and future workforce needs through high-quality, innovative programs.

Discussions regarding the plan of work progress will continue at future meetings.

LARGE PURCHASE THRESHOLDS

Presenter: Travis Powell, CPE's Vice President and General Counsel

Mr. Powell provided an overview of the CPE's current contract approval process, which is consistent with other Executive Branch agencies. He also discussed the contract review and purchasing approval practices of the other university boards (in-state and out-of-state) as well as the practices of various other Kentucky state boards. Finally, he also provided the Committee with the 2019-20 approved budget with more detail of how funds are planned to be spent during the fiscal year.

Following a discussion of the various types of contracts and how an additional review by the Executive Committee may impact current processes, the Committee asked staff to provide a list of contracts by dollar range amounts at its next meeting. Also suggested receiving a monthly update at each executive committee meeting regarding contracts. Discussions on the matter will continue.

PRESIDENT EVALUATION PROCESS

Presenters: Lee Nimocks, CPE Vice President & Chief of Staff

Ms. Nimocks provided an update on the development of the annual evaluation process of President Aaron Thompson. It included a proposed timeline, survey questions, and process. She asked that the Committee review each component and provide feedback before approval at the next Committee meeting.

CAMPUS STRATEGIC AGENDA PRESENTATIONS

Presenters: Lee Nimocks, CPE Vice President & Chief of Staff

Ms. Nimocks reminded the Committee of the presentation format and metrics covered during the 2018 campus Strategic Agenda presentations. The Committee stated that no changes were needed for the next set of presentations.

ADJOURNMENT

The committee adjourned at 4:45 p.m. ET.

MINUTES REVIEWED AND APPROVED BY THE EXECUTIVE COMMITTEE: _____

DRAFT MINUTES
Council on Postsecondary Education

Type: Executive Committee
Date: October 8, 2019
Time: 2:00 p.m.
Location: Council on Postsecondary Education, Conference Room A

WELCOMING & CALL TO ORDER

The Council on Postsecondary Education met Wednesday, October 8, 2019 at 2:00 p.m., ET, at the CPE offices in Frankfort, Kentucky. Chair Sherrill Zimmerman presided.

ATTENDANCE

Members in attendance: Ron Beal (joined at 2:30 p.m.) Ben Brandstetter, Kim Halbauer, Kristi Nelson and Sherrill Zimmerman. All attended by teleconference.

CPE President Aaron Thompson attended the meeting and served as Secretary of the board, per the CPE Bylaws. Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes, via the meeting recording.

PROPOSED REGULATION CHANGES FOR REVIEW & RECOMMENDATION

Presenter: Travis Powell, CPE's Vice President and General Counsel

Mr. Powell presented two regulations for the Executive Committee's review & recommendation. Upon approval by the full Council, staff would file the administrative action, and authorize CPE's Vice President and General Counsel, pursuant to KRS 13A.290(4) and KRS 13A.320(1)(b), to make such changes on behalf of the Council as necessary to comply with KRS Chapter 13A and obtain adoption by the Administrative Regulation Review Subcommittee and the Interim Joint Committee on Education.

- 1) 13 KAR 4:010 – State Authorization Reciprocity Agreement Regulation - The proposed amendment language includes a new Section 7, which sets forth an appeal process for institutions denied approval for initial or renewal application for SARA participation.

MOTION: Ms. Nelson moved the Committee recommend approval of the amendment to 13 KAR 4:010 to the full Council at its October 31, 2019 meeting. Mr. Brandstetter seconded the motion.

VOTE: The motion passed.

- 2) 13 KAR 1:020 – Private College Licensing - At the June 28, 2019 meeting, the Council approved an amendment to 13 KAR 1:020, revising language in several areas. During the public comment period, the Council received a comment from Walden University regarding the following provision from Section 8. (4)(e) of the Regulation and suggesting that the Council may not notice each time a student files a complaint against the school with another state agency or a federal agency. Since there is generally no threshold to initiate a student complaint with a state or federal agency, complaint filing is not indicative that an issue of concern exists. However, if a complaint or a series of complaints were substantive, the state or federal agency would most certainly initiate an investigation. As such, staff is recommending that the word “complaint” be removed from Section 8(4)(e) of the Regulation.

MOTION: Ms. Halbauer moved the Committee recommend approval of the amended after comments to 13 KAR 1:020 to the full Council at its October 31, 2019. Ms. Nelson seconded the motion.

VOTE: The motion passed.

CPE PRESIDENT EVALUATION

The Committee approved the 2019 President Evaluation Process with the following components:

- Timeline process that begins Sept 5 and ends Nov 15. The Exec Committee will review the results/responses at its Dec 7, 2019 meeting.
- A list of survey takers that include all 16 Council members, all members of the CPE staff, all university presidents, the KCTCS and AIKCU president, and

key members of the Kentucky General Assembly, the Governor's administration, and state policy leaders.

- Specialized survey questions for each of the constituency groups.
- The Nov 15, 2019 deadline for President Thompson's self-evaluation.

LARGE PURCHASE THRESHOLDS

Presenter: Travis Powell, CPE's Vice President and General Counsel

As requested at the previous Committee meeting, Mr. Powell provided a list of contracts for the past three years, and noted that without specific exemptions, all Memoranda of Agreement (MOAs) and Personal Service Contracts (PSCs) cannot cross the Biennium. After a short discussion, Council members stated that they would like to review any contracts or discretionary funds not originally included in the approved agency annual budget and represent a threshold of over \$50,000.

UNIFIED BUDGET REQUEST

Presenter: Ben Brandstetter, CPE Finance Committee Chair

Mr. Brandstetter provided the Executive Committee with an update regarding the joint Finance Committee and campus Presidents' meeting.

NEW ACADEMIC PROGRAM REVIEW PROCESS

This information was provided in the agenda materials.

ADJOURNMENT

The committee adjourned at 3:15 p.m., ET.

MINUTES REVIEWED AND APPROVED BY THE EXECUTIVE COMMITTEE: _____

DRAFT MINUTES
Council on Postsecondary Education

Type: Executive Committee
Date: December 11, 2019
Time: 3:00 p.m.
Location: Council on Postsecondary Education, Conference Room A

WELCOMING & CALL TO ORDER

The Council on Postsecondary Education met Wednesday, December 11, 2019 at 3:00 p.m., ET, at the CPE offices in Frankfort, Kentucky. Chair Sherrill Zimmerman presided.

ATTENDANCE

Members in attendance: Ben Brandstetter and Kristi Nelson attended by teleconference. Sherrill Zimmerman attended in person.

Members not in attendance: Ron Beal and Kim Halbauer

CPE President Aaron Thompson attended the meeting and served as Secretary of the board, per the CPE Bylaws. Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes after listening to the audio recording.

APPROVAL OF THE MINUTES

The minutes of the June 28 and July 3, 2019 Executive Committee meetings were approved as distributed.

ANNUAL EVALUATION OF CPE PRESIDENT

During the months of October and November of 2019, the Executive Committee conducted a thorough evaluation for President Thompson's performance in his first year of service. Surveys were sent to all Council members and staff, all university presidents as well Presidents Jay Box and Gary Cox, key state policy leaders and legislators, and several members of the Governor's administration. The survey

deadline was November 15, 2019 and staff compiled the results for the Executive Committee to review and discuss.

MOTION: Ms. Nelson moved that the Council go into closed session as provided in KRS 61.810(1)(f) for specific discussions that are related to the President's employment with the Council. Mr. Brandstetter seconded the motion.

VOTE: The motion passed.

The Council remained in executive session for two hours minutes.

MOTION: Ms. Nelson moved that the Council go back into open session. Mr. Brandstetter seconded the motion.

Chair Zimmerman confirmed that no action took place during executive session and that only the matters identified in the motion were discussed.

VOTE: The motion passed.

Chair Zimmerman provided a summary of the evaluation results. As described in President Thompson's self-evaluation, the Council's 2019-2020 planning document included the following three priorities to drive postsecondary change and improvement in the Commonwealth:

1. Opportunity - Improve College Affordability: Work with institutions and KCTCS to develop and implement tuition and institutional financial aid models to enhance student recruitment, retention and completion.
2. Success - Strengthen Postsecondary-Workforce Alignment: Work with campus leaders, policy makers, and business and industry leaders to develop and advance strategies to strengthen career pathways for students.
3. Impact - Perform a strategic review of undergraduate academic programs.

In addition, the Committee identified the following four items of specific focus for Dr. Thompson in 2019:

1. Build broad understanding that higher education is the key to personal opportunity and Kentucky's economic growth.
2. Make higher education affordable for all Kentuckians.
3. Ensure more students earn degrees or certificates regardless of race, income, age, or geography.
4. Meet Kentucky's current and future workforce needs through high-quality, innovative programs.

In order to complete President Thompson's evaluation, the Committee analyzed each of the four priorities, equally weighted. Each priority was worth one-fourth (1/4) of the total incentive compensation available (\$82,500), or \$20,625. The Committee applied a percentage score to each priority, which was then used to calculate the total dollar amount allocated to each section.

MOTION: Mr. Brandstetter moved the Council award President Thompson the following:

- Priority One – 100% score (\$20,625)
- Priority Two – 75% score (15,468.75)
- Priority Three – 90% (18,562.50)
- Priority Four – 50% (10,312.50)

Mr. Brandstetter seconded the motion.

VOTE: The motion approved.

MOTION: Mr. Brandstetter moved that the Council go into closed session as provided in KRS 61.810(1)(f) for specific discussions that are related to the President's employment with the Council. Ms. Nelson seconded the motion.

VOTE: The motion passed.

The Council remained in executive session for thirty minutes.

MOTION: Ms. Nelson moved that the Council go back into open session. Mr. Brandstetter seconded the motion.

Chair Zimmerman confirmed that no action took place during the executive session and that only the matters identified in the motion were discussed.

VOTE: The motion passed.

OTHER BUSINESS

Materials were included in the agenda book regarding the audit findings of programming and expenditures under the Kentucky Innovation Act (KIA) from 2000 through 2018.

ADJOURNMENT

The committee adjourned at 6:25 p.m., ET.

MINUTES REVIEWED AND APPROVED BY THE EXECUTIVE COMMITTEE: _____

DRAFT

DRAFT MINUTES
Council on Postsecondary Education

Type: Executive Committee
Date: January 9, 2020
Time: 9:00 a.m.
Location: Council on Postsecondary Education, 2nd Floor Training Room

WELCOMING & CALL TO ORDER

The Council on Postsecondary Education met Thursday, January 9, 2020 at 9:00 a.m., ET, at the CPE offices in Frankfort, Kentucky. Chair Sherrill Zimmerman presided.

ATTENDANCE

Members in attendance: Ben Brandstetter in person. Ron Beal, Kristi Nelson, and Sherrill Zimmerman by teleconference.

Members not in attendance: Kim Halbauer

CPE President Aaron Thompson attended the meeting and served as Secretary of the board, per the CPE Bylaws. Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes.

REVIEW RESULTS OF FY19 ANNUAL AUDIT

Presenters: Leslie Brown, CPE's Director of Administrative Services
Allen Norvell, Blue & Co., PSC

Blue and Company LLP, a certified public accounting agency in Lexington, conducted the audit for the fiscal year 2019. The auditors issued an unmodified opinion, stating that the Council's financial statements present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Council as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, the expenditures of federal awards and supplementary information are

fairly stated in all material respects in relation to the basic financial statements as a whole. The firm also noted that it did not identify any deficiencies in internal control that they consider to be material weaknesses.

FOLLOW-UP ON ANNUAL EVALUATION OF THE CPE PRESIDENT

Presenter: Sherrill Zimmerman, CPE Chair

At its December 11, 2019 meeting, the Executive Committee evaluated President Thompson's performance in his first year of service and an incentive compensation bonus was approved prior to adjournment; however, the discussion of a potential contract extension was deferred to the next meeting.

MOTION: Ms. Nelson moved to extend President Thompson's contract for an additional two and one-half years, or until June 30, 2023, upon the same terms and conditions as his current contract, except that the provision outlining terms for unilateral termination by the Council without cause (Section 7.D.1) be revised to provide for 6 months compensation upon such termination, or compensation for the remainder of the contract, whichever is less. Mr. Beal seconded the motion.

