

**MINUTES**  
**Council on Postsecondary Education**  
**September 22, 2003**

The Council on Postsecondary Education met September 22, 2003, at 12:30 p.m. at the Cincinnati Airport Marriott in Hebron, Kentucky. Chair Barger presided.

**ROLL CALL**

The following members were present: Walter Baker, Steve Barger, Bart Darrell, J. P. Davis, Richard Freed, Ronald Greenberg, John Hall, Esther Jansing, Charlie Owen, Joan Taylor, Lois Combs Weinberg, Charles Whitehead, and Gene Wilhoit. Norma Adams, Peggy Bertelsman, and Susan Guess did not attend.

A moment of silence was observed in remembrance of Otis Singletary, former president of the University of Kentucky.

**APPROVAL OF  
MINUTES**

The minutes of the July 28 meeting were approved as distributed.

**FOCUS ON REFORM:  
ANNUAL REPORT  
FROM AIKCU**

As part of the Council's focus on reform, Gary Cox, president of the Association of Independent Kentucky Colleges and Universities, gave an annual report on independent higher education in Kentucky. He said that the association represents 19 non-profit institutions across the state, educating about 25,000 students, offering 125 degree programs, and awarding about 4,800 annual degrees. The institutions are diverse, ranging from open admissions to highly selective institutions with a published tuition range of \$0 to \$20,400. Dr. Cox said that there is a misconception about the financial condition of students who attend independent colleges. He said that 43 percent of enrolled students receive a federal grant for low-income students. Nearly 100 percent of the full-time freshmen receive some form of financial aid, with more than half the financial aid funds coming from the independent institutions. He noted that Berea College and Alice Lloyd College are both work colleges (two of six such colleges around the country) and do not charge tuition. The independent institutions provide an array of programs and partnerships to strengthen economic development of their regions and are working to broaden partnerships with the Council and the state colleges and universities, including expansion of opportunities in Owensboro and transfer agreements with KCTCS and other institutions. Dr. Cox said that the independent institutions face many of the same challenges of the public institutions,

such as rising costs and growing tuition discount rate, and are working together to improve service and reduce costs.

Dr. Cox concluded with three recommendations to the Council: to maintain a strong commitment to state student aid programs; to evaluate the impact of postsecondary policies and initiatives on independent institutions; and to include independent institutions in state initiatives aimed at reducing costs, increasing enrollment, improving access, and enhancing quality.

Dr. Cox invited the Council to hold a meeting annually on an independent college campus.

Mr. Greenberg said that the independent colleges and universities provide a great service to Kentucky in providing a significant amount of training in the allied health fields. He suggested involving independent institutions in a state-funded pilot project to further develop this opportunity.

Dr. Freed asked Dr. Cox to provide additional information on the diversity of the independent institutions and how this diversity affects the information provided in the annual report.

2004-06 OPERATING  
AND CAPITAL  
BUDGET  
DEVELOPMENT  
UPDATE

Sherron Jackson of the Council staff gave a report on the development of the 2004-06 operating and capital budget. The agenda book included updates on the status of recommendations from working committees related to budget development, 2004-06 capital budget, tuition rates and revenues, central tendency calculation, benchmark funding model technical updates, and submitted special initiatives funding requests. Final recommendations will be presented at the November Council meeting.

ENDOWMENT MATCH  
PROGRAM GUIDELINE  
REVISIONS

RECOMMENDATION: The staff recommends that the Council approve the recommended revisions to the 2002-04 Endowment Match Program Guidelines.

Mr. Jackson said that the report on postsecondary education reform in Kentucky released by the Program Review and Investigation Committee in July 2003 contained several recommendations concerning the Council's administration of the Endowment Match Program. In response to these recommendations, an Endowment Match Program working committee comprised of Council staff and institutional officials developed revisions to the 2002-04 guidelines.

MOTION: Mr. Whitehead moved that the recommendation

be approved. Ms. Weinberg seconded the motion.

VOTE: The motion passed.

**KEY INDICATORS OF  
PROGRESS REVISIONS**

Mr. Layzell said that the Council staff has begun the process of revising the key indicators of progress toward postsecondary reform. A draft version of the revised indicators was in the agenda book. A revised list of key indicators and goals and a detailed accountability reporting scheme will be brought to the Council for consideration at the November meeting.

