MINUTES

**Kentucky Community and Technical College System
Board of Regents Meeting
December 3, 2004**

Board Members Present:

Ms. Cynthia L. Read, Board Chair
Mr. Richard A. Bean, Board Vice Chair
Dr. Joseph B. Wise, III, Board Secretary
Mr. William E. Beasley
Mr. Paul C. Callan, Jr.
Ms. Brenda R. Corey
Mr. Andrew C. Donelan

Ms. Elizabeth R. Hames
Ms. Lorna D. Littrell
Ms. Cynthia O. Osborne
Mr. S. Kent Robinson
Mr. Larry D. Savage
Mr. William R. West
Mr. Thomas O. Zawacki

***CALL TO
ORDER***

Board of Regents Chair Read called to order the meeting of the Kentucky Community and Technical College System Board of Regents at 9:01 a.m. (ET), December 3, 2004. The meeting was held in the Board Room of the KCTCS System Office, Versailles, Kentucky. Chair Read announced that the press was notified of the meeting on November 23, 2004, and that Hon. Beverly Haverstock, KCTCS General Counsel, would serve as parliamentarian.

There being a quorum present, Board business began with the approval of the minutes from the last meeting.

***APPROVAL OF
MINUTES***

MOTION: Dr. Wise moved that the minutes of the August 13, 2004, Board of Regents meeting be approved. Mr. Donelan seconded the motion.

Mr. West requested that the last sentence on Page 6 of the minutes be amended to insert the word "officially" as follows in the last sentence of the agenda item, "Added Agenda Item: Speaking on Behalf of the Board":

> A regent's individual power to <u>officially </u>speak on
> Board issues exists only through his or her vote.

Dr. Wise and Mr. Donelan accepted the request.

VOTE: The minutes were approved as amended by unanimous consent.

ADDITIONS OR CHANGES TO THE AGENDA

MOTION: Mr. Bean moved and Mr. Beasley seconded that the order of the agenda be changed as follows, beginning with the Finance, Technology, and Human Resources Committee:

1) Agenda Item I-1, "Action: 2003-04 Annual Audit Report"
2) Agenda Item K, "Executive Session: KRS 61.810 (1) (c) – Proposed or Pending Litigation or KRS 61.810 (1) (f) – Individual Personnel Matters"
3) Resume the order of the agenda, beginning with Agenda Item I-2, "Ratification of Personnel Actions"

VOTE: The motion was approved unanimously.

MEETING HOSTS

Chair Read thanked KCTCS President Michael B. McCall and his wife, Carolyn, for hosting the Board in their home for dinner on December 2, 2004. She expressed special thanks to Mr. Bruce Bailey and members of the President's Office staff for their assistance with the meeting logistics.

ACTION: ENDORSEMENT OF THE PURSUIT OF SINGLE ACCREDITATION (SACS) AND THE CONSOLIDATION OF LEXINGTON COMMUNITY COLLEGE AND CENTRAL KENTUCKY TECHNICAL COLLEGE

RECOMMENDATION: That the KCTCS Board of Regents endorse the pursuit of single accreditation (SACS) and the consolidation of Lexington Community College and Central Kentucky Technical College and authorize the institutions to move forward to Stage II of the process.

Chair Read called on President McCall, who introduced Dr. James Kerley, Lexington Community College President and Bluegrass Community and Technical College District CEO, to make a formal presentation to the Board regarding the consolidation and single accreditation endeavors of Central Kentucky Technical College and Lexington Community College. President McCall noted that this would be the last Stage I consolidation presentation.

Dr. Kerley introduced several college and community representatives present at the meeting (see Attachment A) in support of the colleges' consolidation and single accreditation. Dr. Kerley noted that Lexington Community College submitted a letter of intent (June 2004) to the Commission on Colleges of the Southern Association of Colleges and Schools (SACS), indicating plans to consolidate with Central Kentucky Technical College (CKTC) into a singly accredited (SACS) comprehensive community and technical college. The colleges submitted a substantive change prospectus to SACS in September 2004. If endorsed by the Board of Regents, the colleges anticipate conducting a consolidation and single accreditation forum (Stage II of the consolidation process) in spring 2005, requesting final Board of Regents approval to consolidate and pursue single accreditation in June 2005, with final SACS approval anticipated in December 2005.

Currently, the colleges have locations in Lexington (Leestown Road, Cooper Drive, and Regency Road), Lawrenceburg, and Danville. Additionally, courses are offered in Winchester, Jessamine County, the Blackburn Correctional Complex, Northpoint Training Center, Lockmasters Security Institute (Nicholasville), and the Eastside

Technology Center. The colleges offer degrees, diplomas, certificates, continuing education, business and industry training, and adult education. The colleges' combined estimated enrollment for fall 2004 is 12,509 (8,861 at LCC and 3,648 at CKTC). A transitional consolidated budget has been planned, projecting a total budget of $57,781,400 in total revenues and expenses for fiscal year 2005.

The colleges indicate that consolidation and single accreditation of the institutions would efficiently and economically maximize the educational options for students and the region. The colleges further indicate that becoming a singly accredited comprehensive community and technical college would, among other things, improve operational effectiveness, eliminate unnecessary duplication of services, improve college support services on all campuses, and enhance library services at the technical college campuses. Some of the colleges' major goals identified for the consolidation and single accreditation are to create an identity as a new college, establish processes, find common ground, enhance successes, and meet student needs.

A joint Administrative Retreat was held June 22, 2004, to begin planning for the consolidation. To oversee the consolidation and single accreditation process, a Consolidation Steering Committee (comprised of faculty, staff, and administrators from both colleges) was appointed. Eight workgroups and 44 subgroups (also comprised of faculty, staff, and administrators from both institutions) have been established to identify and resolve issues related to consolidation. The workgroups include:

- Academic Programs
- Student Affairs
- Human Resources
- Community Outreach
- Fiscal Affairs
- Information Technology Services
- Institutional Advancement/Effectiveness

A call for volunteers to serve on the groups was sent to all campus sites to ensure that all faculty and staff had an opportunity to contribute to the process. More than 300 faculty, staff, and administrators volunteered to participate. Faculty and staff from both institutions joined in a semester kick-off held on August 20, 2004.

More than 50 letters supporting the colleges' consolidation and single accreditation pursuits have been received from state legislators and other elected officials, community leaders, colleges and universities in the region, and business and industry leaders. The Bluegrass Board of Directors and the Lexington Community College Advisory Board decided at their respective summer meetings to begin meeting jointly. At their joint meeting September 9, 2004, the boards unanimously approved a resolution supporting the consolidation. Several units of the colleges have begun districtwide meetings and have held retreats as district leaders were hired. Other consolidation efforts include joint Dean's Council meetings, working together to provide Respiratory Care programs, Student Focus Groups, and Student Ice Cream Socials.

MOTION: Mr. Callan moved that the KCTCS Board of Regents endorse the pursuit of single accreditation (SACS) and the consolidation of Lexington Community College and Central Kentucky Technical College and authorize the institutions to move forward with Stage II of the process. Mr. Zawacki seconded the motion.

The Board discussed student sentiment and support for the colleges' plans. Dr. Kerley noted that since course/student transfer and housing issues have been resolved with UK, students are looking forward to the consolidation. Student forums have been held; and newsletters, posters, and flyers have been distributed to students. Ms. Selina Mensah, LCC Student Government Association Vice President, noted that the students are looking forward to the consolidation with Central Kentucky Technical College because it will give students from both colleges more opportunities and resources.

VOTE: The motion was approved unanimously.

Chair Read thanked the community representatives present in support of the consolidation and single accreditation pursuit of LCC and CKTC. She provided an overview of the remaining steps the colleges will take in regard to consolidating and obtaining single accreditation, including a public information forum (Stage II) and another presentation to the Board of Regents (Stage III).

CHAIR'S REPORT   Chair Read reported the following items:

- New Regent Orientation and Oath of Office. The Board of Regents' newest member, Mr. Thomas O. Zawacki, participated in an orientation and was administered the Kentucky Oath of Office on December 2, 2004, prior to assuming his responsibilities as regent. Mr. Zawacki was appointed to the Board by Governor Fletcher to replace the vacancy left by the resignation of Mr. Henry Jackson. Mr. Zawacki lives in Georgetown, Kentucky, and serves as General Manager, Administration for Toyota Motor Manufacturing, Kentucky. Mr. Zawacki's term expires July 21, 2006.
- Appointment of a Nominating Committee for Board Officer Elections in June 2005. The committee membership includes Dr. Wise, Mr. Beasley and Mr. West. The committee will be chaired by Chair Read. The committee plans to present a slate of candidates at the March 10-11, 2005, Board of Regents meeting, with the election scheduled for the June 2005 Board of Regents meeting.
- KCTCS Board of Regents Retreat Followup. Chair Read distributed a Retreat Followup List and a Glossary of Terms and Acronyms.
- KCTCS Foundation, Inc., Update. The KCTCS Foundation, Inc., Board of Directors met on Tuesday, November 30, 2004. At the meeting, the Foundation Board approved Gala expenses over $10,000; transfer of endowment gifts to the Common Fund; and a policy on presidential expenses. The Foundation Board accepted the resignation of Mr. Zawacki and re-elected Ms. Phyllis Liebman, who recently retired from a post in the Commerce Cabinet. Chair Read noted the Foundation Board would like to strengthen its strategic alignment with the KCTCS Board of Regents and would like to have a joint dinner with the Board of Regents to discuss how that might be accomplished.