VOTE: The motion passed.

REVIEW OF EXPIRING ADMINISTRATIVE REGULATIONS

Presenter: Travis Powell, CPE's Vice President and General Counsel

House Bill (HB) 50, signed into law in the 2017 Regular Session, amends the statutes governing administrative regulations, KRS Chapter 13A, and requires that action be taken on an administrative regulation at least every seven (7) years or the regulation will be repealed. Action can be in the form of certification that the agency either intends to keep the regulation in effect "as is," or amend the regulation within 18 months. Agencies can also choose not to take action and allow regulations to be repealed after the expiration date.

The first date of expiration outlined in HB 50 was July 1, 2019 for regulations last adopted or amended on or before July 1, 2012, but due to the passage of HB 4 in the 2019 Regular Session, the first date of expiration was extended to March 1, 2020. The issue of regulation expiration was generally discussed with the full Council at the February 22, 2019 and April 25, 2019 meetings.

Mr. Powell discussed the following regulations that are set to expire if no action is taken by March 1, 2020, and the staff's recommendation for action:

- 13 KAR 1:030 – Amend in next 18 months
- 13 KAR 2:100 – Amend in next 18 months
- 13 KAR 1:050 – Amend in next 18 months
- 13 KAR 2:070 – Remain as is
- 13 KAR 2:080 – Remain as is

MOTION: Mr. Brandstetter moved to accept the staff's recommendation for action for each of the regulations listed. Ms. Nelson seconded the motion.

VOTE: The motion passed.

OTHER BUSINESS

President Thompson discussed the possibility of holding a public comment period at each Council business meeting. Mr. Powell discussed how other education related boards conduct public comment periods in their board meetings. Council members discussed the various options available, the potential issues that may arise, and next steps in this process.

ADJOURNMENT

The committee adjourned at 10:15 a.m., ET.

MINUTES REVIEWED AND APPROVED BY THE EXECUTIVE COMMITTEE: _____

**EXECUTIVE COMMITTEE
KY COUNCIL ON POSTSECONDARY EDUCATION**

**DISCUSSION ITEM
March 6, 2020**

TITLE: 2020-21 Council Meeting Calendar

DESCRIPTION: Staff will present a potential meeting calendar for discussion. Upon comments from the Committee, the dates would be proposed to the full Council and then voted upon at the April 24, 2020 meeting.

PROPOSAL OF DATES

In order to simplify the meeting calendar for 2020-21 academic year, staff would like to propose both a set of full Council meeting dates as well as Committee meeting dates.

Council Meetings

According to KRS 164.011(9), the Council is required to meeting quarterly, but may meet more upon the call of the chair. In order to conduct its business efficiently, the Council has typically met five times per year, with one of those meetings being the annual retreat and the other held in conjunction with the annual Trusteeship symposium.

The following dates are proposed for the 2020-21 academic year:

Council meeting & Governor’s Symposium on Postsecondary Trusteeship	September 14-15, 2020
Fall Quarterly Meetings	November 12-13, 2020
Winter Quarterly Meetings	January 28-29, 2021
Spring Quarterly Meetings	April 15-16, 2021
Summer Quarterly Meetings and Annual Retreat	June 24-25, 2021

Committee Meetings

At the April 26, 2019 meeting, the following standing committee structure was approved on a pilot basis through June 2020. Should the structure be adopted formally and added to the by-laws, staff would like to propose the following committee meeting dates:

- The Executive Committee shall meet monthly at 9:00 a.m. on the first Thursday that follows the monthly campus President’s meetings. If no business needs to be conducted, the chair may cancel or reschedule the meeting.

- The Finance Committee will be scheduled to meet the following Tuesdays at 3:00 p.m. ET. If no business needs to be conducted, the Committee chair may cancel or reschedule the meeting.
 - August 18, 2020
 - October 20, 2020
 - December 15, 2020
 - January 12, 2021
 - February 16, 2021
 - March 23, 2021
 - May 4, 2021
 - June 8, 2021

- The Academic and Strategic Initiatives Committee will be scheduled to meet on the following Tuesdays at 10:00 a.m. ET. If no business needs to be conducted, the Committee chair may cancel or reschedule the meeting.
 - August 18, 2020
 - October 20, 2020
 - January 12, 2021
 - March 23, 2021
 - June 8, 2021

If needed, any committee chair may call an additional meeting or request the date/time to be amended from what was originally proposed.

Scheduling committee dates a year in advance helps institutions plan with their boards on items to be brought before the Council for approval.

The combined proposed visual of the schedule can be found in Attachment A.

2020 - 2021

July

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
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26	27	28	29	30	31	

August

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23	24	25	26	27	28	29
30	31					

September

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27	28	29	30			

October

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25	26	27	28	29	30	31

November

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December

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13	14	15	16	17	18	19
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27	28	29	30	31		

January 2021

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24	25	26	27	28	29	30
31						

February

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14	15	16	17	18	19	20
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28						

March

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28	29	30	31			

April

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25	26	27	28	29	30	

May

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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

June

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Full Council Meetings =

Executive Committee =

Finance Committee =

Finance & ASI Committees =

TITLE: 2020 Symposium on Postsecondary Education Trusteeship

DESCRIPTION: This is a preliminary discussion on the program development of the 2020 Symposium on Postsecondary Education Trusteeship.

BACKGROUND INFORMATION

The Council on Postsecondary Education has hosted an annual or biennial board development event since the 1990's. After the postsecondary education reform act, the name of the event transitioned to the Governor's Conference on Postsecondary Education Trusteeship (and sometimes called the "summit" or "symposium"). Themes for the last 15 years have included:

2003	Connecting the Dots: Partnering to Advance Community and Economic Development
2004	Can We Talk? What's Next in Kentucky Postsecondary Reform
2005	Getting to Yes...Answering the Five Questions
2006	Governance from the Ground Up
2007	Doubling the Numbers by 2020: Meeting the Challenges of Postsecondary Reform
2008	21 st Century Problems, 21 st Century Solutions: Engaging Postsecondary Education in Kentucky's Social and Economic Transformation
2009	Raising the Bar: Access, Quality and Success
2010	Strengthening Our Capacity to Serve: A Summit on Productivity, Efficiency and Cost Containment
2011	Stronger by Degrees
2013	Building a Stronger Workforce Through Postsecondary Education
2015	A Plan for the Present, A Vision for the Future
2017	Dynamic Leadership for Changing Times
2018	Dr. Michael Crow & Arizona State University (no specific theme)
2019	Higher Education Matters

2020 SYMPOSIUM PLANNING

The tentative date for the 2020 Symposium is September 14-15. It will held in Lexington, Kentucky.

TITLE: Preliminary Discussion of the next Statewide Strategic Agenda

DESCRIPTION: This is a preliminary discussion on the timeline and steps involved in the development of the next Statewide Strategic Agenda.

BACKGROUND INFORMATION

In order to provide context for the discussion, below is a recap of the process and steps taken during the development of the 2016-21 Agenda – Stronger By Degrees.

The planning process took approximately 18 months, beginning the fall of 2014 and concluding in late spring of 2016. The Agenda was approved by the Council at its June 3, 2016 meeting. The process had many components:

1. Individual campus visits with the senior campus leadership
2. Numerous data and policy assessments, scans and analyses
3. Monthly meetings of committees and sub-groups, including the Steering Committee, provosts and campus presidents, and the Metrics Advisory Committee
4. Solicitation of statewide public input, including:
 - a. 8 topic-specific policy forums (over 200 specially-identified constituents involved)
 - b. 5 town hall meetings (over 300 attendees from the general public)
 - c. Specific college student forum
 - d. Feedback session at the Student Success Summit (over 350 attendees)
5. Continuous consultation with educational partners and stakeholders, including these familiar names: KY Department of Education, KCEWS (now named KYStats), KY Higher Education Assistance Authority, Prichard Committee, The Graduate! Network, the Chamber of Commerce and NCHEMS.

There were three questions that drove the agenda:

- **OPPORTUNITY.** How can Kentucky encourage more people to take advantage of postsecondary opportunities?
- **SUCCESS.** How can Kentucky increase degree and certificate completion, fill workforce shortages, and guide more graduates to a career path?

- IMPACT. How can Kentucky's postsecondary system create economic growth and development and make our state more prosperous?

Each question represented a section of the agenda, and each had its own overarching objectives, strategies and performance measures. Campus and state-level performance targets were established after a lengthy negotiation processes.

CPE conducted a midterm review of the agenda in the spring of 2019 to revisit and evaluate progress on goals and objectives, review key performance measures (KPIs) and performance targets, and make necessary adjustments to the agenda. The Review Committee was made up of institutional representatives, the Council Chair, and CPE staff members. As a result of the mid-term review, the Council approved the removal of one objective and four amended metrics at its June 28, 2019 meeting.

The current Agenda is set to run through 2021. If staff follow the same timeline, the planning process will begin in the fall of 2020.

TITLE: Setting Priorities for 2020

DESCRIPTION: Discussion will center the agency work plan for 2020 and the incentive goals to set for President's contract.

SUPPORTING INFORMATION

At its November 16, 2018 meeting, the Council approved the two-year contract for Dr. Aaron Thompson as president of the Council on Postsecondary Education. On January 31, 2019, the Executive Committee approved an incentive structure that contained the following provisions:

- Incentives may be earned with a bonus compensation of up to 30 percent of base pay;
- Incentive amounts shall be awarded annually; and
- Incentive bonus amounts shall be determined by the executive committee, and are based upon their agreed completion level of the goals set for the calendar year.

Further, the 2019 incentive goals were established for President Aaron Thompson:

1. Opportunity - Improve College Affordability: Work with institutions and KCTCS to develop and implement tuition and institutional financial aid models to enhance student recruitment, retention and completion.
2. Success - Strengthen Postsecondary-Workforce Alignment: Work with campus leaders, policy makers, and business and industry leaders to develop and advance strategies to strengthen career pathways for students.
3. Impact - Perform a strategic review of undergraduate academic programs.

2020 PRIORITIES

In September 2019, the agency released a planning document to help frame and advance the work and activities of CPE through 2020. The plan is driven by the board's key priorities (as identified at the 2019 retreat) while building on Kentucky's 2016-2021 Strategic Agenda for Postsecondary Education and the Commonwealth's goal to increase the percentage of adults with a postsecondary credential to 60% by 2030 (Attachment 1). Additionally, President Thompson identified specific areas of focus in his 2019 annual report and self-evaluation (Attachment 2).

Both of these documents will guide the discussion regarding 2020 incentive goals for President Thompson.



Building Lifelong Success and a Stronger Kentucky through Higher Education

The Kentucky Council on Postsecondary Education (CPE) is guided by an unwavering commitment to the transformative power of higher education. High-quality postsecondary education is the key to addressing many of the challenges facing the Commonwealth. It unlocks the path to meaningful careers, economic opportunity, vibrant communities, a stronger, more responsive workforce, and richer, healthier lives for all citizens.

Kentucky is blessed with an array of public and private research, comprehensive, and liberal arts universities, and a dynamic system of public community and technical colleges. In recent years there has been significant progress on virtually every key measure of postsecondary success, including college preparation levels, progression through programs, the number of degrees and certificates awarded and the percent of Kentucky adults who have earned a higher education credential.

But more can and must be done to ensure that every Kentuckian, regardless of race, age, or economic status, has access to the transformative benefits of higher education. More can and must be done to ensure that Kentucky's employers have access to a pipeline of talent aligned to current and future workforce needs. More can and must be done to ensure we improve the quality of education, not just the quantity of degrees and credentials.

Built on Kentucky's 2016-2021 Strategic Agenda for Postsecondary Education and the state's goal to increase the percentage of adults with a postsecondary credential to 60% by 2030, the following four overarching priorities have been identified to guide the work of CPE through 2020 to drive postsecondary education change and improvement in the Commonwealth:

- 1. Build broad understanding that higher education is the key to personal opportunity and Kentucky's economic growth.**
- 2. Make higher education affordable for all Kentuckians.**
- 3. Ensure more students earn degrees or certificates regardless of race, income, age, or geography.**
- 4. Meet Kentucky's current and future workforce needs through high-quality, innovative programs.**



Build broad understanding that higher education is **the key** to personal opportunity and Kentucky's economic growth.