**COUNCIL  
POLICY GROUPS**

The Council has identified three important areas of policy as the focus of its work this year. Policy groups have been created to address each of these areas – affordability, seamlessness, and workforce/economic development. The policy groups will develop proposals for Council approval based on review of background materials provided by the Council staff and meetings with representatives from other local, state, and national groups addressing these issues. Detailed descriptions of the issues these groups will address over the coming year were included in the agenda book.

Chair Barger has appointed Council members to serve as follows: affordability – J. P. Davis, Charlie Owen, Joan Taylor, Lois Weinberg; seamlessness – Walter Baker, Peggy Bertelsman, Bart Darrell, Richard Freed, Susan Guess, Gene Wilhoit; workforce/economic development – Norma Adams, Ron Greenberg, John Hall, Esther Jansing, Charles Whitehead. Chair Barger will serve as an ex officio member on all three groups.

**FALL 2003 KENTUCKY  
ADULT EDUCATION  
ENROLLMENT**

Cheryl King, vice president for Kentucky Adult Education, reported that a record 109,880 Kentuckians enrolled in adult education programs in fiscal year 2003, representing an increase of 23,467 students. Adult education programs in 75 counties met their enrollment and performance goals and will share \$879,555 in reward funds to be distributed in fiscal year 2004.

Dr. King said that the number of non-high school completers earning a GED has significantly decreased since 2001. She said that the annual report is not yet available from the GED Testing Service so it is impossible to compare what has occurred in Kentucky with other states. But she suggested investigating the GED test waiver to determine its impact on enrollment. Another factor that possibly affected enrollment was the discontinuance of the Go GED campaign that was part of the Go Higher campaign. During the campaign,

Kentucky increased its number of test-takers and passers to an extent of almost no other state. Since the discontinuance of the campaign, there has been a significant decrease in the number of test-takers. She said that some method of promotion needs to be developed to sustain awareness of the GED program.

**ADULT EDUCATION  
TECHNOLOGY AWARD**

The adult education web portal, kyvae.org, received the 2003 Recognition Award for Outstanding Achievement in the Field of Information Technology at the National Association of State Chief Information Officers annual meeting in Scottsdale, Arizona, September 9, 2003. Kentucky's entry, "Helping Kentuckians Participate in the New Economy: Kentucky Virtual Adult Education Portal," won the category of Innovative Use of Technology. The web portal is a partnership between Kentucky Adult Education and the Kentucky Virtual University/Library aimed to reach more undereducated adults with improved access to basic reading, writing, math, and employability skills. On behalf of NASCIO, Aldona Valicenti, Chief Information Officer for the Commonwealth of Kentucky, presented the award to the Council and thanked Cheryl King and Daniel Rabuzzi for their work.

**ACT SCORES FOR  
2003 HIGH SCHOOL  
GRADUATES**

Information was included in the agenda book on ACT scores for 2003 high school graduates. Results released in August show Kentucky's average ACT score rose from 20.0 in 2002 to 20.2 in 2003. The percentage of high school students taking the ACT and the percentage of test-takers taking the ACT's core curriculum also increased slightly in 2003. Despite these statewide gains, there is evidence of an achievement gap in Kentucky. Average scores rose for African American, Asian, and Caucasian students but dropped for Hispanic students.

**P-16 COUNCIL  
UPDATE**

The agenda book included an update on activities of the P-16 Council. The state P-16 Council is continuing to consider ways to increase the level of preparation of high school and GED graduates for postsecondary education and the skilled workplace. The September meeting focused on the national and state data supporting the role of a rigorous high school curriculum in meeting Kentucky's educational and economic goals, including reducing the achievement gap among various populations.

**COMMISSIONER OF  
EDUCATION REPORT**

Commissioner Wilhoit gave a brief report on Kentucky Department of Education activities. He said that elementary and secondary enrollments are up due to several factors:

enrollment shifts from private to public schools; an increase in the number of pre-school children coming into the system, a direct response to the early childhood initiative; and the increase in the number of immigrants in the state. He noted that the Council for Better Education recently filed a lawsuit for adequate funding. His staff continues to deal with the No Child Left Behind Act, is developing its 2004-06 budget recommendation, and, like postsecondary education, will face a number of harsh realities due to inadequate funding.