***PRESIDENT'S
REPORT***
President McCall provided an update on current System activities. Some of the activities and information highlighted included an update on KCTCS enrollment, sexual harassment awareness training, the President's Leadership Seminar, the Homeland Security Summit held in November, earmarked funds of $1 million for KCTCS in the federal appropriation bill, the 2004 President's Gala and Benefactor's Awards Dinner, the Major Gifts Campaign Leadership, the KCTCS System Office Building Dedication, the Council on Postsecondary Education strategic plan development, and an update on the KCTCS Performance Indicators. The President's Report in its entirety is attached (see Attachment B) and also is available at http://www.kctcs.edu/organization/board/meetings/.

The Board discussed whether the number of licensure exams presented in the performance indicators was inclusive of all licensure exams available to KCTCS students. Other items discussed were enrollment management, college naming, and eLearning. President McCall noted that other licensure exams are available to qualifying students.

***CONSENT
AGENDA***
Chair Read noted that the items on the Consent Agenda have been discussed separately during committee meetings of the Board of Regents.

RECOMMENDATION: That the following items listed under the Board's Consent Agenda be approved:

1. Finance, Technology, and Human Resources Committee
   I-2. *Action: Ratification of Personnel Actions. The personnel actions presented for ratification followed policy and procedures.
2. Academic Affairs and Curriculum Committee
   J-1. *Action: Ratification of New Credit Certificate and Diploma Programs. Each of the new credit certificate and diploma programs is applicable toward at least one degree program.
   J-3. *Action: KCTCS Colleges Candidates for Credentials. The credential list for June 29, 2004, through October 18, 2004, includes 5,303 credential requests: 2,135 certificates; 997 diplomas; 697 associate in arts; 236 associate in science; 1,184 associate in applied science; and 54 associate in applied technology.

Mr. West requested that Consent Agenda Item I-2, "Action: Ratification of Personnel Actions," be removed from the consent agenda.

MOTION: Ms. Littrell moved that the remaining Consent Agenda items be approved. Dr. Wise seconded the motion.

VOTE: The motion was approved unanimously.

EXECUTIVE COMMITTEE REPORT	Executive Committee Vice Chair Bean presented the committee's report to the Board of Regents.

ACTION: NAME CHANGE FOR JEFFERSON COMMUNITY COLLEGE AND JEFFERSON TECHNICAL COLLEGE

RECOMMENDATION: That the KCTCS Board of Regents approve the request of Dr. Anthony Newberry, Jefferson Community College President and Jefferson Community and Technical College District CEO, to rename the college resulting from the pursuit of single accreditation (SACS) and the consolidation of Jefferson Community College and Jefferson Technical College the "Jefferson Community and Technical College," effective July 1, 2005.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

ACTION: REVISED MISSION STATEMENT FOR JEFFERSON COMMUNITY AND TECHNICAL COLLEGE

RECOMMENDATION: That the KCTCS Board of Regents approve the revised mission statement presented in the agenda materials for Jefferson Community and Technical College.

Mr. Bean noted that the mission statement was lengthier than others because SACS requested that the college be specific in regards to planning and institutional effectiveness.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

ACTION: REVISED MISSION STATEMENT FOR OWENSBORO COMMUNITY AND TECHNICAL COLLEGE

RECOMMENDATION: That the KCTCS Board of Regents approve the revised mission statement presented in the agenda materials for Owensboro Community and Technical College (OCTC).

Mr. Bean noted that the mission statement responds to a SACS requirement that a consolidated comprehensive community and technical college have a mission statement that accurately describes the institution and its characteristics. As a consolidated institution preparing for reaccreditation, the college reviewed its mission statement and made revisions to document assurance of the college's commitment to student learning. Dr. Nick Brake, Owensboro Community and Technical College, was present to answer questions about the proposed mission statement.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

RECESS   The Board of Regents recessed at 10:22 a.m. (ET) and reconvened at
            10:37 a.m.

ACTION: RECOMMENDATION: That the Board of Regents adopt the *KCTCS Strategic*
KCTCS   *Plan 2006-10* presented in the agenda materials.
STRATEGIC
PLAN 2006-10   Mr. Bean called on President McCall to give a PowerPoint presentation related
            to the *RSVP Model,* strategic planning process, and the *KCTCS Strategic Plan
            2006-10*. President McCall provided an overview of the *RSVP Model*, which
            facilitates strategic planning and other decision-making processes at KCTCS.
            The *RSVP Model* provides opportunities for faculty and staff across the
            System, including the System Office, to provide input into recommendations
            presented to the Board of Regents. The model is comprised of Workgroups;
            Peer Teams; Ad Hoc Teams; Strategic Planning Teams; Resource,
            Accountability, Marketing, and Program Teams (RAMP Teams); and the
            President's Leadership Team (System President, System Cabinet, College
            Presidents). The memberships of the various workgroups and teams consist of
            college faculty and staff, including System Office staff, depending on the role
            of each. The workgroups and teams provide feedback on the System's
            strategic plan, goals, and priorities to the President's Leadership Team, which
            in turn makes recommendations to the KCTCS President. The KCTCS
            President then makes recommendations to the Board of Regents.

            President McCall noted that the strategic planning process is broad-based,
            inclusive, and promotes participation at all levels of the System and from
            various System stakeholders: Board of Regents; local college boards, including
            the foundation boards; President's Leadership Team; faculty; staff, including
            those at the System Office; and students. The process has evolved into a
            bottom-up process, with the Board of Regents providing process and
            implementation oversight as well as development input at the policy level.
            The System's initial strategic plan, which concludes June 30, 2005, required a
            different process because of the newness of the System.

            The proposed *KCTCS Strategic Plan 2006-10*, which was reviewed by the Board
            at its August 13, 2004, meeting, builds upon the *KCTCS Mission* and other
            mandates found in the *Kentucky Postsecondary Education Improvement Act of
            1997* (as amended). Under the proposed strategic plan, KCTCS will achieve the
            following goals:

- Promote excellence in teaching and learning.
- Increase student access and success.
- Expand diversity and global awareness.
- Enhance the economic development of
  communities and the Commonwealth.

The proposed revised vision statement, *"To create a comprehensive community and technical college system recognized as the nation's best,"* also was reviewed by the Board of Regents in August and will guide the implementation of the plan's goals. The *KCTCS Strategic Plan 2000-05* concludes June 30, 2005; and implementation of the new strategic plan will begin July 1, 2005.

At the March 10-11, 2005, Board of Regents meetings, the Board will provide direction to staff regarding the development of strategic plan indicators, which will provide the framework for implementation of the plan beginning July 1, 2005. An external survey is being distributed via email with the System's stakeholders to obtain additional feedback related to the strategic plan focus.

President McCall noted that the Council on Postsecondary Education is developing a strategic agenda, which is currently expected to be approved at the March 2005 CPE meeting. KCTCS has participated in the development process and is monitoring it for alignment with the *KCTCS Strategic Plan 2006-10* as currently proposed.

The Board discussed that the System now has measurable goals. It also discussed the *RSVP Model*, the areas represented by workgroups and teams, and how to judge achievement of the vision statement. President McCall noted that one way to determine whether the vision is achieved is whether the System is receiving national recognition and whether it's being approached as a model for best practices. He further noted that such activity already is occurring.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

ACTION:
2005 KCTCS
LEGISLATIVE
AGENDA

RECOMMENDATION: That the KCTCS Board of Regents approve the 2005 KCTCS Legislative Agenda as presented.

Mr. Bean reported that there are three parts to the proposed legislative agenda, which were identified by the Board of Regents at its August 13, 2004, meeting and the Executive Committee at its December 2, 2004, meeting:

1. Codify the delegation of governance of Lexington Community College from the University of Kentucky Board of Trustees to the KCTCS Board of Regents pursuant to *House Joint Resolution 214* (approved in the 2004 Legislative Session) and make technical amendments where necessary.
2. Align the composition and election requirements of the KCTCS Board of Regents with the composition and election requirements of other boards of regents as defined in KRS 164.321, reducing the number of KCTCS elected regents from six to three (one each for faculty, staff, and students) with each of the three elected regents' votes increased from one-half vote to one full vote each.
3. Delete language in KRS 164A.575 related to the approval by the UK Board of Trustees for acquisition and disposition of real property.