In a decade of reduced government spending, rising tuition, and public skepticism about the value of college, CPE, under the leadership of President Aaron Thompson, will lead a statewide effort to remind Kentucky why higher education matters. CPE will encourage reinvestment in this public good and increased participation in postsecondary education through stronger engagement with elected leaders, students and families, and business and community partners.

How?

1. **Expand the *Kentucky Higher Education Matters* brand and message** launched earlier this year through a **statewide listening tour**, social media, op-eds, speeches, presentations, the CPE website and distribution of branded materials (pins, banners, etc.). Part of the **Higher Education Matters** messaging will focus on developing a common understanding of the terms “college,” “higher education,” “technical education/training,” and “postsecondary education.”
2. **Use data, research, and personal stories to drive and shape the message.** **Weekly data infographics** are shared through social media and distribution lists help inform messages and presentations. An annual ***Postsecondary Education Return on Investment* report, data dashboards** and **localized higher education fact sheets** will be launched this summer/fall. **Sharing and elevating personal experiences** through **testimonials and interviews** will be a priority in reminding us why higher education matters
3. **Reach out to K-12 students and their families.** Programs like **CPE's Gear Up program** are reaching students as young as middle school, their families, and their teachers and guidance counselors to help them prepare for and to demystify the higher education experience. CPE is seeking state and foundation resources to help develop a **comprehensive on-line portal** and advising tools to help students navigate the path to a Kentucky college.
4. **Engage decision-makers.** The governor, legislators and other elected officials, local and business leaders, and others in positions of influence and authority can be the **strongest champions** of the *Kentucky Higher Education Matters* message. CPE is working closely with key decision-makers to help advance these priorities, help **build support for investing in postsecondary education performance**, and **recognize higher education as a key driver of economic development.**



Make higher education affordable for all Kentuckians.

Significant cuts to Kentucky's public colleges and universities over the past decade have shifted a larger portion of college costs to students and their families. CPE will lead a statewide effort to moderate costs to students and families, encourage greater state investment in postsecondary education, reign in student loan debt, and help students save money by finishing their programs faster.

How?

1. **Keep tuition and fee increases low.** President Thompson will work with the board to **limit tuition and other college costs**, while assuring campuses have the resources needed to provide quality programs and essential services. Advocating for **state reinvestment in postsecondary education** will be a key strategy in moderating tuition costs, and **rethinking current tuition models**, including those for out-of-state students, will be a high priority.
2. **Help students finish on time.** Accumulating college credit in high school through **dual credit** and other accelerated learning options is an important affordability strategy. CPE will review the state's dual credit policy to assure it meets the needs of students, high schools and postsecondary institutions. CPE will help institutions promote on-time completion through information campaigns such as *15 to Finish* which encourages students to take 15 credit hours per semester or 30 credit hours per year.
3. **Improve financial literacy and "college knowledge."** **GEAR UP Kentucky, a 7-year, \$24M federal grant** targeting low-income school districts, is the centerpiece of CPE's efforts to improve outreach and college-going. An ongoing initiative with financial aid directors encourages saving for college and responsible borrowing and financial literacy through **student debt letters, near peer mentoring** and **professional development** for high school counselors.
4. **Increase financial aid to needy students.** President Thompson will urge campuses to **direct more of institutional aid to needier students** to improve college affordability. CPE will also advocate for **increased funding in need-based state financial aid programs** and explore the development of **scholarship models, including free college programs**, that have had success in other states in increasing student enrollment and completion.



Ensure more students earn degrees or certificates regardless of race, income, age, or geography.

At the heart of this agenda is a commitment that every Kentuckian, whatever their race, income, age, or region of the state, has the opportunity to not just attend a college or university, but to succeed and graduate with a degree or certificate leading to a rewarding career and more fulfilling life. Too often low-income and underrepresented minority students enroll and graduate at lower rates. More can and must be done understand why students drop out, and to help all students succeed.

How?

1. **Create incentives to make student completion the top priority.** The **state's new performance funding model** makes state funding contingent on student progression and completion, and it prioritizes outcomes for low-income and minority students. CPE will lead discussions with state partners to strengthen the model, as well as introduce campus incentives (such as the new **Stronger by Degrees Student Success Grants**) to improve college completion.
2. **Close achievement gaps.** Through CPE's **comprehensive diversity policy and planning process**, campuses are held accountable for making progress in closing enrollment, retention, and graduation gaps, and for creating a more inclusive campus culture. CPE's annual **Student Success Conference** will be supplemented by a statewide **equity and inclusion conference** and a variety of **professional development opportunities** to help postsecondary success for all students.
3. **Streamline pathways to and through college.** Many students get lost in the college search, application, financing, and registration process. CPE will lead efforts to **promote semester-by-semester degree pathways that ensure seamless transfer and guide students to complete associate degrees in two years and bachelor's degrees in four years.** CPE will also continue to lead efforts to reform **developmental education** to allow more students needed academic supports when transitioning into credit-bearing coursework.
4. **Welcome and support adult students.** With support from the Lumina Foundation, CPE is raising awareness among adult students about the new **Work Ready Kentucky Scholarship (WRKS).** CPE will support and expand **Project Graduate**, a successful program to recruit former students with more than 80 credit hours but no degree. CPE will explore including adult students as a priority group in the state performance funding model and will incentivize **Competency Based Education** to provide on-demand programming.



Meet Kentucky's current and future workforce needs through high-quality, innovative programs.

CPE will advance high-quality academic programs and strategies that position students to succeed in the workforce of today and tomorrow. How we understand and assess learning is changing, and CPE will lead this change. CPE will encourage institutions to be innovative and nimble in responding to workforce shortages. At the same time, we will ensure Kentucky's graduates are high-level problem solvers, innovators, and communicators who can adapt to new technologies and work in teams.

How?

- 1. Re-vamp CPE's academic program review process to focus on efficiency and outcomes.** Under President Thompson's leadership, CPE is undertaking a **comprehensive revision of the state academic program review process** to focus more deeply on program costs and efficiency, graduation and employment outcomes.
- 2. Graduate career-ready students.** CPE will encourage institutions to incorporate and evaluate **employability skills** throughout the curriculum. CPE's innovative partnership with the Quality Assurance (QA) Commons responds to the need for programs that equip students with the skills for workforce success. Program **certification from QA Commons**, assures that graduates have mastered these skills. Currently six campuses are participating in CPE's QA Commons pilot.
- 3. Incentivize campuses to graduate students in high demand fields.** Kentucky's new performance funding recognizes the importance of building a pipeline of talent that responds to workforce needs. KCTCS campuses earn a **premium in the funding model** for producing graduates for high demand industries. All campuses receive a **premium for STEM+Health degrees**. CPE will work with state partners to further refine the model and build in appropriate funding incentives that respond to workforce needs.
- 4. Increase work-based learning opportunities.** Opportunities for students to get work experience while still in college helps launch them into careers and contributes to a greater chance of graduation. CPE will work with campus leaders, employers and state partners to expand **internships, co-op, apprenticeship and other work-based learning opportunities** for Kentucky students. Part of this effort will include **earlier and more comprehensive career advising** to help students make informed decisions about choosing a major aligned with career and personal interests.



Kentucky Council on Postsecondary Education

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Aaron Thompson, Ph.D.
President

November 15, 2019

Sherrill Zimmerman, Chair
Kentucky Council on Postsecondary Education
6802 Fairway View Court
Prospect, KY 40059

Dear Chair Zimmerman and Members of the Executive Committee:

I am submitting my annual report as a basis for evaluation of my work and the agency's accomplishments over my first year as CPE president. I have used the framework of the agency's 2019-2020 planning document to structure and organize this report. It is driven by current agency priorities while building on *Kentucky's 2016-2021 Strategic Agenda for Postsecondary Education* and the Commonwealth's goal to increase the percentage of adults with a postsecondary credential to 60% by 2030. The plan includes four overarching goals to drive postsecondary change and improvement in the Commonwealth:

1. Build broad understanding that higher education is the key to personal opportunity and Kentucky's economic growth.
2. Make higher education affordable for all Kentuckians.
3. Ensure more students earn degrees or certificates regardless of race, income, age, or geography.
4. Meet Kentucky's current and future workforce needs through high-quality, innovative programs.

Each of the four priorities in the planning document is supported by strategies that are currently underway or in the development process, including the five established by the board at their 2019 retreat and performance items in my current contract. While the report is lengthy, it attempts to capture the breadth of the agency's work over the past year.

As I shared with you during the interview process for this position, I am committed to driving positive change and improvement in Kentucky's postsecondary system not only through policy and program development, but by leading a comprehensive effort to reshape the public narrative in Kentucky about the

value of postsecondary education. Over the past year I have spent an extraordinary amount of time and effort out in our communities listening to students, faculty members, parents, civic and business leaders, and others share their views and concerns about higher education. I've also shared my views and feelings about the power of postsecondary education to change lives and communities, and to drive Kentucky's workforce and economy. This statewide listening tour (which I'll elaborate on more in the body of my report) has had a profound impact on me as a new higher education leader, and has provided an important public platform to tell the story of postsecondary education, challenge some long-held myths, and provide a face and voice for the transformational power of education and training beyond high school. My message has been *Kentucky Higher Education Matters*, and I am pleased to report that message is taking hold.

This year has exceeded my expectations in terms of the work of this agency and the momentum I am seeing in our key priority areas. We are well into the process of overhauling the state's academic program review process, one of the board's key priorities, and one the agency's most important statutory responsibilities. It has taken a phenomenal staff effort to balance the diverse needs and interests of our campuses with the state's need for a comprehensive evaluation process that will provide detailed cost, demand and performance information to help guide decisions. It is a process that has required a great deal of communication, negotiation and compromise, but it will ultimately result in a more effective and meaningful review.

As I shared with you during the interview process and throughout this year, I am committed to making sure all Kentuckians have access to postsecondary opportunities, and once there, the support they need to be successful. Historically Kentucky has not done enough to ensure its underrepresented minority (URM) citizens, low income citizens, or undereducated working adults have the kind of opportunity and support they need to be successful in higher education. As I'll detail more in the report, we have ramped up our work on issues of diversity, equity, and inclusion, including the development of a new office and two new positions within the agency focused solely on this work. While it is too early to report the payoff from these specific moves, there is no question that CPE's emphasis in this area over the past several years has created a cultural shift. To highlight just one statistic: bachelor's degrees awarded to URM students increased 27 percent from 2014 to 2018, compared with a 12 percent increase for all students.

Another area to highlight in our work over the past year are expanded efforts to create clearer alignment between postsecondary credentials and the state's workforce and economic development needs. It is not enough to simply increase the number of credentials. Our students must graduate armed with the skills and knowledge that will put them on a path to a meaningful career. As with our diversity work, I have created a new office within the agency dedicated to education and workforce alignment. Among the priorities is the development of a process to certify that academic programs are preparing job-ready graduates, relationship-building with key state, institutional and business partners, and research and policy analysis to determine the state's needs and postsecondary effectiveness in this area.

In addition to the areas of work I mentioned above, we've launched CPE's new 7-year \$26.5 million GEAR UP Kentucky program that will directly impact over 13,500 students when fully implemented, and just concluded a successful, year-long negotiated process to develop the biennial budget request for higher education. We're improving adult student outreach through the new Lumina Adult Promise Program and building and strengthening ties to the legislature, governor's office, and partner agencies. We launched a new, public-facing, interactive data center to enhance our reporting and accountability work, introduced a new series of higher education infographics, and beefed up CPE's social and traditional media presence. We expanded CPE's footprint and participation at the national level, hosted several major statewide conferences, and provided orientation programs for all of Kentucky's new college and university trustees. We restructured the board committee structure to better respond to the agency's work, developed a new tuition policy for out-of-state students, and concluded the work of two statutory taskforces on the state's contract spaces programs. This is not to mention the day-to-day operational work that helps make this agency run, including contract management and business services, human resources, office management, non-public college licensure, and administration of the state's Virtual Library and other statewide programs.

This has truly been a busy and productive year. I am blessed to work with terrific staff who are as dedicated as I am to student success and postsecondary improvement. I am proud of what we have accomplished, but we have only just begun the hard work it will take to ensure greater success for our colleges and universities, and for Kentucky students.