FALL 2003  
PRELIMINARY  
ENROLLMENT  
INFORMATION

Mr. Layzell reported that, based on preliminary figures, enrollment in Kentucky's postsecondary education institutions reached a record high of 226,910 students this fall, an increase of 5,728 students, or 2.6 percent over 2002 enrollment. Of these students, 197,615 are enrolled in public colleges and universities, an increase of 3.3 percent from 2002.

TRANSFER

Information was included in the agenda book on student transfer from institution to institution, a vital part of Kentucky's effort to build a seamless postsecondary system and increase the number of Kentuckians holding a baccalaureate degree.

ACADEMIC PROGRAM  
COLLABORATION

Using funds from the Technology Trust Fund and the Kentucky Virtual University Resolving Loan Fund, the Council staff is developing a request for proposals to stimulate collaborative approaches to address state workforce needs and increase the capacity of high demand academic programs. If Kentucky's postsecondary system substantially increases enrollment by 2015 with limited new resources, institutions must work together to develop new, more efficient ways to deliver academic programs. If the system is to fulfill its commitments to create a workforce that supports a knowledge economy, it must partner with private and public sector organizations to develop the right academic programs with the right content that are accessible to those who need them. The RFP will provide incentive funds to encourage postsecondary institutions to address these two challenges. More information was included in the agenda book.

RESPONSIVE PH.D.  
INITIATIVE

The University of Kentucky and the University of Louisville have been selected as partners in the Woodrow Wilson

National Fellowship Foundation's Responsive Ph.D. initiative to reform doctoral education in the U.S.

2004 MEETING

RECOMMENDATION: The staff recommends that the Council

CALENDAR

approve the 2004 meeting calendar.

MOTION: Dr. Freed moved that the calendar be approved.  
Ms. Weinberg seconded the motion.

VOTE: The motion passed.

GOVERNANCE BOARD  
LUNG CANCER  
RESEARCH PROJECT

Mr. Barger reported that Governor Patton has appointed Susan Guess as a member of the Governance Board of the Lung Cancer Research Project.

PRAXIS SCORES

Mr. Layzell said that the Education Professional Standards Board soon will release the most recent scores on teacher PRAXIS exams. The pass rate for students at public postsecondary institutions range from 99 to 52 percent. He noted that Kentucky State University has made some progress over the last year with pass rates increasing from 36 to 52 percent but remains significantly below that of the other public and independent institutions.

PRESIDENTS

Mr. Layzell complimented the presidents on an initiative to show their compliance and concern about accountability and reporting of financial information. Even though they are not required to do so, the presidents all have stated that they will file annual financial disclosure statements with their boards.

RABUZZI  
RESOLUTION

Mr. Barger announced that Daniel Rabuzzi has resigned as chief executive officer of the Kentucky Virtual University and vice president for outreach for the Council. He will become the CEO of the Leader to Leader Institute, formerly the Peter Drucker Foundation, headquartered in New York City. Mr. Layzell has appointed Norma Northern to serve as interim CEO of the virtual university. Ms. Northern is currently the chief operating officer and has been on the Council staff for six years.

Mr. Barger read a resolution honoring and commending Mr. Rabuzzi for his service to the Council.

MOTION: Ms. Weinberg moved that the resolution be adopted. Mr. Hall seconded the motion.

VOTE: The motion passed.

Mr. Rabuzzi said it has been an honor and a privilege to serve this Council, the institutions, and the learners of the Commonwealth. He said he is going home to New York but said that a piece of the Bluegrass will remain with him. He said that Kentucky and its postsecondary education reform

will have an advocate, an ally, and a friend in New York City.

GOVERNOR'S  
CONFERENCE ON  
POSTSECONDARY ED  
TRUSTEESHIP  
NEXT MEETING

Mr. Barger said that this meeting is being held in conjunction with the 2003 Governor's Conference on Postsecondary Education Trusteeship. He encouraged everyone to attend.

The next meeting is November 3 in Louisville.

ADJOURNMENT

The meeting adjourned at 2 p.m.

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Thomas D. Layzell  
President

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Phyllis L. Bailey  
Associate, Executive Relations