Mr. Bean asked President McCall to detail the proposed changes to legislation, noting that if circumstances mandate other issues, such as electrical licensure, commercial driver's licensure, and participation in the Kentucky Teacher's Retirement System (KTRS), may be included in the 2005 KCTCS Legislative Agenda.

President McCall noted that the proposed legislative changes reviewed during the meeting comprised a working draft for discussion only. He further noted that the proposed modifications presented in the working draft would change if and when a formal bill draft is prepared by the Legislative Research Commission.

The Board discussed potential impacts of the Board's student regent being a Student Government Association (SGA) President and being elected by the System's SGA Presidents. It was noted that the process would strengthen the student regent election process since the student regent would have to be elected by peers twice, helping to identify natural leaders within the System. It was further noted that the process would facilitate communication with students in that the student regent would serve as a liaison for the other KCTCS SGA Presidents.

Regents expressed concern that failing to reduce the number of elected faculty and staff regents would perpetuate a divisive spirit across the System and emphasized that KCTCS is a System of 16 districts comprised of comprehensive community and technical colleges. It was pointed out that once an individual becomes a regent, he or she is to represent all citizens of Kentucky, not just the constituents that elected the regent or the governor that appointed him or her, and that regents have the responsibility to educate themselves regarding all areas of the System. Kentucky's regional public postsecondary education institutions offering both liberal arts/academic and occupational/technical programs have only one faculty representative, one staff representative, and one student representative. Some regents expressed concern that the System still needs separate representation for transfer and occupational/technical program offerings.

The Board also discussed inclusion of funding requests (formally, the 2004-06 KCTCS Budget Request) in the proposed legislative agenda. President McCall noted that the System continues to seek legislative support for funding.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: By roll call vote, the motion passed 9 to 2, with Mr. Bean, Mr. Beasley, Ms. Corey, Mr. Donelan, Ms. Hames, Ms. Littrell, Ms. Osborne, Mr. Robinson, Mr. Savage, Mr. Zawacki, and Chair Read voting in favor of the motion. Mr. Callan, Mr. West, and Dr. Wise opposed the motion.

Chair Read noted that it was the Board's expectation that no individual regent would lobby against what the Board as a whole has approved. She further noted that the Board of Regents would receive updates related to the 2005 Legislative Session. *KCTCS Board of Regents Bylaws* Section 10.2.3 states that "the Executive Committee shall be responsible for all matters related to the overall administration of KCTCS. Specifically, the Executive Committee shall advise KCTCS and recommend action on policies related to . . . legislative issues. . . ."

*ACTION:
2005
STUDENT
ELECTION
PILOT*

RECOMMENDATION: That the KCTCS Board of Regents approve a pilot of the Instant Runoff Voting (IRV) process for the 2005 student regent election to be conducted in spring 2005.

Mr. Bean noted that in current KCTCS election procedures, if there is no majority winner in the initial election, a run-off election is conducted for the top three candidates. Instant Runoff Voting allows voters to vote for candidates in the order of each voter's preference and utilizes ballot counting in rounds using voters' preferences until a majority winner is determined, eliminating the need for run-off elections. It was noted that this process would be effective for the 2005 student regent elections.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the motion be approved.

VOTE: The motion was approved unanimously.

*ACTION:
REVISION
TO KCTCS
BOARD OF
REGENTS
BYLAWS
SECTION
1.4 –
PROCESS
FOR
SELECTION
OF NON-
APPOINTED
MEMBERS*

RECOMMENDATION: That the KCTCS Board of Regents approve the proposed revision to the *KCTCS Board of Regents Bylaws Section 1.4 – Process for Selection of Non-Appointed Members*, regarding membership on local boards of directors, local faculty senates, the systemwide Faculty Senate, and any local or systemwide senate committee or council.

Mr. Bean noted that at the February 20, 2004, Board of Regents meeting, the Board discussed issues related to conflicts of interest pertaining to regent membership on internal boards or councils. At the February 2004 meeting, the Board requested that KCTCS staff bring an information item to the Board's May 14, 2004, meeting clarifying issues regarding the authority given to internal boards and councils to appoint their membership to include members of the KCTCS Board of Regents. At the May 14, 2004, Board of Regents meeting, it was decided that the topic should be considered after the Board discussed the meaning of "conflict of interest," at the October 14-15, 2004, Board of Regents Retreat.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the motion be approved.

AMENDMENT 1: Mr. Robinson moved that the word "college" be inserted as follows:

- Elected members of the Board of Regents may not serve simultaneously on a college's local **college** boards of directors, local faculty senates, the systemwide Faculty Senate, or any local or systemwide senate committee or council in order to avoid a conflict of interest or the appearance of a conflict of interest.

Mr. Bean seconded the motion.

VOTE: The motion to amend the motion passed unanimously.

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The Board discussed the impact of the change, including whether faculty regents would continue as ex-officio members on the Faculty Senate Council. It was noted that if the bylaws were revised as proposed, then faculty regents would be in conflict with the Board's bylaws if they continued to serve as members of the Faculty Senate Council regardless of whether they had voting privileges on the council. It was further noted that at the May 2004 Board of Regents meeting, representatives of the Faculty Senate Council indicated that its meetings were open meetings and that the chair could recognize nonmembers to address the council.

AMENDMENT 2: Mr. Callan moved that the amended motion be amended by inserting the words "systemwide senate" as follows:

- Elected members of the Board of Regents may not serve simultaneously on ~~a college's~~ local college board<u>s</u> of directors<u>,</u> <u>local faculty senates, the systemwide Faculty Senate, or any local or systemwide senate committee or</u> **systemwide senate** council in order to avoid a conflict of interest or the appearance of a conflict of interest.

Mr. Beasley seconded the motion.

VOTE ON AMENDMENT 2: The amendment to the amended motion passed unanimously.

VOTE ON AMENDED MOTION: The motion as twice amended passed 10.5 to 0.5. Mr. West opposed the amended motion.

UPDATE: KCTCS BOARD POLICIES – TECHNICAL EDITS	Mr. Bean reported that as part of the ongoing policy review process, technical edits have been made to the following *KCTCS Board of Regents Policies*:

- *3.1 Equal Employment Opportunity*
- *4.11 Policy on Program Approval*
- *6.3 Kentucky Community and Technical College System (KCTCS) Formal Hearing Procedures for the Determination of Residency Status Pursuant to 13 KAR 2:045, Section 17*
- *1.3.2.4 Policy on Admission to KCTCS Colleges*

The technical edits update the policies utilizing common policy terminology (for example, KCTCS President and KCTCS Chancellor) and/or delete specific dates or numbers where needed and statements that reference such, as well as references to "branch" or "branches."

INFORMATION: REVISION TO KCTCS BOARD OF REGENTS BYLAWS SECTION 8.2 – MATTERS ON WHICH MEMBERS MAY VOTE

Mr. Bean reported that the agenda item is in reference to *KCTCS Board of Regents Bylaws* Section 8.2 regarding regents' rights to vote and an opinion issued June 23, 2004, by the Kentucky Attorney General. At the August 13, 2004, Board of Regents meeting, staff was asked to provide information related to whether other Kentucky public postsecondary education institutions allow elected regents voting privileges on presidential compensation. It was reported that the other institutions permit elected regents voting privileges on all issues coming before their respective boards, even though such practice violates KRS 164.289. Mr. Bean noted that the Executive Committee requested staff to bring forward a recommendation on this issue at the March 10-11, 2005, Board of Regents meetings. Mr. Bean noted that the proposed bylaw change should eliminate references to the Opinions of the Attorney General.

INFORMATION: REVISIONS TO KCTCS BOARD OF REGENTS POLICY 2.8 – SEPARATION

Mr. Bean reported that the proposed policy changes relate to revisions made in other policies. The proposed revisions will be presented as an action item at the March 2005 Board of Regents meeting.

DISCUSSION: KCTCS BOARD OF REGENTS PROFESSIONAL DEVELOPMENT

Mr. Bean reported that the Board of Regents has yet to participate in professional meetings outside of Kentucky, such as conferences sponsored by the Association of Governing Boards of Universities and Colleges (AGB) or the Association of Community College Trustees (ACCT). He reported that the Board will send a person to one of the conferences sponsored by the entities this year. The person selected will be one whom the Board believes would best benefit the Board as a whole.

FINANCE, TECHNOLOGY, AND HUMAN RESOURCES COMMITTEE REPORT

Finance, Technology, and Human Resources Committee Chair Beasley presented the committee's report to the Board of Regents.

ACTION: 2003-04 ANNUAL AUDIT REPORT

RECOMMENDATION: That the KCTCS Board of Regents receive the financial audit results for the 2003-04 fiscal year.

Chair Read and Mr. Beasley welcomed Mr. Bernie Backert, Audit Director for Deloitte and Touche LLP and Mr. Jim Carpenter, Audit Partner for Deloitte and Touche LLP to the meeting.