I look forward to our work ahead and am grateful for your confidence and support over the past year.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Thompson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Aaron Thompson
President, CPE

CPE President Aaron Thompson

2019 Self Evaluation and Annual Report to the Board

Priority 1: Build broad understanding that higher education is the key to personal opportunity and Kentucky's economic growth.

2019 Listening Tour:

This year's **listening tour** has been a key part of my efforts to build a broader understanding among the public that higher education is the key driver of the state's economy and is increasingly essential to individual success and opportunity. The tour kicked-off in February and I have completed nine of the eleven stops scheduled this year. Most of these have been two-day events that have allowed me to connect with our campus communities, and with the broader public in these regions.

The launch and subsequent campus visits provided a great opportunity to jumpstart the **#KYHigherEdMatters communications campaign**, introduce state higher education priorities, and to gather feedback from a wide range of stakeholders, including employers, community, college students, campus leadership, faculty and staff, and high school students.

Of particular note is the collaboration with the campuses to host the tours, send out invitations to their key groups and to promote the event. With their support, staff estimates that **more than 2,000 people have participated to date in these sessions**. The tours provided a great opportunity to connect with regional media, which resulted in **18 regionally significant interviews with TV, radio and print outlets**. In addition, several campuses also developed and produced "news" videos, which CPE shared on social media.

Social Media:

An **increased social media presence** has been essential to my efforts to help reframe the public narrative about the value of higher education. Prior to becoming president, I had 390 followers on Twitter. As of mid-November, **my Twitter audience has more than quadrupled** to 1,388 followers. I've not only used my social media presence to inform the public on various Council activities and interact with others in the public space, but also to distribute the **Infographic of the Week**, tied to the **#KyHigherEdMatters** campaign. These infographics, which now number 46, have been shared by both state and national channels over 600 times. They also go out weekly via email through our **Higher Education Matters news clips service**. My social media presence, listening tours and other communication initiatives have also helped build the follower counts of the Council's main Twitter presence, **with over 900 new followers since my selection as president** in October 2018.

I'm also pleased to report that my focus on increased communications and outreach has influenced usage of the **CPE website and Facebook accounts**. The average number of monthly visitors to the

website has increased 76%, with 7,382 visitors in September 2019, compared to 4,185 in September 2018. The president's page alone has had over 2,000 views during the same span of time. In addition, CPE's Facebook account has gained 261 new followers, a gain of 75% since October 2018.

Media Interviews:

Media interest in the work of CPE has also made for a **banner year with media interviews**. Although not a comprehensive list, some of the state or regionally significant interviews are listed below.

- *Thompson continues to learn in new role.* Interview with the Richmond Register. Dec. 2018.
- *Interview with Bill Bryant, Kentucky Newsmakers, WKYT.* Dec. 2018.
- *Kentucky's Higher Education Goals.* Connections with Renee Shaw, KET. Jan. 2019.
- *Aaron Thompson's Goals on WEKU's Eastern Standard with Tom Martin.* Jan. 2019.
- *CPE President Aaron Thompson Talks "Disrupting" Higher Education.* WKMS with Chad Lampe, Feb. 2019.
- *CPE President Calls Lack Of Pension Fix A "Decent Quandary."* Interview on pension bill with WEKU's Stu Johnson. June 2019.
- *Interview on special session* with WEKU's Stu Johnson. July 2019.
- *Kentucky is 1 of only 5 states to cut money for higher education this year.* Interview with Courier-Journal's Morgan Watkins. April 2019.
- *CPE president makes WKU stop on listening tour.* Bowling Green Daily News, Aaron Mudd. April 2019.
- *CPE president: Kentucky must retool its approach toward higher education.* WKU's Lisa Autry. April 2019.
- *STEM degrees gain steam in Kentucky: Good for your kid's wallet, but not their classroom.* Courier Journal's Morgan Watkins. June 2019.
- *Open Mic interview on Governor's Scholars and student success* with WMKY's Leeann Akers. Aug. 2019.
- *GEAR UP Kentucky launch interview* with WEKU's Stu Johnson. Sept. 2019.
- *Connections with Renee Shaw, KET.* Sept. 2019.
- *Breaking Barriers, ECU Alumni Magazine, Fall 2019.*
- *Scheduled: Interview with Tom Martin on first-gen students, WEKU Eastern Standard.* Nov. 2019.
- *Do Your Academic Programs Actually Develop 'Employability'? There's an Assessment for That.* QA Commons interview with Chronicle of Higher Education's Goldie Blumenstyk. Jan. 2019.
- *Aaron Thompson's Journey from Childhood Poverty to Kentucky's SHEEO.*
<https://higherlearningadvocates.org/champions/aaron-thompson/>
- *Scheduled: Higher Learning Advocates' Champion video.* Either Nov. 19 or 20, 2019.

Editorial Board Visits and Op-Eds:

Building credibility with influential editorial boards and amplifying CPE's messaging have been other strategies to build the case for the value of higher education. Editorial boards meetings to date include the Herald-Leader on Feb. 14, 2019; the Courier-Journal on Oct. 21, 2019 and a scheduled visit with two editorial boards (*Lane Report* and *Kentucky Kernel*) during our central Kentucky stop on the listening tour. I also placed several **op-eds** this year, including:

- *Business and Education Leaders Set Four Urgent Goals for the Coming Decade*, Joint Op-Ed with Kentucky Chamber of Commerce President Dave Adkisson. December 2018.
- *As we celebrate King, we must focus on the power of higher education*. January 2019.
- *If you don't think everyone needs a college education, think again*. May 2019.
- *Letter to college graduates: College is still worth it*. May 2019.

Additionally, since my appointment, staff issued **48 media advisories/press releases**, eight blog articles on **Policy Insight**, premiered and published two issues of **Kentucky HigherEdNews**, produced **four videos**, and have distributed hundreds of Higher Education Matters branded materials including leave-behind brochures and the always popular lapel pins. Please see <http://www.cpe.ky.gov/news/main.html> for more information on this work.

Speaking Events:

In addition to the Listening Tour activities, I have been honored and humbled by the amount of interest in my participation at various conferences, civic group meetings, summits and symposia across the state this past year. Listed below are a few of the speaking opportunities I've had since becoming CPE president:

- Keynote speaker at Morehead's Eastern Kentucky Regional Transfer Summit. Nov. 9, 2018
- Panelist with Derrick Ramsey and Wayne Lewis at KSU's Together We Can: The Convening. Jan. 14, 2019
- Keynote speaker, Rural Access Summit. April 30, 2019
- Opening speaker for EKU's Pedagogicon. May 17, 2019
- Covington Rotary Luncheon Speaker. May 21, 2019
- Commencement Speaker, Madisonville Community College. May 10, 2019
- Speaker, Louisville Black Leaders group. June 26, 2019
- Convocation speaker, Governor's Scholars Program. July 23, 2019
- Luncheon Speaker, Campbellsville, Taylor Co. Chamber of Commerce. Sept. 12, 2019
- Plenary Speaker, CPE Symposium on Trusteeship. Sept 17, 2019
- Keynote speaker, KY Association for Continuing Higher Education. Sept. 24, 2019
- Opening speaker, GEAR UP Statewide Launch. Sept. 25, 2019
- Keynote speaker for Tri-State Diversity Conference (hosted by Morehead State University). Sept. 27, 2019
- Keynote for the Urban League Annual Banquet, Lexington. Oct. 7, 2019

- Presentation to the Fall Convening of the Northern Kentucky Education Council. Oct. 15, 2019
- Breakfast speaker, ECU Diversity Breakfast. Oct. 16, 2019
- Keynote speaker, Kentucky Association of Assessment Coordinators. Oct. 29, 2019
- Luncheon Speaker, ECU's Gen 1 Conference. Nov. 8, 2019
- Roundtable speaker at the Apprenticeship Conference. Nov. 12, 2019
- Dinner Speaker, Owen Co. Chamber of Commerce Dinner. Nov. 25, 2019

I am also pleased and honored to share that I was recently inducted into the Kentucky Civil Rights' Hall of Fame for my work in higher education and my commitment to improving the lives of Kentucky students.

National Engagement:

I am happy to report that my work on behalf of Kentucky has not been limited to advocacy and outreach within the state. Last fall I was honored to be chosen to serve as one of 13 members of Champion's Network for **Higher Learning Advocates**, a bipartisan non-profit advocacy organization working to shift federal policy to focus on all education and training beyond high school that leads to a degree, credential, or employment. Our charge as champions is to help develop innovative strategies around higher education affordability and access, and then work with national leaders to help advance these strategies in legislation and policy.

Earlier this year I was named to the Steering Committee of the **Education Commission of the States**, an interstate educational policy compact, to serve as one of Kentucky's seven ECS commissioners, along with Governor Bevin, Commissioner Lewis and several legislative representatives. I was very pleased to be named Chair of the Board of the **National Council of Community and Education Partnerships (NCCEP)**, GEAR UP's national membership, advocacy, and professional development organization. This group is dedicated to advancing educational opportunity and smoothing pathways to higher education for underserved and lower income populations. It was one of the highlights of this year to stand on stage in front of over 2,000 GEAR UP staff and students at their annual conference sharing their mission and celebrating their successes. I am also pleased to serve as the Vice Chair of the Board for Baptist Healthcare System.

I've also been honored this year to be asked to **speak to a variety of national and regional groups** to share Kentucky's story and our work to advance our priorities for postsecondary education, including the Southern Regional Education Board (SREB), the Southern Association of Colleges and Schools (SACS), The Graduate Network, Complete College America (CCA), the State Higher Education Executive Officers Organization (SHEEO), and the Louisiana Board of Regents.

Data and Research:

While ramped-up communications and outreach has been central to my work in this priority area, **improved research and data** have been essential in driving and shaping CPE's message, as well as

supporting sound policy development and our accountability system. In addition to the new weekly infographic campaign, which highlights key postsecondary data and research, I have retooled what had formerly been “CPE’s data shop” to a stand-alone unit of the agency (Data and Advanced Analytics) that reports directly to me. We have merged our IT and data functions within this unit, trimmed down our IT staff by cutting three staff positions in this area, and added two positions with high-level research and data visualization skills (the second of these staff will join the agency in January). My goal is to turn what had largely been a data collection and management arm of the agency into a **high performing research and analytics team** that turns out publicly accessible and informative data to help strengthen our work and inform our decisions.

While my goal is to produce more research and analysis in the coming year, there has already been a tremendous amount of progress over the past year. We recently launched a comprehensive **CPE Data Center**, which features **17 interactive tools** that track campus and state progress on key performance metrics, including degrees and credentials, financial aid, employment outcomes, diversity and equity, graduation rates, and enrollment. Several of these dashboards have been developed in collaboration with KYSTATS, the state’s nationally recognized longitudinal data center and on whose board I serve. **All CPE dashboards provide data disaggregated by campus, year, sector, and student demographic group** to allow users a very precise view of performance on a range of important indicators aligned with CPE’s strategic agenda goals and objectives. Our research agenda permeates the work we do across the agency, so I’ll be touching on various research and analytics projects throughout the rest of this report.

Engaging Decision Makers:

State elected leaders and decision makers are among the most important audiences for the Higher Education Matters message and since becoming president, one of my highest priorities is to increase CPE’s visibility and responsiveness to legislative and executive branch partners. I meet monthly for dinner with the **education commissioner and secretary of the workforce cabinet** to share information, plan, strategize and build relationships across our agencies. I’m also pleased to report a growing relationship between CPE and the Cabinet for Economic Development, both at the CEO and staff levels.

I’ve had the opportunity to meet a number of times with the **Governor and his key staff**, both individually and with the presidents, to discuss the Governor’s vision for postsecondary education and how CPE can be a more effective partner in these efforts. CPE also had the great honor of working with the Governor and his staff to realize his vision for a **higher education symposium** in December, bringing together the board and administrative leadership of all postsecondary institutions, public and private, to hear from Arizona State University President Michael Crow, a national higher education leader and recognized disrupter of the status quo. We modeled the successful **2019 Trusteeship Conference** on this event, bringing in speakers and hosting sessions designed to challenge traditional thinking, including remarks by Governor Bevin about the importance of postsecondary education and training to Kentucky’s workforce and economy.