Mr. Beasley reported that the System's 2003-04 audit report was presented in detail at the December 2, 2004, Finance, Technology, and Human Resources Committee meeting. The auditors indicated that they had no disagreements

with management related to the audit reports and that KCTCS staff provided full cooperation and unrestricted access to information. The independent opinion issued by Deloitte and Touche LLP was an unqualified opinion, meaning that the KCTCS financial statements present fairly, in all material respects, the KCTCS financial position on June 30, 2004. The audit also included a review of the KCTCS internal control over financial reporting. That audit revealed no weaknesses in the KCTCS internal controls considered to be material. The "clean and unqualified" audit was the sixth consecutive such audit received by KCTCS. Deloitte and Touche LLP also audited the KCTCS major federal programs in compliance with the requirements of the U.S. Office of Management and Budget Circular A-133.

Mr. Beasley further reported that the KCTCS financial report includes the financial statements of the Paducah Junior College, Inc., and that its financial statements also received a clean, unqualified opinion, indicating assets of $20 million.

Chair Read asked the auditors if they had additional comments. The auditors indicated no need to provide additional remarks.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Mr. Beasley moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

EXECUTIVE SESSION   MOTION: Mr. Bean moved that the Board of Regents go into Executive Session in accordance with KRS 61.810 (1)(f) dealing with individual personnel matters and that President McCall be available to meet with the Board. Ms. Littrell seconded the motion.

VOTE: The motion passed unanimously. The Board of Regents went into Executive Session at 12:17 p.m.

OPEN SESSION   The Board of Regents reconvened in Open Session at 2:40 p.m. Chair Read reported that during the Executive Session the Board of Regents discussed the topic of Executive Performance Review for the year for President McCall and asked whether there were any items to come before the Board as a result of the Executive Session.

MOTION: Mr. Bean moved that President McCall's salary for the year 2005 be $275,000 and that he be awarded a $50,000 bonus for meeting and exceeding the goals set by the Board in 2004. Further, his contract is to be extended for an additional year. Mr. Zawacki seconded the motion.

VOTE: The motion was approved unanimously. Prior to the vote, it was noted that Mr. Callan, Ms. Hames, Mr. Robinson, and Mr. West could not vote because the *KCTCS Board of Regents Bylaws* prohibit faculty and staff representatives from voting on issues related to individual compensation matters.

On behalf of the Board of Regents, Chair Read thanked President McCall for a "fantastic year," noting that he met or exceeded every goal that the Board had agreed on as well as achieved various other accomplishments throughout the year. She thanked President McCall for his hard work. Chair Read further noted that through the process of the evaluation, one gains a greater appreciation for the complexity of the job of a postsecondary education president, especially at KCTCS. She also expressed appreciation for President McCall's team, noting that the evaluation comments clearly indicated that the success of KCTCS is a team effort.

MOTION: Ms. Littrell moved that the Board of Regents approve the PACE II objectives proposed by Dr. McCall and that they be retroactive, covering the period of July 1, 2004, through June 30, 2005. Mr. Savage seconded the motion.

VOTE: The motion was approved unanimously.

FINANCE, TECHNOLOGY, AND HUMAN RESOURCES REPORT, CONTINUED

ACTION: RATIFICATION OF PERSONNEL ACTIONS

RECOMMENDATION: That the KCTCS Board of Regents ratify the personnel actions listed in the agenda materials.

Mr. West noted that he requested this item be pulled from the Consent Agenda because of questions regarding the use of the word "termination" in the Personnel Actions. President McCall noted that in the personnel actions, the term "termination" was used generically to refer to all employee separations from KCTCS. If the Board of Regents approves the proposed revisions to *KCTCS Board of Regents Policy 2.8 – Separation* at its March 2005 meeting, then the terminology in the personnel actions can be aligned with the terminology in the revised Board Policy.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Mr. Beasley moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

UPDATE: 2004 EXTRAORDINARY LEGISLATIVE SESSION

Mr. Beasley reported that the General Assembly met in extraordinary session in October to establish the 2005 state health insurance program, resulting in significant changes to the Public Employee Health Insurance Program. The new benefit levels are similar to or, in some cases, better for employees than those that exist in the 2004 program. The health insurance program bill enacted recognized KCTCS and included an appropriation to offset the additional increase in health insurance costs for KCTCS. Consistent with the

Board of Regents objective of building the KCTCS System by further enhancing the benefits program in the KCTCS Personnel System and protecting the rights of employees choosing to remain under predecessor personnel rules, KCTCS will:

- Use funds already budgeted by the Board of Regents to offer enhanced health insurance rates to KCTCS Personnel System employees that will be 25 percent less than the rates as established in the 2005 Public Employee Health Insurance Program.
- Provide funds for KCTCS employees in the Former 151B/18A Personnel System to participate in the program at rates as established in the 2005 Public Employee Health Insurance Program.

UPDATE: HUMAN RESOURCES

Mr. Beasley noted that this is the first of a planned regular (semi-annual) Board of Regents update on Human Resources. The update will feature recent information on employment by personnel system (i.e., KCTCS, UK, and 151B/18A), number of employees opting into the KCTCS Personnel System from the other personnel systems, and a summary of recent KCTCS Human Resources policy revisions.

UPDATE: KCTCS QUARTERLY FINANCIAL UPDATE

Mr. Beasley reported that the Statement of Revenues and Expenditures reflects actual program and operational expenditures compared to the 2004-05 budget approved by the Board of Regents on June 17, 2004. Total revenues for the first quarter of fiscal year 2004-05, which ended September 30, 2004, were $197 million, 35 percent of the budgeted revenue and appropriated funds. Current fund expenditures and budget reserve through the fourth quarter of the fiscal year total $140 million, 25 percent of the expenditures budgeted for the year.

UPDATE: FACILITIES AND CAPITAL CONSTRUCTION STATUS REPORT, 1998-2002

Mr. Beasley reported that during the 1998 and 2000 sessions of the General Assembly, 32 capital projects were authorized for KCTCS. Since 1998, KCTCS has managed these 32 capital projects. Twenty-seven projects are complete, and 2 projects are under construction with completion anticipated by June 2005. In addition to managing these 32 capital projects, Facilities Management also assists the colleges with various additional projects.

UPDATE: FULLFILLING THE PROMISE CAMPAIGN

Mr. Beasley reported that there are currently 13 colleges actively involved in the *Fulfilling the Promise Campaign*. There are more than 900 volunteers who have been enlisted to serve in either a soliciting division or a service division to support the campaign. To date, there have been 12,377 gifts and pledges, which total $36,453,000. Two colleges – Gateway and Elizabethtown – are scheduled to enter the campaign in 2005. The Bluegrass district will enter the campaign in early 2006. Two colleges have thus far announced their fundraising goals. The State-level Co-chairs of the *Fulfilling the Promise Campaign* were announced at the 2004 Gala – Mr. Zawacki, General Manager, Administration for Toyota Motor Manufacturing, Kentucky, and Mr. Tim Mosher, President, Kentucky Power, Frankfort.

ACADEMIC AFFAIRS AND CURRICULUM COMMITTEE REPORT

Academic Affairs and Curriculum Committee Chair Wise presented the committee's report to the Board of Regents.

NEW PROGRAM PROPOSALS:

RECOMMENDATION: That the Board of Regents approve a Diploma in Practical Nursing for Henderson Community College to be implemented in fall 2005.

ACTION: DIPLOMA IN PRACTICAL NURSING, HENDERSON COMMUNITY COLLEGE

Dr. Wise reported that the proposed diploma program is designed to meet workforce needs in Kentucky and in Henderson. Henderson Community College presently offers an AAS in Nursing (Registered); qualified faculty, equipment, classrooms, and infrastructure are present to implement this program. No additional funding will be necessary.

MOTION: On behalf of the Academic Affairs and Curriculum Committee, Dr. Wise moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

ACTION: AAS IN EDUCATION, LEXINGTON COMMUNITY COLLEGE

RECOMMENDATION: That the KCTCS Board of Regents approve an Associate in Applied Science (AAS) in Education with a Teacher Associate Option, a Teacher Preparation Option, and an embedded Paraeducator Certificate for Lexington Community College to be implemented spring 2005.

Dr. Wise reported that the proposed AAS degree is designed to meet workforce needs in Kentucky and is the first program proposal submitted by the college since becoming part of KCTCS. The proposed degree program has an embedded Paraeducator Certificate and two options: 1) Teacher Associate Option for individuals wishing to earn only a two-year degree and 2) a Teacher Preparation Option for individuals wishing to pursue a four-year degree in education.

MOTION: On behalf of the Academic Affairs and Curriculum Committee, Dr. Wise moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

ACTION: KCTCS BOARD OF REGENTS RESOLUTION TO SUPPORT AND ENDORSE PARTICIPATION IN THE UNIVERSITY CENTER OF THE MOUNTAINS

RECOMMENDATION: That the Kentucky Community and Technical College System (KCTCS) Board of Regents adopt a resolution to support and endorse participation in the University Center of the Mountains (see Attachment C).

Dr. Wise reported that the University Center of the Mountains is a collaboration of partnering postsecondary institutions, which includes Hazard Community and Technical College, Morehead State University, and Eastern Kentucky University. The purpose of the University Center of the Mountains is to provide greater access to public high quality baccalaureate and graduate education and other postsecondary learning opportunities for the citizens of southeastern Kentucky and to promote more collaboration among the colleges, universities, and other educational providers. The guiding principle for each of the colleges and universities is a commitment to provide bachelor's and master's degree programming utilizing freshman and sophomore level work articulated with the junior/senior offerings to meet the baccalaureate degree requirements.

The Board discussed how the University Center of the Mountains came into existence. President McCall noted that the elected leadership in Hazard wanted a university in the area and several years ago began coordinating the postsecondary efforts in southeastern Kentucky. Since then, Dr. Jay Box, Hazard Community and Technical College President/CEO, has been instrumental in the initiative's success.

MOTION: On behalf of the Academic Affairs and Curriculum Committee, Dr. Wise moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

UPDATE: GENERAL EDUCATION POLICY REVISION IMPLEMENTATION

Dr. Wise reported that as discussed at the August Board meeting, CPE approved the proposed changes to the CPE General Education Transfer Policy. As a result, transfer certifications will be processed for all students requesting a transcript to be sent to a Kentucky public postsecondary institution, with the sending institution indicating, either on the transcript or as an attachment to the transcript, whether the student is Full General Education Certified, Core Component Certified, or Category Certified in general education.

Dr. Wise further reported that a request has been made to IT to develop a timeline for the implementation of the Degree Audit Module in PeopleSoft and to develop an interface with PeopleSoft, which will allow students easy access to their course history for determining transferability to four year institutions. The statewide Education 2+2 Team met October 14, 2004, to begin the process of creating 2+2 agreements among KCTCS and the four year institutions for Early Childhood Education.

NEXT REGULAR MEETING

Chair Read announced that the next regular Board of Regents meeting would be March 11, 2005, at the KCTCS System Office in Versailles, Kentucky.

ADJOURNMENT

MOTION: Mr. Donelan moved that the Board of Regents adjourn. Ms. Osborne seconded the motion.

VOTE: The motion passed unanimously, and the meeting adjourned at 3:04 p.m. (ET).

_3/11/05_
_____
Date Approved by the
KCTCS Board of Regents

_____
Cynthia L. Read, Chair
KCTCS Board of Regents

_____
Joseph B. Wise, III, Secretary
KCTCS Board of Regents

_____
Michael B. McCall, Ed.D.
KCTCS President

KCTCS Board of Regents
Meeting Guests – December 3, 2004

President's Cabinet

Dr. Michael B. McCall, President
Dr. Keith W. Bird
Mr. Timothy R. Burcham
Hon. Beverly H. Haverstock
Ms. Beth R. Hilliard
Dr. Jon S. Hesseldenz
Mr. J. Kenneth Walker

System
Office Staff

Ms. Billie Hardin
Mr. Brendan Lehane
Dr. Joan Lucas
Mr. Jim Phillips
Mr. Lewis Prewitt

Colleges

Central Kentucky Technical College (CKTC)
and Lexington Community College (LCC)
Mr. Ren Bates
Dr. Sandra Carey
Mr. Juan Castro
Dr. Ann Cline
Mr. Randy Gonzalez
Ms. Vern Kennedy
Dr. Jim Kerley
Mr. Mark Manuel
Ms. Bonnie Nicholson
Dr. Carolyn O'Daniel
Mr. Rick Rydz
Mr. Paul Taylor
Ms. Teresa Tope
Ms. Sylvia Williams

Hazard Community and Technical College
Dr. Jay Box

Henderson Community College
Dr. Patrick Lake

Jefferson Community and Technical College
District
Ms. Mary C. Jones
Dr. Anthony Newberry

Owensboro Community and Technical College
Dr. Nick Brake

Other Guests

Mr. Bernie Backert, Deloitte and
Touche LLP, Independent
Auditors
Mr. Jim Carpenter, Deloitte and
Touche, LLP, Independent
Auditors
Mr. Arnold Gaither, Director, Mayor's
Training Center, Lexington-
Fayette County Urban
Government
Ms. Florence Huffman, CKTC Board
of Directors Member,
Publisher/Consultant, Clark
Publishing & Communications
Ms. Selina Mensah, LCC SGA Vice
President
Mr. Doug Oliver, LCC - Winchester
Advisory Board Member, East
Kentucky Power Cooperative
Mr. David Patterson, AFT
Mr. Randy Powell, LCC Advisory
Board Chair, The Valvoline
Company
Hon. Reginald Thomas, LCC Advisory
Board Member, Attorney
Mr. Robert Tye, AFT-KY
Mr. Charles Vice, KEA
Mr. Charles Wells, KEA

Attachment A

C H A N G I N G
L I V E S

KCTCS
Kentucky Community & Technical College System

President's Report

Board of Regents Meeting
December 2-3, 2004

KCTCS System Office
Versailles, Kentucky

*The following information provides updates on the efforts to accomplish the **KCTCS GOALS** as outlined in the **Strategic Plan 2000-2005, July 2003 Edition**.*

STUDENT ACCESS, SUCCESS, and SERVICES

KCTCS colleges will increase student access and promote student success through responsive, innovative student support programs and services.

Enrollment Management *(PACE) – Accountability*

Fall 2004 enrollment has been submitted to CPE for validation. The number submitted was 81,990 – a 1.6 percent increase over fall 2003 (80,695). Based on the fall 2004 unofficial numbers, 11,029 high school students are enrolled in either dual credit or dual enrollment opportunities; 4,233 students are enrolled in workforce training courses; and 3,925 students are receiving college credit for fire training courses. Bio-demographic data (age, gender, ethnicity, etc.), full-time, part-time, and full-time-equivalent (FTE) by college and System will not be available until after CPE validates the dataset.

Preliminary eLearning Fall Enrollments *(PACE) - Accountability*

Fall 2004 students enrolled in online and blended courses offered systemwide and locally are over 28,000 as compared to over 13,000 students enrolled fall 2003 for a 113 percent increase. Faculty participation increased to over 900 instructors fall 2004, up from over 400 instructors fall 2003. Online and web-enhanced courses increased from 598 in fall 2003 to over 1,000 in fall 2004.

External Consulting Support *(PACE) - External*

System personnel are working with Gateway Community and Technical College to create comprehensive student services functions that support a multi-campus college. Currently, the college is completing a value stream map of their primary activities in order to create a planning

B r i n g i n g   y o u r   f u t u r e   i n t o   f o c u s

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document in an effort to eliminate duplication at each campus and to better utilize college resources. Plans are in place to review registration processes to support the potential influx of general education students enrolling next fall from Northern Kentucky University. Additional consulting services will be to support the college in the initial stages of a Title III grant as it relates to student services (primarily establishing a retention model for the college).

Community and Technical College Student Survey *(PACE)* - *Accountability*
KCTCS worked with the Council on Postsecondary Education to develop the Community and Technical College Student Survey, which was launched in October. The online survey asks about students' academic intentions and perceived barriers to meeting higher education goals. Many of the survey items address students' plans for and attitudes toward transfer. Results from the survey will be used to plan "next steps" for statewide transfer initiatives. Several colleges have met their sample size target; survey administration will continue through November 30. Results will be available in January 2005.

Ready-to-Work *(PACE)* - *External*
Ready-to-Work (RTW) served 1,903 students in fiscal year 2003-04, with 956 students participating in RTW work-study. Two hundred seventy-two (272) RTW and former RTW students graduated in the fiscal year. The average within-semester retention rate (from the beginning to the end of the semester) for the fall and spring semesters was 89.5 percent, which exceeded the average campus retention rate of 72.5 percent. The average across-semester retention rate (from the fall semester to the spring semester) was 82 percent, which exceeded the average campus retention rate of 66 percent. The average GPA for RTW students for the fall and spring semesters was 2.66 (on a 4.0 scale), which exceeded the average campus GPA of 2.57. In addition (as reported last quarter), the new Work and Learn Initiative served 382 KTAP recipients pursuing a General Education Diploma (GED) or needing some basic academic remediation through adult education before transitioning into a KCTCS college.

KY Virtual Adult Education (KYVAE) *(PACE)* - *External*
There are currently 1,309 KCTCS developmental education students accessing PLATO through KYVAE. This represents 109 course sections in nine KCTCS districts. These students are co-enrolled as both KCTCS and Kentucky Adult Education students. Additionally, there are 233 Jefferson Community College students using a Jefferson County public school based server version of PLATO.

Adult Education *(PACE)* – *External*
KCTCS is partnering with Kentucky Adult Education (KYAE) to participate in a study for the U.S. Department of Education on the transitioning of adult learners from adult basic education to community and technical colleges. Berkley Policy Associates and Manpower Development Research Corporation (MDRC) are conducting the study.