We have **increased our work with the legislature** over the past year, particularly as we've worked to finalize the 2020-22 budget recommendation. Several weeks ago, I testified before the Appropriations and Revenue Committee about Kentucky's new performance funding model and regularly field questions from members of the General Assembly about the model and its impact on Kentucky students and campuses. That same day, we were asked to comment on the state's financial aid programs before the A&R Subcommittee. Over the course of the last year, CPE has testified or responded to questions before various legislative committees five to six times on issues ranging from higher education affordability, to teacher training, to pensions, to state funding. As the 2020 session draws closer, we anticipate additional requests to appear before committees, particularly around budget and finance issues.

I have also made it a priority to build **stronger relationships with individual legislators** to ensure they know they can count on me and my staff if needed and that that we are seen as a trusted, credible resource in their decision-making processes. We regularly respond to information requests, meet legislators and LRC staff, and provide advice and counsel as needed. In the next couple of weeks, we will roll out a new informational tool for legislators that provides **county-specific higher education data**. The data should help provide greater context and detailed information about the impact of higher education in their regions and on their constituents.

Looking toward 2020:

I am pleased with our progress over the past year in this priority area. As I shared with you in my interview process, one of my highest goals was to focus on higher education's value proposition and develop a comprehensive, strategic process to communicate the message that Higher Education Matters. Through the statewide Listening Tour, aggressive communications strategies, engagement at the state and national levels, ramped up data and analytics supporting key messages, and targeted engagement with key decision makers and policy leaders, **I believe we have begun to change the public narrative in Kentucky about the value of postsecondary education**. I have certainly positioned myself and the agency as a proud and vocal champion of the transformative power of postsecondary education and how it is the key to Kentucky's economic future.

As I look to the coming year, I will keep my focus on our work in this area. While my listening tour will have concluded, **I will continue to be visible throughout the state**. I'll make visits to campuses (two- and four-year, public and private) that I did not get to this year. I'll also make a concerted effort to speak to our K-12 partners and business and industry organizations and groups across the state, building bridges and strengthening relationships.

While I feel good about the progress we've made this year in terms of our government relations work, I'd like to do more in the coming year. We will be working with and developing relationships with a new administration, and will be briefing and orienting the governor's staff on higher education budget

and policy issues. We are making progress in terms of communicating the value of this organization to our legislative and executive branch partners, but we need to keep the momentum up, including **briefing sessions for new members**, more **policy briefs and backgrounders**, and more regular meetings and communications.

I also want to focus more on **sharing personal stories of students and families** whose lives have been transformed by higher education. Numbers and research can tell us a lot, but until we can put a face to an issue, challenge, or accomplishment, it is hard to truly communicate the power of education and why higher education matters.

Priority 2: Make higher education affordable for all Kentuckians.

Supporting reinvestment in postsecondary education:

Significant cuts to Kentucky's public colleges and universities over the past decade have shifted a larger portion of college costs to students and their families. Kentucky is one of only five states that saw a decline in state funding from 2018 to 2019, a downward funding trend that has persisted since the great recession. Since 2007-08, public institutions have been cut 21% in state general fund appropriations with significant increases in mandated pension contributions. A central part of my *Higher Education Matters* message over the past year has been to **emphasize the importance of targeted state investment in postsecondary education** to help mitigate the growing burden on students and to drive performance improvements. We have highlighted this message before legislative committees, civic groups, media interviews, op-eds, and listening tour visits.

The **unified postsecondary budget request**, recently adopted by the board, reinforces the message about the need for greater state investment to help maintain affordability. The budget request development process has been a year-long effort and has consumed a significant amount of my time and effort and that of the staff, particularly since early spring. The process has benefited greatly this year from the active participation of members of the board's new Finance Committee, particularly Vice Chair Brandstetter, who helped shape a streamlined budget request targeting **two key objectives: increased support for performance funding and asset preservation**. The total operating funds request is a 6.2% increase in the first year and an 8.8% increase in the second year. The second part of the budget request calls for \$400 million of state bond funds matched with \$200 million of campus funds, which would address less than 10% of the estimated capital investment needs of the state-owned buildings. I am pleased that all of our campus presidents have indicated their willingness to support this streamlined budget request.

Tuition and Fees:

CPE's tuition-setting authority is one of its most important responsibilities, and one that sets it apart from other coordinating boards around the country. The board took action in 2018 to set tuition parameters on a two-year cycle aligned with the biennial budget and as a consequence, the **tuition deliberation process** during the spring for the 2019-20 academic year was less contentious than in year's past. All increases complied with the two-year tuition and mandatory fee ceilings adopted in April 2018. Those ceilings were a maximum base rate of 6% over two years with no more than 4% in any one year for the research and comprehensive institutions. At KCTCS, the Council limited tuition and mandatory fee increases to no more than \$12 per credit hour over two years, with a maximum allowable \$8 per credit hour increase in any one year.

Given the loss in state support for campus operations, declining numbers of secondary students, and increased pension costs, staff worked with the campus representatives to develop proposed **changes to Kentucky's nonresident tuition and fee policy** to allow institutions greater flexibility in out-of-state student pricing. Over the past eight months CPE's finance team and I worked with campus presidents and business officers to develop revisions to the policy for consideration by the Finance Committee and full board. The new policy, approved at the October 2019 board meeting, will provide a more favorable recruitment environment for nonresident students, while maintaining fair and adequate nonresident tuition and fee revenue to the campus.

As a precursor to this policy change, CPE is developing Memoranda of Agreements with several campuses to **implement tuition and institutional financial aid models to enhance student recruitment, retention, and completion**. For example, the MOA with KSU allows non-resident tuition rates to be set at 150% of the rate for resident students with the condition that the university support scholarships for non-residents students who pursue degrees in high demand workforce areas. Our goal through strategic initiatives like this is not just to grow and sustain enrollment, but to make an undergraduate education affordable and accessible to all students.

Strengthening outreach, financial literacy mentoring and "college knowledge"

Improving college affordability often is about more than funding. The knowledge students have about the college going process and the support they receive navigating that decision often is the deciding factor about whether they will be on a postsecondary path after finishing high school. CPE was awarded the **state GEAR UP grant** last October. The program is near and dear to my heart because I've seen first-hand its power to reset the trajectories of so many lives on a positive course. This seven-year, \$24.5 million federal grant is focused upon increasing the number of students from low-income backgrounds who graduate from high school and enroll in postsecondary education. We estimate that over the course of the grant more than 13,500 students will be impacted.

This year has been a whirlwind for the program. I appointed a new GEAR UP Executive Director, and together we quickly put together the Frankfort-based leadership team. Since then, 31 field staff have

been hired to provide services at Gear Up schools across the state. To ensure graduating high school seniors receive continued support services through their first year of postsecondary education, **GEAR UP has built partnerships** with nine public postsecondary institutions including ECU, KSU, MoSU, NKU, UK and four KCTCS colleges. We've also partnered with a number of organizations and businesses, including the Kentucky Broadcasters Association, Prichard Committee on Academic Excellence and Texas Instruments, to help provide resources and training for students, parents and schools.

An ongoing effort with the state's financial aid directors encourages **responsible borrowing and improved financial literacy**. At the direction of the board, in 2018 we began conversations with the public universities and KCTCS about developing and implementing a program to regularly advise students about the amount of debt they have, estimated monthly payment amounts, and strategies for more responsible borrowing. The resulting **student loan letters** are now in use at most of our public universities and community colleges. We will be working with the campuses over the next couple of years to evaluate the impact of this program, if it is leading to reduced debt, and if it is affecting graduation outcomes. We are now in conversations with some of the aid directors about developing and implementing "paying for college" content to fulfill part of the new financial literacy requirements in the K-12 curriculum.

Student aid and financing strategies:

One of the five recommended priorities that came out of the board retreat last February was for CPE to look more closely at the pros and cons of Kentucky developing a Tennessee-type **promise scholarship program**. Over the past several years CPE has closely evaluated a variety of state promise programs, developed financial projections based on various legislative proposals, visited Tennessee to review their programs, and consulted with policymakers as the **Work Ready Scholarship (KWRS** and Kentucky's promise program) was developed, modified and implemented. The most recent CPE policy paper on promise programs, written in response to the board's request in February, can be found [here](#). We have recommended changes to the KWRS program to expand access to those students enrolling in applied associate degrees as well as certificate programs and will continue to work with KHEAA and policy makers to increase utilization of the program, particularly for adult learners.

At the request of the board, I've directed staff to explore innovative college financing strategies such as **Income share agreements (ISA)** that emphasize a shared responsibility between the state, students, and future employers in meeting college costs. ISAs have received a lot of attention lately as a new approach to paying for college. Rather than paying tuition up front, students agree to give up a percentage of their future income for a set period of time. Staff's policy paper on ISA's can be found [here](#). We also hosted [a session](#) on ISAs at the most recent Trusteeship Conference to help generate a broader discussion about this approach. Staff also have begun reviewing other innovative financing strategies, including providing tax incentives for businesses to help support current and future employees as they seek to skill up and further their educations.

CPE has developed a strong partnership with the Prichard Committee for Academic Excellence around their college affordability work. Over the past year CPE staff have worked with the Prichard Committee to help frame statewide conversations around college affordability, consult with them about affordability policy, and have provided [extensive college cost and financial aid data](#) to help further their conversations. I've served on **Prichard's Higher Education Affordability Workgroup** with legislators, higher education leaders and other policymakers, and anticipate a work product later this year that will help Kentucky develop more sound financial aid and college financing strategies, both at the state and institutional levels.

Strategies to help students finish on time:

One of the most important strategies for improving college affordability is to ensure students finish their programs, and **graduate on time**. On-time graduation can mean thousands of dollars in savings in terms of tuition, fees and other college-related costs. It also means students are moving more quickly into their careers, earning money sooner, and getting a jump start on their lives. Several years ago, CPE introduced **15 to Finish**, a messaging and outreach campaign to highlight the importance of on-time graduation. Most of the public campuses adopted their own versions of this initiative, and this work continues to drive a message throughout the state that on-time graduation is priority.

Dual credit is another important strategy that has a number of goals, but chief among them is to help students get a jump start on college, save tuition dollars, and graduate on-time. The number of students taking dual credit courses and the credits earned has exploded over the past couple of years, in large part due to the new **Dual Credit policy** advanced by CPE, the **Dual Credit Scholarship Program** introduced in 2016, and the expansion in 2019 of the KWRS to include dual credit students. In the past four years, [dual credits earned by Kentucky high school students](#) have more than doubled and have benefitted students transitioning to career and technical education programs and on to academic pathways.

We are doing an analysis to determine the effectiveness of dual credit on student retention and graduation and will be working with the General Assembly in the upcoming session to increase the dual credit scholarship reimbursement amount to better cover the cost of providing these courses. We are also **working with institutions and KDE to update the statewide dual credit policy**, which was adopted in 2015 before the creation of the Kentucky Dual Credit Scholarship Program and the Work Ready Kentucky Scholarship Program.

CPE is working with campuses to revise their **credit for prior learning policies**. CPE recently brought together institutional representatives with experts from the College Board and Cambridge International to learn more about AP, CLEP, and Cambridge curricula and exams. Institutions are now evaluating whether they are offering the appropriate course equivalencies for successful completion of these exams.

Looking toward 2020:

We have a lot of work to do in the coming year to ensure college is affordable for all students. While the *Higher Education Matters* message is making a dent in public conversation about higher education as a public good and its value as a priority state investment, one of my goals is to encourage **more champions and advocates** delivering this same message. More of our presidents, campus trustees, school leaders, parents, media influencers and others need to pick up the mantle and tell the story about why higher education matters and why it is important that the state to do their part to help keep it affordable for Kentucky students.

2020 will be a critical year for the GEAR UP program with increased services and the addition of a new year of student participants. In our **GEAR UP program**, CPE has a small army of passionate, dedicated staff working in school districts and on postsecondary campuses to ensure that more of our at-risk students see a success pathway beyond high school. I want to capitalize on that energy and that hands-on perspective to help us assess and perhaps **rethink some of our strategies and policies** around financial literacy, outreach, and affordability, including professional development for high school counselors and improved mentoring.