Kentucky Statewide Public Postsecondary Placement Policy in English and Mathematics (PACE) – External

The Council on Postsecondary Education (CPE) met November 8, 2004, and gave its approval for the following statewide public postsecondary placement policy:

- The statewide placement policy is applicable to any incoming student entering a Kentucky public postsecondary institution. It provides guidance for students, teachers, parents, school counselors, and school administrators, as well as adult learners and those who prepare them for postsecondary education. ACT standards form the basis of the policy because Kentucky uses the ACT (or equivalent measures) for college admissions and placement decisions.
- Placement Policy in English – A student earning an ACT English sub-score of 18 or higher qualifies for placement in a credit-bearing writing course at any Kentucky public postsecondary institution.

- Placement Policy in Mathematics – Three levels of readiness are identified for placement in a credit-bearing mathematics course at any Kentucky public postsecondary institution:
  o Level 1 – A student earning an ACT mathematics sub-score of 19 or higher qualifies for placement in a credit-bearing math course, but this course may not be a requirement for many college majors or lead to subsequent coursework in math.
  o Level 2 – A student earning an ACT mathematics sub-score of 22 or higher qualifies for placement in college algebra.
  o Level 3 – A student earning an ACT mathematics sub-score of 27 or higher qualifies for placement in calculus.

Kentucky's statewide public postsecondary placement policy is a guarantee of placement in credit-bearing coursework to incoming students demonstrating specified levels of competence. It does not guarantee admission to any institution. It does not mandate remedial placement of students earning less than one of the ACT required scores. Students who do not meet these statewide thresholds in mathematics (but who have an ACT of 18 or higher) will be placed according to institutional determination.

2004 Kentucky Postsecondary Education Accessibility Symposium (PACE) - External

KCTCS colleges' Disability Services Coordinators, Distance Learning Coordinators, Webmasters, and others who may be involved in accessibility policy and procedures attended the 2004 Kentucky Postsecondary Education Accessibility Symposium. The goal of the Symposium was to be a catalyst for connections, dialogue, and synergy among different campus constituencies so that colleges can gain new ideas and best practices in addressing accessibility concerns. The one-day session provided information that supports the KCTCS statewide progress in building awareness and understanding of accessibility issues, resources, and policy for postsecondary education. Attending the Symposium provided an opportunity for colleges to gain awareness of appropriate accessibility policy and procedures.   The Accessibility Symposium was sponsored by the Governor's ADA Taskforce on Postsecondary Education, the Kentucky Council on Postsecondary Education, the Office of the Kentucky ADA Coordinators, and Eastern Kentucky University.

PROGRAM QUALITY and EFFECTIVENESS

In response to community needs, KCTCS colleges will expand and develop innovative, high quality programs incorporating the best practices of teaching and learning.

Instructional Performance Systems, Inc. Curriculum Management Project *(PACE) – External*

KCTCS has initiated an investigation of a software package to assist with course and curriculum development and management offered by Instructional Performance System, Inc. (IPSI). Curriculum program and discipline leaders have participated in a review, analysis, and feedback orientation and training of the IPSI software. The primary objective of the orientation and training was to understand the software and its capabilities and to identify parameters of the IPSI streamlining curriculum pilot. The project is expected to identify curriculum management improvement processes and procedures.

Distance Learning Collaborative Peer Program

Over 30 faculty are participating in the Distance Learning Collaborative Peer Program in fall 2004. Involvement in the peer program gives faculty the opportunity to observe online teaching and learning. Additionally, the online teaching faculty benefit from objective input from peer faculty for continuous course improvement. Selected peer faculty are assigned and enrolled in an online course and have the opportunity to observe experienced online faculty during online course delivery. Course Management System (CMS) training is also provided. Currently, over 900 KCTCS faculty are using a CMS, Angel or WebCT, to support instruction for KCTCS colleges.

PROFESSIONAL and ORGANIZATIONAL DEVELOPMENT

KCTCS colleges will invest in the development of faculty and staff and will support dynamic, unified, healthy, and rewarding campus environments.

Diversity Programs

Through Diversity Programs, the KCTCS Human Resources office implemented an online sexual harassment training program for use by faculty, staff, and students. The training program is part of KCTCS commitment to provide a harassment-free workplace. The web-based program is offered as a means to gain a better understanding of what constitutes sexual harassment and the kinds of actions that might be taken to prevent or handle problem situations. The program outlines current laws on sexual harassment and uses examples to illustrate words and behaviors that might reasonably be regarded as sexual harassment and, therefore, should be avoided. While the program primarily focuses on sexual harassment, the principles it teaches apply essentially to all forms of discriminatory harassment. Upon completion of the course, employees and students take a mastery test to verify their completion of the course and their understanding of the materials.

Compensation and Classification–Update *(PACE) - Accountability*

As a result of the adoption of a new salary schedule by the Board of Regents at the August 2004 meeting, salary bands were revised to increase the minimum market and maximum monthly salary levels for regular full-time faculty and staff. Salary adjustments were made to increase individual annual salaries to the new minimum salary.

During the early fall 2004, data for several national salary surveys was compiled; information which ultimately is used in the consideration and preparation of salary increase proposals for next fiscal year. Due to a revision in the federal Fair Labor Standards Act during mid-summer 2004, a review of existing KCTCS job titles and classifications was conducted to ensure compliance with the revisions. In keeping with the intent of the revisions and the trend on a national level, several staff titles that were converted to non-exempt status from their former status of exempt.

KCTCS Employee Benefits Update

The KCTCS and retirement program carrier TIAA-CREF sponsored a retirement luncheon for KCTCS employees at Madisonville Community College in October 2004. TIAA-CREF representatives spoke to a group of over 60 employees about preparing for retirement. In November it was announced to all participants in the KCTCS 403(b) retirement plan that new state legislation allowed employees in the KCTCS 403(b) plan to make a one-time decision to begin participation in the Kentucky Teachers' Retirement System on a prospective basis, if their position is otherwise eligible.

A Request for Proposal (RFP) for Flexible Benefits Administration was issued on July 1, 2004, with bids due July 26, 2004. After a review of the submitted bids and interviews of the bidders, Chard-Snyder and Associates was selected as the new vendor for the 2005 Plan Year. New communication materials were developed and distributed to employees regarding the new vendor.

Employee Health Benefits Open Enrollment

The annual employee benefits open enrollment for the 2005 plan year was conducted in early November, including enrollment for health and dental insurance and flexible spending accounts (FSA). The original health insurance plan offerings presented in September by the state were replaced by new plans through a bill enacted during a Special Session held by the Kentucky state legislature. Communication materials regarding the various insurance plans were prepared and disseminated to all employees. KCTCS Human Resources Directors were trained regarding the new plans and how to assist employees during the open enrollment process on their campuses. Due to the changed plans, a total re-enrollment was conducted, resulting in a high volume of applications having to be completed by employees, as well as to be processed, data-entered, and audited by the KCTCS Human Resources Office and college Human Resources Offices within a short period of time.

Lexington Community College Update *(PACE) - Accountability*
The informational website developed to address Lexington Community College (LCC) faculty, staff, and student questions regarding the transition of LCC from the University of Kentucky to KCTCS remains active. Currently, 159 LCC employees (52 percent of the total LCC employees) remain in the UK personnel system and 146 LCC employees (48 percent of the total LCC employees) are in the KCTCS personnel system. Of the 146 employees in the KCTCS personnel system, 126 employees opted into the KCTCS personnel system from the UK personnel system. LCC hired a new Human Resources Specialist for the campus, who began working in late September. KCTCS Human Resources staff continues to actively assist in the human resources and payroll operations of the college through this period of transition and training for the new staff member.

 Master Teacher Seminar
The second annual Master Teacher Seminar was held on October 13-15, 2004, at Cumberland Falls State Resort Park. The Master Teacher Seminar is designed for experienced faculty to share successful/innovative teaching practices and to explore a teaching challenge for which they are seeking a solution.   The program is modeled on the "Great Teacher Seminars," which operate in the USA and Canada. The 31 KCTCS faculty participants nominated by the colleges' administration are the primary resources of the workshop as they learn from one another. There are no outside experts other than the lead facilitator; presenters and discussion leaders are drawn from among the group. Informal social and recreational settings are designed for learning as well. Participants are grouped with those who have a common interest to discuss teaching/learning concerns. Participants in this year's seminar commented that it was one of the most helpful professional development experiences they have had and that they particularly benefited from the experiences of their peers.

President's Leadership Seminar
The President's Leadership Seminar (PLS) promotes and strengthens leadership in and among faculty and staff to advance KCTCS and individual personal and professional goals. PLS concentrates on capacity building through internal resources and building a learning organization focused on quality and service to students. Lectures, exercises, workshops, self-evaluation, and service projects are utilized.
The components of the program also include recognized educational leaders from across Kentucky and the nation, who provide insight into topics and issues of leadership.

The class of 2004-05 (28 participants) met September 28-30, 2004, at the Lexington Hyatt Regency Hotel. The session curriculum included leadership styles, networking, national and local politics, conflict resolution, diversity, inclusiveness of team dynamics, the learning organization, strategic planning, self-evaluation, ethical behavior, and other leadership trends and issues. The participants will reconvene March 21-23, 2005, for the PLS spring retreat.

Kentucky Academy of Science *(PACE) - External*
The meeting of KCTCS science faculty was held in conjunction with the Kentucky Academy of Science Conference on November 5, 2004, at Murray University. Twenty-one faculty from six colleges attended the meeting, representing chemistry, physics, psychology, and biology. KCTCS representatives spoke to the group about transfer initiatives and Teaching and Learning Support Services. Discussion focused on low enrollment in physics classes, biology curriculum revision, and the Conference for Student Research.

Conference for Student Research *(PACE) - External*

The third annual conference, hosted by Madisonville Community College, was held on November 12, 2004. Using a poster-session format, the conference highlighted scientific research projects conducted by students under the direction of faculty. The 14 projects included research projects in biological and physical sciences, psychology, engineering, agriculture and environmental science, and nursing and related health sciences. Proceedings from the conference will be published in January 2005. The participants have been invited to replicate their presentations at the New Horizons Conference in May.

The Hechinger Institute on Education and the Media *(PACE) - External*

KCTCS was invited to participate in a meeting of The Hechinger Institute on Education and the Media on October 24, 2004, at Columbia University in New York. The meeting was a seminar for higher education journalists chosen from major newspapers across the United States. A goal of the seminar was to equip journalists with the best possible background for the coverage of issues in education. The KCTCS presentation was entitled "The New Realities of Higher Education: Changes in Policy, Politics, Professors, and Students."

Jobs for the Future Meeting *(PACE) - External*

KCTCS participated in a meeting hosted by Jobs for the Future (JFF), Center on Wisconsin Strategy (COWS), and the National Council on Economic Education (NCEE), on November 10, 2004, in Washington, D.C. The invitees were composed of experienced advocates, analysts, and practitioners in regional economic and workforce development. The goal of this meeting was to begin framing a shared reform agenda for these areas of policy at the state level.

American Association of Community Colleges Fall Commission Meeting *(PACE) - External*

KCTCS participated in the Fall Commission Meeting of the American Association of Community Colleges (AACC) in Washington, D.C. on November 11, 2004. KCTCS has representatives on the Commission on Economic and Workforce Development, the Commission on Learning and Communications Technologies, the Commission on Communications and Networking, and the President's Academy - Chair Elect position.

Aspen Institute Seminar *(PACE) - External*

KCTCS participated in a seminar hosted by the Aspen Institute on November 12, 2004, in Annapolis, Maryland. The seminar, "Advancing State Action to Improve Postsecondary Preparation and Success," was aimed at identifying ways to improve student transition from high school to postsecondary education. Participants in the seminar were asked to review the progress of several state initiatives and identify where the most difficult barriers still exist.

COMMUNITY/ECONOMIC DEVELOPMENT and PARTNERSHIPS

KCTCS colleges will strengthen the economic development of our communities and state by expanding educational opportunities, improving outreach services, and creating new partnerships.

<u>Southern & Eastern Kentucky Summit – November 4-5, 2004</u> *(PACE)* – *External*
President McCall joined U.S. Congressman Hal Rogers, U.S. Homeland Security Secretary Tom Ridge, Governor Ernie Fletcher, Kentucky university presidents, and other community leaders in Somerset for this Summit, where the National Institute for Homeland Security was announced and the Memorandum of Understanding for the Kentucky Homeland Security University Consortium was signed. The National Institute for Homeland Security and the Kentucky Homeland Security University Consortium address the need for collaboration in research and development efforts/projects to develop tools, technologies, services, and products to prevent terrorism and enhance response capabilities to safeguard community-based infrastructure in light of the U.S. War on Terrorism. The U.S. Department of Homeland Security has approved $4 million in funding for 11 initial projects.

<u>Grant for IT Programs in Vietnam</u> *(PACE)* - *External*
Phase II of the project completed in July 2004 included a three week IT workshop at Mohawk Valley Community College in Utica, New York. Three Kien Giang Community College faculty attended the workshop where they received focused training in the technical area as well as English. The U.S. partners, including KCTCS, conducted the workshop.

<u>Ford Foundation Community College Bridges to Opportunity Initiative</u> *(PACE)* - *External*
Each KCTCS college district's Career Pathways Team participated in a November 22 Career Pathways meeting in Versailles. Larry Warford, College and Career Transitions Initiative Project Director and Senior Consultant for Workforce Development, League for Innovation, was the keynote speaker.

Eleven districts are approved for implementation of their Career Pathways Initiative, including eight healthcare/nursing, two manufacturing and one construction trades pathway. Negotiations with the remaining five districts are on-going.

The Ford Foundation has recently agreed to support the benchmarking and accountability work of the six Ford Bridges states in partnership with the five Lumina Foundation's "Achieving the Dream" states. The five Lumina funded states that KCTCS will have the opportunity to work with include Florida, North Carolina, New Mexico, Texas, and Virginia.

KCTCS participated in a webcast entitled "The Ford Foundation's Bridges to Opportunity Initiative" from the National Dissemination Center for Career and Technical Education (NDCCTE) on October 28, 2004. The webcast highlighted efforts in Colorado, Kentucky, and Ohio and how each state is using the Bridges to Opportunity Initiative to create access to further education for targeted populations.

Annie E. Casey Working Poor Families Project *(PA<u>CE</u>) - External*
Kentucky is one of 15 states participating in the "Working Poor Families Project," a national initiative supported by the Annie E. Casey, Ford, and Rockefeller Foundations. KCTCS has collaborated with the KY Chamber of Commerce and other public and private agencies to prepare a report similar to the recently published national report "Working Hard, Falling Short: America's Working Families and the Pursuit of Economic Security." Both the national and Kentucky state reports are available at
http://www.aecf.org/initiatives/jobsinitiative/workingpoor.htm.

National Science Foundation Automotive Manufacturing Center of Excellence Grant *(PA<u>CE</u>) – Campaigns & External*
KCTCS received a $68,891 grant from the National Science Foundation entitled "Planning Grant for a National Center of Excellence for Automotive Manufacturing." This multi-state (Kentucky, Michigan, Ohio, and Tennessee) community and technical college consortium, led by KCTCS, will establish a Center, which will develop and promote a national model for automotive technician education.

Energy Task Force Forums *(PA<u>CE</u>) - External*
KCTCS hosted three Governor's Commonwealth Energy Task Force forums in Lexington at Central Kentucky Technical College (November 12), Hazard Community and Technical College (November 15), and Hopkinsville Community College (November 17). The Energy Task Force membership includes Secretary Host (Chair), Secretary Wilcher, Secretary Strong, Secretary Rudolph, Secretary Fox, Senator Robert Stivers, and Representative Tanya Pullin. The Energy Task Force took testimony from a broad section of interested energy-related businesses, agencies, and the public in general. The Energy Task Force will take the input from the forums and develop a State Energy Plan.

RESOURCE DEVELOPMENT
KCTCS will seek additional fiscal, physical, and information technology resources and will use all resources effectively and efficiently to serve students.

Federal Appropriations Bill *(PA<u>CE</u>) - Campaigns*
On November 20, 2004, Congress passed the Fiscal Year 2005 Omnibus Appropriations Bill. Included in the bill are the following "earmarked" grants for KCTCS:

1. A $500,000 grant from the Fund for the Improvement of Post-Secondary Education Grant Program within the Department of Education for the **Center of Excellence in Automotive Manufacturing** to fund equipment and technology acquisition.
2. A $400,000 grant from the Health Resources and Services Administration within the Department of Health and Human Services to support the **allied health education programs at Southeast Kentucky Community and Technical College.**

3. A $100,000 grant from the Save America's Treasures program within the Fund for Historic Preservation to support the **Seminary Building restoration project at Jefferson Community College.**

In addition to the grant awards, the bill also contained language supporting "the partnership between the **National Park Service and Southeast Kentucky Community and Technical College**." The language presents a good opportunity to increase the current training program at Southeast and pursue funding directly from the Park Service or funding within the annual appropriations process next year.

President's Gala and Benefactors Awards Dinner *(PACE) – Campaigns*

President McCall presented awards to 39 KCTCS major donors and volunteers at the fifth annual President's Gala. He also announced that John Morgridge, chairman of the board of Cisco Systems in San Jose, California, will serve as the National Honorary Chair of the KCTCS *Fulfilling the Promise Campaign*, and that the Kentucky campaign co-chairs are Tom Zawacki, general manager of Toyota Manufacturing Kentucky, and Tim Mosher, president of Kentucky Power.