We have only begun to scratch the surface in terms of working with campuses on **innovative financial literacy and need-based aid strategies**. The University of Kentucky's data-driven LEADS program has identified the unmet financial need tipping point that keeps most students from completing their degrees, and through targeted aid and wrap around services and supports, is helping these at-risk students complete their programs. It's a model that can and should be replicated throughout the state. Hazard Community College is experimenting with **debt forgiveness strategies** to encourage students with an outstanding balance at the campus to come back and complete their programs. This is a strategy that is seeing success in other states and should be tested on several campuses here in Kentucky. In the coming year, CPE staff will be looking at these models and others and facilitate statewide conversations and (if merited) policy proposals in these areas.

Priority 3: Ensure more students earn degrees or certificates regardless of race, income, age, or geography.

Strategies to incentivize student success:

Kentucky's new **performance funding model** has been a game changer in terms of moving the needle on college completion, particularly for low income and underrepresented minority populations. Now in its third year of operation, the funding model distributed \$31.0 million in 2018-19, and \$38.7 million this academic year. Over the past two years, degrees and credentials grew at an average rate of about 4.0% per year, putting Kentucky on track to achieve its 60x30 attainment goal.

One of my key priorities over the past year has been to work with our staff, campus representatives and legislative leaders to **evaluate the effectiveness of the current model** and begin the work of determining needed changes to assure it continues to work as intended. As I have shared with the board on numerous occasions, I have significant concerns about the impact of discontinuing the stop loss and hold harmless provisions scheduled through 2020-21, particularly for KSU and MoSU, our smallest campuses. I commend the board and the finance committee for including a recommendation to extend the 2% stop loss provision through 2021-22 in the budget request, and it will certainly be among my highest priorities in the upcoming legislative session to assure that provision is adopted.

I introduced a **new competitive grant program** this spring to incentivize and promote high impact student success strategies. This spring, following a competitive review process, the Council awarded \$50,000 **Stronger by Degrees Student Success** grants to five campuses to improve student progression and completion, with a special emphasis on low-income and underrepresented minority students. Campuses include Eastern Kentucky University, Northern Kentucky University, Bluegrass Community and Technical College, Maysville Community and Technical College, and Owensboro Community and Technical College. Campuses are required to provide both a mid-term and final report to CPE, and CPE staff are currently visiting each of the campuses to see their programs in action.

We are pushing forward on the board recommendation from the February retreat to develop a state-level online portal to improve information and communication regarding the college going process. A \$2 million funding request for a **College to Career Pathways Portal** was included in the 2020-22 budget proposal. Funding would be used to develop an online portal that would help students from all backgrounds understand career options, pathways, and college costs. This site will facilitate course and program comparisons across institutions, transfer of credits, and credit for prior learning.

Closing achievement gaps:

The Committee on Equal Opportunities presented results of its first comprehensive review of campus progress tied to **Kentucky's Diversity, Equity and Inclusion policy** at the Council's June meeting and I couldn't be happier with the results of this pioneering work. The new policy calls for a broader evaluation of campus diversity and equity efforts than in year's past and includes a qualitative component as well as quantitative. We are asking a lot of our colleges and universities, and they have stepped up, not only through the thoughtfulness of their reports, but in the **significant increases in student success and workforce diversity** we are seeing, particularly among our underrepresented minority populations. Reporting also includes a new "lessons learned" section that requires campuses to reflect on progress and discuss changes they plan to make moving forward. Kentucky is the only state in the nation to tie new academic program approval to outcomes of campus progress toward equal educational opportunity goals.

We hosted **Kentucky's first Higher ED Equity Symposium** at the University of Kentucky on November 14. Session highlights included: the status of race and ethnicity in higher education in Kentucky; emerging

trends in equitable practices as they relate to higher education; challenges and concerns about issues of diversity, equity and inclusion on Kentucky's campuses; and peer networking opportunities.

I'm also pleased to report that earlier this year CPE was awarded a **\$50,000 Equity Minded Leadership grant from the Lumina Foundation** that will allow us to focus on two activities in the coming year to help us drive our equity agenda: The first involves the creation of a **Kentucky cultural competency certification**. Campus representatives have expressed an interest in such an effort in order to emphasize the importance of cultural competency on their campus. A workgroup will determine the critical elements of cultural competence, along with an outline of the mechanism for certifying individuals as culturally competent. The second activity will be to help provide CPE's successful **Academic Leadership Development Institute** to another cohort of minority faculty and staff. The program had been suspended this year due to funding and staff shortages.

Improving pathways to and through college

At the core of Kentucky's Strategic Agenda, and central to priorities as CPE President is to ensure more students successfully enroll, progress, and graduate. I recently launched **CPE's new Faculty Advisory Network** to help engage a broad group of teaching professionals in a statewide dialogue about student success strategies and provide input on state-level policies and initiatives. This group will provide an ongoing, informal forum to share information and advise me on innovative solutions to accelerate student success. The first meeting of the network is set for later this month.

I have also restructured our academic affairs department to make student success its highest priority. In addition to promoting Melissa Bell to Vice President, we recently hired CPE's **new Director of Student Success**, and are in the process of bringing on another director who will focus specifically on developing and evaluating academic policies that contribute to program completion.

In April, we hosted our **eighth annual Kentucky Student Success Summit** with more than 400 university and college educators and staff in attendance. The summit theme, "Organizing for Student Success," focused on the fundamental question: Is Kentucky's postsecondary system designed for student success? The agenda featured nationally recognized student success experts who shared evidence-based best practices leading to higher levels of student learning and retention. This is one of CPE's signature public events, and this year's conference did not disappoint. I am still hearing from attendees who learned about actionable strategies from the event and are applying them on their own campuses.

One of the biggest challenges facing higher education is our ability to retain, progress, and graduate students on time. This requires seamless, well designed, well communicated program pathways, both within a single institution and, in the case of transfer, among one or more campuses. We know that too many of our students face unnecessary roadblocks that push them off a success path due to poorly designed program pathways, or unnecessarily complex curriculum designs. Earlier this year, we

developed a **partnership with UK to apply a cloud-based analytics platform to facilitate transfer and timely program completion**. This work is designed to create a transfer articulation system to replace the current system and create online degree plans for each public college and university in the state. The resulting system will allow students to compute a degree plan or roadmap that starts at one Kentucky school and finishes at another, and campuses to simplify overly complex curricular pathways.

We launched an information section on our **website for military students** soon after I took over as president in November 2018 to help veterans and current military personnel enroll in postsecondary institutions and transfer credit. CPE and Kentucky campuses have been working to simplify the transition process from military service to postsecondary education, improve communications, and lower costs for military families. At the heart of this work is [CPE's Guiding Principles for Military Credit](#) to create a uniform and consistent approach for the treatment of credit for prior learning earned while serving. Our site also includes links to online resources specific to the needs of veterans and military personnel.

Campuses began implementing **CPE's new minimum admission standards** this fall, and I'm pleased to report that the transition has gone smoothly. The changes to the admissions regulation, adopted by the board last fall, was amended to simplify the current minimum admission criteria and related course placement. It requires that traditional high school graduates admitted to a public university have a high school GPA of 2.5 on a 4.0 scale. Students with a 2.0 to 2.49 may enroll, but only after signing a learning contract with the institution that requires learning goals and expectations. The amendment also **mandates the implementation of the corequisite model at public universities** for students needing remediation to help them obtain a degree more quickly by earning credit while receiving those needed additional supports. This approach results in less cost to the student than traditional developmental models.

Supporting Adult Students

I am pleased to report that earlier this fall, Kentucky was selected to participate in **Degrees When Due**, a national initiative of the Institute for Higher Education Policy (IHEP), to help students who have some college credits complete their degrees. The initiative will allow campus liaisons to learn best practices in adult completion strategies, while re-engaging students who have stopped out of their studies. Kentucky's universities will use the program to expand **Project Graduate**, a degree completion program for adults with 80 or more credit hours. Community colleges will have access to a variety of resources to help them audit students' previously earned and transfer credits (reverse transfer) to determine the most efficient pathway to graduation. CPE staff will facilitate and manage this initiative.

Over the past decade CPE's **Project Graduate** has been a national model in statewide efforts to encourage adults to return to college and finish degrees. Last spring I launched a **competitive funding program** to encourage ongoing innovation and excellence in the Project Graduate program. We awarded \$25,000 in strategic funds to two campuses. UK will identify former students that qualify for

the new Bachelor of Liberal Studies program, expand the model to other colleges, and develop a scholarship program. NKU will address financial barriers for 100 students by waiving orientation fees and offering book stipends, and will address completion barriers of 100 students through free credit-by-exams. Our data and analytics team also launched a new interactive [Project Graduate dashboard](#) this spring to help us assess outcomes and effectiveness.

Our work to encourage more adults to skill up and finish a higher education degree or certificate got a major boost early this year when we were awarded a **\$400,000 grant from the Lumina Foundation's Adult Promise program** to help boost adult learner participation in and awareness of Kentucky's Work Ready Scholarship program (WRKS). This spring CPE launched three pilot sites to drive more adults to WRKS, provide ongoing mentoring and advising, increase KCTCS's responsiveness to adult needs and schedules, and provide referrals to community-based programs to assist with transportation, child care, and other life emergencies. We are also using grant funds to host regional partnership meetings and professional development in the pilot areas. In February, we will host Kentucky's first Adult Learner Convening to strengthen coordination among service providers and increase awareness of and sensitivity to the challenges adult learners face.

Looking toward 2020:

Much of our work in the coming year to close achievement gaps and ensure more students graduate will build on current efforts. We are building out academic pathways and streamlining transfer, but 2020 will be a critical year in terms of launching a **new transfer articulation structure** and a system that creates and communicates roadmaps for all programs. In addition, we are working with institutions to **incorporate employability skills throughout general education and the majors**. The first step in this process is creating a statewide Essential Skills Profile that highlights the characteristics and competencies of our college graduates.

Per the statutory requirement, we will bring together members of the **performance funding workgroup** in the summer of 2020 to undertake a thorough evaluation of the model and propose recommended changes. The workgroup, made up of campus, executive branch and legislative representatives, will consider any unintended consequences of the model, whether it is driving the kinds of change and improvement anticipated, and whether it is leaving any student groups, campuses, or regions behind.

We need to **accelerate our efforts focused on adult learners**, and develop the kinds of outreach, support services, and adult-friendly programs that are needed to assure greater participation and success. While I have high hopes for our work through Lumina's Adult Promise initiative, it will not provide needed systemic change in the ways many of our institutions do business. Despite improvements over the years, Kentucky colleges and universities provide services and programs largely organized around traditional age students. If we are to make the kind of progress we need to on our 60x30 attainment goal, our programs and policies must evolve to embrace our adult learners.

I am also committed to continuing my policy of listening to the perspectives of all of our higher education stakeholders through regular convenings and advisory groups. In addition to the faculty advisory group mentioned above and the business group mentioned in the next section, we will be launching my **student advisory group** next semester. This group will be comprised of students from all demographic groups and from all backgrounds.

Priority 4: Meet Kentucky's current and future workforce needs through high-quality, innovative programs.

Workforce Alignment:

While I am pleased with all we have accomplished this year in each of our priority areas, I am perhaps most proud of the work we are doing to better align postsecondary education programs and outcomes with the state's workforce needs. Soon after being named president I **created an office of workforce alignment** within the agency, and brought on Greg Rush (formerly at the Cabinet for Workforce Development, KSU, and LRC) to help lead this work. I have also assigned workforce-related responsibilities to several other high level staff, and will be looking to build out this area with additional expertise as funding permits.

This year Kentucky became the first state in the nation to pilot a certification process to ensure graduates are ready for the workforce with essential employability skills that employers say are often lacking in graduates. The **Essential Employability Qualities (EEQ) certification** was launched last fall, and three programs were recently certified, including two bachelor's degree programs at Murray State University and an associate degree at Bluegrass Community and Technical College. The certification also ensures that employers have helped shape the program design and evaluation. Four other campuses are pursuing certification of their programs, including Kentucky State University, University of Kentucky, Gateway Community and Technical College, and Jefferson Community and Technical College. Criteria used to evaluate the programs relate to graduate preparation, career support services, employer engagement, student and alumni engagement and career information.

As part of the EEQ process, we created a **Stakeholder Advisory Council** this year to help guide the program and provide ongoing feedback about business and industry workforce needs. Members include representatives from UPS, Baptist Health System, Toyota, Jim Beam, local workforce investment boards (EKCEP), the Kentucky Chamber of Commerce, Kentucky Skills U, and various campus representatives. The group meets regularly to discuss the project, and Kentucky's workforce gaps and opportunities.

Academic program review and approval:

One of most challenging and potentially impactful projects we have begun to undertake this year is the **overhaul of CPE's Academic Program Review process and policy**. CPE is statutorily required to review all academic programs to assure they are consistent with institutional mission, aligned with the state's strategic agenda, don't unnecessarily duplicate programs within and among institutions, and are delivered effectively and efficiently. For years CPE has led a program review process that has varied widely among institutions and, at times, been ineffective. This new process responds to the board's call for a more data-driven process to help guide internal decisions about program needs and improvement. Through a partnership with Gray Associates, we have begun a comprehensive data collection and evaluation process to capture information about program costs and post-graduation outcomes, information that most institutions have struggled to provide in past program review cycles. Ideally, these data and the resulting analysis will help demonstrate the value of the programs to students, accreditors, and the general public, and help campus leaders make program decisions that are right for their campuses.

We have also responded to the board's concerns about CPE's **approval process for new academic programs** by devoting more time for board review through the newly-formed Academic and Strategic Initiatives Committee, including more information about projected program costs and graduation outcomes in the agenda materials, and brought campus representatives to each meeting to explain the program proposals in depth to the Committee. The resulting process is more comprehensive, while also streamlined to make the best use of the board's time. We will continue to work with campuses to update the program approval policy to incorporate the changes made over the past year and streamline the process.

Workforce-related research and analysis:

Our work in this priority area increasingly has been driven by new data sources, research and analytics. CPE is a founding member and contributing partner of KYSTATS, a data and research collaborative that combines data sources to allow longitudinal analysis about education performance, and employment and workforce outcomes of Kentucky graduates. In recent years the partnership with KYSTATS has resulted in nationally-recognized projects like the Postsecondary Feedback and Future Skills reports. This year we worked with KYSTATS on developing the **Postsecondary Education Return on Investment report** to highlight the economic benefits to both the individual and the state. We are partnering with EMSI, a national research organization, to dive more deeply into two high demand workforce areas: **engineering and healthcare** and help us better understand current and future workforce demand, postsecondary program alignment, and employment outcomes for program graduates. These reports will be presented to the board at the January or April, 2020 meeting.

Statewide Service:

I have had the privilege this year of serving on two important statewide groups looking at Kentucky's workforce needs and developing long-term strategies to better respond to changing demands and

demographics. A few years ago, the Kentucky Chamber of Commerce launched the **Business-Education Roundtable**, and work on a set of statewide strategies began in earnest last fall. The resulting call to action, [Striving to Be Top Tier For Talent](#), was released in December 2018. I was honored to be to join Chamber President Dave Adkisson at their annual legislative conference to introduce the report and share its findings. During the first half of this year, Jay Box and I jointly chaired a subcommittee of the Roundtable charged with developing strategies to get more Kentucky adults better trained and educated. Those recommendations are currently being folded into a larger Roundtable agenda, which will be released in early December of this year.

Last fall, Governor Bevin invited me to serve on his new **Kentucky Workforce Collaborative** representing postsecondary education. The group is charged with implementing the state's workforce strategies, evaluating progress, and driving change and improvement. The Collaborative has undertaken a massive task, and has established four subcommittees (CPE has a seat on each) that meet regularly to help move the project ahead. It has meant a significant time commitment for me and my staff, but the goals are critical and I have been honored to participate in this work.

National Projects:

This fall Kentucky was one of eleven states chosen to participate in the **Credentials of Value Institute**, a national initiative supported by the Lumina Foundation to help states establish a priority list of high-value, non-degree credentials that is uniform across K-12, postsecondary, and workforce development. The initiative is also designed to help states create a framework to identify which credentials should count for postsecondary credit and determine those that should count toward postsecondary attainment goals. The Kentucky team is comprised of CPE, KDE, KCTCS, Workforce Cabinet, and KYSTATS representatives and represents strong cross-agency collaboration on a critically important education and training topics. We anticipate this work will help inform upcoming performance funding discussions this summer as we review/consider how we weight and count sub-associate postsecondary credentials in the funding model.

We also recently learned that we were chosen to participate with several other states to access Gallup survey data of residents' perceptions of higher education and its role in assisting Kentucky students meet their career goals. The Education Commission of the State's (ECS) initiative, **Connecting Education and Work**, will be a year-long effort to help us draw meaning from these data, and build connections and learn from other state teams. We also will benefit from ongoing ECS technical support as we use these data to help formulate or implement policy approaches designed to fill the gap between education and work. Kentucky team members include representatives from CPE (team lead) KHEAA, KCTCS, and university representatives.

Looking toward 2020:

One of my goals in these priority area is to strengthen **Kentucky's commitment to providing work-based learning opportunities** for postsecondary students. I have said publically on several occasions,

including in front of more than one legislative committee, that by 2030 I want every student to graduate having benefited from a quality internship, co-op, apprenticeship, or other work-based learning opportunity. These experiences will contribute to a greater chance of graduation and help launch students into careers. Part of this effort must include earlier and more comprehensive career advising to help students make informed decisions about choosing a major aligned with career and personal interests. We have not made as much progress as I would have liked in this area. Our EEQ effort is putting a spotlight on the importance of work-based learning, as is the new program review and approval process. But more must be done. I look forward to tackling this issue more deeply in 2020.

Another area of work that I plan to expand next year is to partner with KDE and local education entities to **strengthen our educator preparation programs** and build the pipeline of quality teacher candidates representing the demographic and geographic diversity of the state. One of my immediate goals is to hire a staff member who has the background, stature and expertise to help lead these efforts and work with our colleges of education.

Related to this work, I will be working with our P-12 partners and other stakeholders to explore **reestablishing Kentucky's P-20 Council**, which last convened in 2012. While not a policy-making body (at least in its former iteration), the P-20 Council can provide an important forum to bring together representatives from all tiers of education to consider ideas about improving education and career pathways and increasing student success at all levels. It can help focus the state's attention on important educational transition and performance issues, including teacher quality, professional development, standards and accountability systems, placement policies, and dual credit. My hope is that it also will help connect and elevate the work of local P-20 Councils.

Linked Appendices:

- Progress Report: [Kentucky's Progress toward Postsecondary Strategic Agenda Goals, April 2019](#)
- Report: [Kentucky's Degree and Credential Production, 2013-2018](#)
- CPE Priorities document: [Building Lifelong Success and a Stronger Kentucky through Higher Education](#)

Attachment:

- Finalized employment contract, Aaron Thompson

EMPLOYMENT CONTRACT
The Council on Postsecondary Education
For The Commonwealth of Kentucky
&
DR. AARON THOMPSON

THIS EMPLOYMENT CONTRACT (the "Contract") is made and entered into as of February 4, 2019, by and between *THE COUNCIL ON POSTSECONDARY EDUCATION FOR THE COMMONWEALTH OF KENTUCKY* (the "CPE" or "the Council") and Dr. Aaron Thompson (the "PRESIDENT").

WHEREAS, KRS 164.013 assigns responsibility for the employment of a president to the Council on Postsecondary Education; and,

WHEREAS, the CPE desires to provide the PRESIDENT with a written employment contract in order to enhance administrative stability and continuity of the agency, and improve the quality of the overall postsecondary education system; and,

WHEREAS, the CPE and the PRESIDENT believe that a written employment contract is beneficial in describing specifically their relationship and to serve as the basis of effective communication between them as they fulfill their governance and administrative functions in the operation of the postsecondary education system for the Commonwealth of Kentucky;

NOW, THEREFORE, the CPE and the PRESIDENT in consideration herein specified, agree as follows:

Section 1: Contract Period

A. General Term

The CPE, in consideration of the promises of the PRESIDENT, as set forth herein, hereby employs, and the PRESIDENT hereby accepts employment as the PRESIDENT for the CPE, under the terms and conditions stated in this Contract, for a term beginning November 1, 2018, and ending on December 31, 2020 (the "Term" of this Contract).

B. Provision for Extension and Notice of Non-renewal

The CPE may by specific action and with the consent of the PRESIDENT extend the term of this contract to the full extent permitted by state law. Each year, at the conclusion of the presidential evaluation process, the Council shall decide whether to extend the contract for an additional period, and shall notify the PRESIDENT of that decision.

Section 2: Contract Terms

A. Duties

The *PRESIDENT* shall be the chief executive and administrative officer of the *CPE* all postsecondary education matters and functions placed under its management and control. The *PRESIDENT* shall carry out all duties assigned to him by law; shall execute under the direction of the *CPE* the postsecondary education policies, orders, directives, and administrative functions of the *CPE*; and shall direct the work of all persons employed by the *PRESIDENT*.

The *PRESIDENT* shall serve as secretary to the *CPE* and all the *CPE* committees, and may provide administrative recommendations on each item of business considered by each of these groups. The *CPE* shall have the right, however, to go into executive session to discuss issues permitted by state law without the *PRESIDENT* being present.

No policy or bylaw of the *CPE* shall diminish the *PRESIDENT*'s power or authority as prescribed by the Kentucky Revised Statutes. All duties assigned to the *PRESIDENT* by the *CPE* shall be appropriate to and consistent with the professional role and responsibility of the *PRESIDENT*.

B. Terms of Employment

Subject to the conditions stated in this Contract, the *PRESIDENT* shall serve at the pleasure of the *CPE*.

Section 3: Compensation and Benefits

A. Compensation

The *PRESIDENT* shall receive a base annual salary of two hundred seventy-five thousand dollars (\$275,000) for the term of the Contract, commencing no later than November 1, 2018, and ending December 31, 2020). This salary shall be paid to the *PRESIDENT* in accordance with the schedule of salary payments provided for by applicable statutes or by the policies and procedures of the *CPE*.

The *CPE* and the *PRESIDENT* may mutually agree to adjust the salary of the *PRESIDENT* during the term of this Contract. And, following each annual review of the *PRESIDENT*'s performance as provided for in Section 6.C, the *CPE* shall determine whether any such increase in salary is warranted by the *PRESIDENT*'s performance.

The Kentucky Revised Statutes provide that the *PRESIDENT* of the *CPE* shall be compensated at an amount no greater than the salary the president was receiving on January 1, 2012, or \$360,000 [KRS 164.013(6)].

Adjustments in compensation made during the life of this Contract shall be in the form of an addendum to this Contract. Such adjustments shall not, however, be considered a new contract nor shall such adjustments in compensation be considered an extension of the termination date of the Contract unless expressly stated in the addendum.

B. *Vacation and Other Benefits*

The *PRESIDENT* shall be entitled to all the benefits applicable to *CPE* employees pursuant to *CPE* policy or agreement, including, but not limited to, vacation, illness benefits and leaves, compensatory time, insurance protection afforded to employees by state law or *CPE* policy, retirement programs, tax-sheltered annuities provided as part of *CPE* policies and other employee benefits as are available to any *CPE* employees. The *PRESIDENT* also shall be entitled to other benefits as specified in this Contract.

The *PRESIDENT* shall carry his compensatory time earned in his prior capacity with the Council into his new position. The *PRESIDENT* shall also begin with a balance of twelve (12) days each in sick leave and annual leave. Moving forward, he will earn sick, annual, and compensatory leave in accordance with state law as applied to all *CPE* employees.

C. *Incentive Compensation* – During the Term of this Contract, the *PRESIDENT* will remain eligible to earn incentive compensation pursuant to terms and conditions agreed to in writing by and between the *PRESIDENT* and *CPE*, acting through the Executive Committee. Beginning in calendar year 2019, the President will be eligible to earn discretionary incentive compensation at an annual target amount of thirty percent (30%) of the President's Base Salary (the "Target Bonus Amount") based on achievement of individual and organization performance targets, metrics and/or management-by-objectives ("MBOs") to be determined and approved by the Executive Committee. Incentive compensation is paid on a quarterly basis after the close of the applicable calendar year and after determination by the Executive Committee of (i) the level of achievement of the applicable individual and organization performance targets, metrics, and/or MBOs, and (ii) the amount of incentive compensation earned by *PRESIDENT* (if any) in the prior calendar year. No incentive compensation is guaranteed and, in addition to the other conditions for earning compensation, the *PRESIDENT* must remain an employee in good standing with *CPE* on the scheduled incentive compensation payment date in order to earn any incentive compensation. Total incentive payments each year shall not exceed thirty percent (30%) of the *PRESIDENT*'s base salary and, when combined with the *PRESIDENT*'s base salary, shall not exceed the annual statutory salary limit set forth in KRS 164.013(6).

No later than December 31, 2019, the *PRESIDENT* shall submit to the Executive Committee a report detailing his progress on the agreed upon goals in the areas above. The Executive Committee shall review the report, evaluate the *PRESIDENT*'S progress in achieving those goals, determine the dollar amount of the incentive compensation within the parameters outlined above, and report its findings to the full board.

D. Goals and Incentives in Future Contract Years

In each succeeding year of this contract, as renewed and unless otherwise modified, the Executive Committee shall set annual goals, objectives and related incentives for the *PRESIDENT* prior to the beginning of each calendar year as described in Section 3.C. The *PRESIDENT* shall submit to the Executive Committee a report detailing his progress on the agreed upon goals no later than December 31st. If goals and objectives are met as determined by the Executive Committee, the *PRESIDENT* shall receive payment as a percentage of salary in the amount determined in quarterly installments (the 15th of February, May, August, and November) the following year. The Executive Committee shall report its finding to the full board at its next meeting.

Section 4: Expenses and Transportation

The *PRESIDENT* shall be reimbursed for actual expenses incurred by the *PRESIDENT* in the performance of his duties under this Contract [*KRS 164.013(11)*] and consistent with state law.

The *PRESIDENT* shall be furnished an allowance for a vehicle in the amount of \$1,500.00 per month along with a fuel card to be used solely for fuel purchases for the vehicle driven by the *PRESIDENT*. This amount shall constitute the entirety of the compensation to the *PRESIDENT* for use of a vehicle for purposes of carrying out his duties as president. No additional compensation for this purpose, including but not limited to fuel, mileage, maintenance, or repairs of any type, shall be provided.

Section 5: Political Activity

The *PRESIDENT* shall refrain from participating or being involved in any political campaign or in partisan political activities.

Section 6: Performance Evaluation

A. Annual Goals and Objectives

Annually and in addition to the incentivized goals, the *CPE* and the *PRESIDENT* shall mutually determine additional "goals and objectives" which shall represent the activities the *CPE* and the *PRESIDENT* agree that the *PRESIDENT* will pursue during the coming year. The "annual goals and objectives" shall be in writing and shall be among the criteria used in evaluating the performance of the *PRESIDENT* during the period for which the "goals and objectives" are written.

C. *Self-Assessment*

As part of the annual evaluation, the *PRESIDENT* will submit a detailed, confidential self-assessment to the *CPE*. The council annually shall establish a date by which the self-assessment is to be provided to the council or the evaluation committee established by the council.

D. *Evaluation Process*

The "annual goals and objectives" and the self-assessment shall be part of the overall evaluation. An oral evaluation will be conducted in executive session by the *CPE*, or a committee designated by the *CPE*, at a date and time mutually agreed on.

The *PRESIDENT* may, at his option, provide the *CPE* with a list of people he wants the *CPE* to interview. The *CPE* may interview these individuals and others they choose.

The *CPE* may consult with executive branch and legislative leaders who are key to implementing the *CPE* agenda and who work with the *PRESIDENT* on a regular basis.

The *CPE* may discuss the performance of the *PRESIDENT* with the presidents of the eight public universities and the president of the Kentucky Community and Technical College System and such other personnel of the public and private universities who work with the *PRESIDENT* and his staff on a regular basis.

The *CPE* will interview *CPE* staff as the *CPE* deems appropriate.

All interviews shall be confidential to the extent permitted by the Kentucky Open Records Act.

The *CPE* shall evaluate and assess the performance of the *PRESIDENT* at least annually. The evaluation shall be reasonably related to the position description of the *PRESIDENT* and the "annual goals and objectives" mutually agreed to between the *CPE* and the *PRESIDENT* and shall take into consideration such interviews and discussions with the presidents and other personnel as may be conducted under the above procedures of this Section.

Section 7: Termination of Contract

A. *Mutual Agreement or Retirement of the PRESIDENT*

This Contract may be terminated by mutual agreement of the parties or upon retirement of the *PRESIDENT* setting forth the conditions for such termination consistent with state law. The *CPE* shall not arbitrarily or capriciously call for the *PRESIDENT*'s dismissal.

B. Disability

In the event of disability by illness or incapacity, after the *PRESIDENT*'s sick leave, vacation, compensatory time and such other paid leave as may be available have been exhausted, the *CPE* shall continue to provide to the *PRESIDENT* the compensation set forth in this Contract for a period of ninety (90) days or until the termination of this Contract, whichever is shorter.

If the *PRESIDENT* has been absent from his employment for whatever cause for a continuous period of six (6) months and has exhausted all accumulated sick leave, vacation, compensatory time and such other leave as may be available, the *CPE* may terminate this Contract by providing the *PRESIDENT* with written notice. All other obligations of the *CPE* shall cease upon such termination except as provided by law or by the terms of the benefit plans applicable to the *PRESIDENT* under the terms of this Contract.

C. Termination for Cause

Discharge for Just Cause. The *CPE* may discharge the *PRESIDENT* for just cause by providing the *PRESIDENT* with written notice of the *CPE*'s intent to terminate under this Section. In the event that the *CPE* terminates this Contract under the provisions of this Section, the *PRESIDENT* shall not be entitled to any compensation beyond the date of the discharge except as provided by law or by the terms of the benefit plans applicable to the *PRESIDENT* under the terms of this Contract. Discharge for just cause may only be initiated based on conduct involving dishonesty, moral turpitude, or that constitutes a material breach of contract, including but not limited to material failure to perform the duties prescribed.

D. Termination for Other Reasons

- (1) **Unilateral Termination by CPE.** If the *CPE* terminates the *PRESIDENT* for any reason other than that contained in Section 7.C prior to December 31, 2020, then the *PRESIDENT* shall be entitled to full salary for the remaining period under the original contract and any incentive payments earned as outlined in Section 3.C and D. The *CPE* shall, if it chooses to terminate the *PRESIDENT* under the provisions of this paragraph, make such payments to the *PRESIDENT* as part of the regular schedule through the end of the contract period.
- (2) **Unilateral Termination by the PRESIDENT.** The *PRESIDENT* may, by giving a minimum of ninety (90) days written notice to the *CPE*, unilaterally terminate this Contract. In the event of such termination, the *PRESIDENT* shall not be entitled to any severance pay or any compensation or other benefits, including incentive pay, which would have otherwise accrued subsequent to the effective date of the resignation, except as provided by law or by the terms of the benefit plans applicable to the *PRESIDENT* under the terms of this Contract.

- (3) **Death of the PRESIDENT.** The death of the *PRESIDENT* shall automatically terminate this contract and end all obligations to the *PRESIDENT* for any compensation or other benefits beyond the date of the *PRESIDENT*'s death, except as provided by law or by the terms of the benefit plans applicable to the *PRESIDENT* under the terms of this Contract.
- (4) **Changes to Kentucky Law.** The *PRESIDENT* and *CPE* understands that changes to the law related to the terms of the *PRESIDENT*'S employment, including but not limited to salary, may be affected through permanent statutory amendments or language captured in the enacted Executive Branch Budget. As such, the parties agree that as an agency of the Commonwealth, the *CPE* is required to comply with those directives notwithstanding any provisions of this contract to the contrary and shall do so immediately upon the law's effective date. Should such changes make the terms of the *PRESIDENT*'S employment no longer amenable, the *PRESIDENT* shall provide *CPE* sixty (60) days written notice of his intent to terminate this Agreement no later than thirty (30) days from the law's effective date. In the event of such termination, the *PRESIDENT* shall not be entitled to any severance pay or any compensation or other benefits, which would have otherwise accrued subsequent to the effective date of the resignation, except as provided by law or by the terms of the benefit plans applicable to the *PRESIDENT* under the terms of this Contract. If such written notice is not provided within the timeframe prescribed, the President shall be deemed to have agreed to such changes and this contract shall be considered to be so modified.

E. Notice

Upon notice of intent by the *CPE* to terminate the Contract of the *PRESIDENT* under the provisions of Sections 7.B or 7.C, the *PRESIDENT* shall have the right to written notice of the reasons for the termination.

Section 8: Savings Clause

If, during the term of this Contract, it is determined that a specific clause of the Contract violates federal or state law, the remainder of the Contract shall remain in force and shall not be affected by such a determination.

Section 9: Choice of Law and Forum

This contract shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. Any action brought by the parties on the contract, including but not limited to breach of contract or for enforcement of the contract, shall be brought in Franklin Circuit Court, Franklin County, Kentucky.

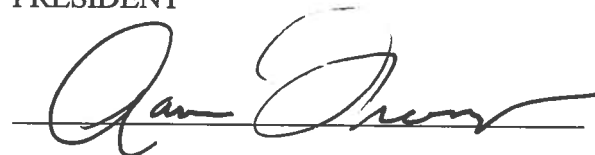
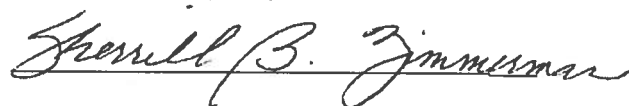
IN WITNESS WHEREOF, the *CPE* has caused this Contract to be approved on its behalf by the *Chair of the CPE* and the *PRESIDENT* has approved this Contract to be effective the day and year specified hereinabove.

DATE EXECUTED: _____

DATE EXECUTED: _____

COUNCIL ON POSTSECONDARY
EDUCATION (CPE)

PRESIDENT



BY: Sherrill Zimmerman

BY: Aaron Thompson

CHAIR

2019 Council on Postsecondary Education Presidential Incentive Compensation

Pursuant to Section 3.C. of the Employment Contract, the following constitutes the incentive compensation program approved by the Council's Executive Committee for President Dr. Aaron Thompson.

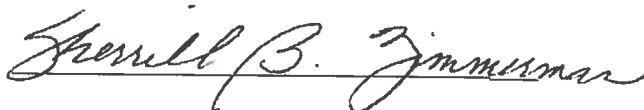
The Executive Committee may award incentive pay of up to thirty (30) percent of Dr. Thompson's base annual salary in 2020 upon its review of Dr. Thompson's progress toward accomplishment of the following in calendar year 2019:

The goals and objectives outlined below are aligned with the state's 2016-2021 strategic agenda for postsecondary education, which prioritizes educational opportunity for Kentucky residents, student success and completion in the higher education system, and higher education's value to Kentucky's workforce and economy. The Executive Committee will look holistically at the role of the PRESIDENT in advancing these goals and objectives, with a specific focus on the following for calendar year 2019:

- 1) Opportunity - Improve College Affordability: Work with institutions and KCTCS to develop and implement tuition and institutional financial aid models to enhance student recruitment, retention and completion.
- 2) Success - Strengthen Postsecondary-Workforce Alignment: Work with campus leaders, policy makers, and business and industry leaders to develop and advance strategies to strengthen career pathways for students.
- 3) Impact - Perform a strategic review of undergraduate academic programs.

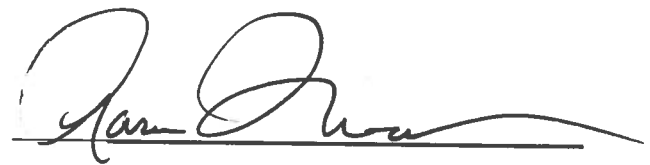
Having seen and agreed:

COUNCIL ON POSTSECONDARY
EDUCATION (CPE)



BY: Sherrill Zimmerman
CHAIR

PRESIDENT



BY: Aaron Thompson