The individuals, corporations, and organizations honored included:
- John P. Morgridge, San Jose, CA *(honored by the Kentucky Community and Technical College System)*
- Trimac Transportation, Louisville *(honored by the Kentucky Community and Technical College System)*
- W. Guy Spriggs, Ashland *(honored by Ashland Community and Technical College)*
- Lincoln and Katherine Morgan Scott (in Memoriam), Ashland *(honored by Community College Foundation of Ashland)*
- Malcom D. Layne, Ivel *(honored by Big Sandy Community and Technical College)*
- Robert L. Bayes, Paintsville *(honored by the Big Sandy College Education Foundation, Inc.)*
- Ralph Palmer, Winchester *(honored by the Bluegrass Community and Technical College District)*
- Harry T. Richart, III, Lexington *(honored by the Bluegrass Community and Technical College District)*
- Ale-8-One Bottling Company, Winchester *(honored by the Bluegrass Community and Technical College District)*
- Good Samaritan Gift Shops, Inc., Lexington *(honored by the Bluegrass Community and Technical College District)*
- James "Bud" Layne, Bowling Green *(honored by Bowling Green Technical College)*
- Jim Johnson Pontiac-Nissan-Mitsubishi-University Hyundai-Isuzu, Bowling Green *(honored by Bowling Green Technical College)*
- Robert C. Wade, Elizabethtown *(honored by Elizabethtown Community and Technical College)*
- North Central Education Foundation, Elizabethtown *(honored by Elizabethtown Community and Technical College)*
- PBSI – Positive Business Solutions, Inc., Cincinnati, OH *(honored by Gateway Community and Technical College)*

- St. Elizabeth Medical Center, Edgewood *(honored by Gateway Community and Technical College)*
- Margaret C. Boggs, Hazard *(honored by Hazard Community and Technical College)*
- Christmas for Charity, Inc., Hazard *(honored by Hazard Community and Technical College)*
- Sandra and Merritt Deitz, Henderson *(honored by Henderson Community College and the College Foundation, Inc.)*
- Brenntag North America, Henderson *(honored by Henderson Community College and the College Foundation, Inc.)*
- Dana Corporation, Hopkinsville *(honored by Hopkinsville Community College)*
- Dr. Diane M. Calhoun-French, Louisville *(honored by Jefferson Community and Technical College District)*
- Dr. Ronald J. Horvath, Louisville *(honored by Jefferson Community and Technical College Foundation, Inc.)*
- Madisonville Rotary Club, Madisonville *(honored by Madisonville Community College)*
- US Bank – Madisonville District, Madisonville *(honored by Madisonville Community College)*
- Bill and Janice Doan, Cynthiana *(honored by Maysville Community and Technical College)*
- City of Maysville, Maysville *(honored by Maysville Community and Technical College)*
- Mason County Fiscal Court, Maysville *(honored by Maysville Community and Technical College)*
- Bank of Ohio County, Beaver Dam *(honored by Owensboro Community and Technical College)*
- BB&T, Owensboro *(honored by Owensboro Community and Technical College)*
- Owensboro Medical Health System, Owensboro *(honored by Owensboro Community and Technical College)*
- Marjorie and John Hager, Owensboro *(honored by Owensboro Community and Technical College)*
- Jean Wells, Owensboro *(honored by Owensboro Community and Technical College)*
- Steve Merrick, Somerset *(honored by Somerset Community College)*
- First National Bank, Russell Springs *(honored by Somerset Community College)*
- Vernon and Sara Cole, Lexington *(honored by Southeast Kentucky Community and Technical College)*
- Dr. James Golden (in memoriam) and Mrs. Betty Golden, Pineville *(honored by Southeast Kentucky Community and Technical College)*
- Arthur Feather and Family, Paducah *(honored by Paducah Junior College, Inc.)*
- Ulrich Medical Concepts, Paducah *(honored by Paducah Junior College, Inc.)*

Sponsors and underwriters of the Gala included:
- Cisco Systems, Inc., was underwriter of the President's Gala and Benefactors Awards Dinner.
- Cincinnati Bell Technology Solutions was underwriter of the Gala awards.
- Toyota Motor Manufacturing-Kentucky was the pre-Gala reception underwriter.
- ALLTEL was underwriter of the Gala entertainment.
- Gold-level sponsors were: Ashland Inc.; East Kentucky Power Cooperative; Fifth Third Bank; Kentucky Power; Midway College; and The Clements Group.

- Silver-level sponsors were: Associated Industries of Kentucky; City of Versailles/TI-KCTCS Public Properties Corporation; Citizens Commerce National Bank/ Smith Barney; Community Trust Bank; Kentucky Chamber of Commerce; and the Lexington Herald-Leader.
- Bronze-level sponsors were: Advertisers Printers, Inc. (API); Bank One; Deloitte & Touche LLP; Hammond Design and Advertising; Kentucky Utilities Company; Meridian Communications; Office Max – a Boise Company; Trapp Communications, LLC; Wyatt, Tarrant & Combs, LLP; and Xerox.
- Woodford Reserve was the exclusive bourbon sponsor.

Major Gifts Campaign Update *(PACE)* – *Campaigns*

The KCTCS Office of Institutional Advancement continues to implement its Plan of Campaign for system-level, statewide initiatives. Mr. Frank Stark is serving as the chair of the Versailles/Woodford County campaign. Leadership awareness sessions are being conducted to increase awareness, cultivate friendships, determine needs of the prospects, and to obtain advice that will assist the external phase of the major gifts campaign.

Ashland Community and Technical College, Big Sandy Community and Technical College, Bowling Green Technical College, Central Kentucky Technical College, Henderson Community College, Hopkinsville Community College, Jefferson Community and Technical College District, Madisonville Community and Technical College, Maysville Community and Technical College, Owensboro Community and Technical College and Somerset Community College have completed their employee campaign divisions. Employee campaigns are currently being implemented at Hazard Community and Technical College, Southeast Kentucky Community and Technical College, and West Kentucky Community and Technical College. Bowling Green, Central, Henderson, Madisonville, Owensboro, Somerset, and West Kentucky board divisions have concluded. Board division campaigns for Ashland, Hopkinsville, Jefferson, Maysville, and Southeast Kentucky are in progress. Colleges in campaign are continuing to conduct executive and leadership awareness sessions for individuals and community groups as they move forward with their external campaigns.

Two colleges have announced their *Fulfilling the Promise Campaign* goals. On October 5, 2004, Madisonville Community College announced a goal of $5 million, having already received more than $3.6 million in gifts and pledges. On November 15, 2004, Owensboro Community and Technical College announced a goal of $3 million, with more than $1.79 million already received in gifts and pledges.

Meridian Communications has produced printed campaign materials and videos for the System Office, Ashland, Bowling Green, Henderson, Hopkinsville, Madisonville, Owensboro, Somerset and Southeast. Maysville materials are near completion. Big Sandy, Hazard, and Jefferson are in the process of producing their campaign videos and printed marketing materials.

Gateway Community and Technical College's Feasibility Study is scheduled for spring 2005. The Bluegrass District and Elizabethtown Community and Technical College will conduct their Feasibility Studies at a later date.

Information Technology Update - *(PACE) - Accountability*
Three colleges, (Elizabethtown, Hopkinsville, and Owensboro) are now successfully advance registering students for spring term 2005 using the web-based, self-service registration system. Web-based registration will be used for all colleges in spring 2005.

The web-based Financials modules of the PeopleSoft Enterprise software, version 8.8, is being implemented by KCTCS personnel, augmented by professional consulting and technical from Crestone Consulting Services. The new software will be operating in April 2005.

Voice over Internet Protocol (VoIP) telephone systems have now been installed at 12 KCTCS colleges and the KCTCS System Office. Implementation is nearing completion at Elizabethtown Community and Technical College and is underway at Southeast Kentucky Community and Technical College. All remaining colleges will be added to the systemwide VoIP system by June 2005.

South Central Regional Postsecondary Education Center – "Clinton Center" Open House *(PACE) – Campaigns & External*
President McCall joined Dr. Jo Marshall, Somerset Community College President, Kentucky Senate President David Williams, Kentucky House Minority Whip Representative Jeff Hoover, and other community representatives on August 23, 2004, for an open house and reception for the new "Clinton Center" campus of Somerset Community College in Clinton County. The facility consists of 46,920 square feet that houses labs for biology, chemistry, CED training, childcare program, computer, and construction technology programs. It also houses electronics classrooms, general purpose classrooms, an interactive TV room, faculty and staff offices, and library services.

The Kentucky School of Craft Dedication Ceremony *(PACE) – Campaigns & External*
On October 21, 2004, President McCall and Dr. Jay Box, Hazard Community and Technical College President, were joined by other community leaders for this dedication ceremony. The Kentucky School of Craft, located in Hindman, Knott County, is charged with training students in the region to become successful entrepreneurs in the craft market place by blending business and entrepreneurial competencies into the technical studio and design classes; master/apprentice training systems are included. The 20,560 square-foot, $4.1 million facility will house woods studio, metals studio, community education center, a gallery/exhibition hall, classrooms, and faculty studios and offices.

System Office Building Dedication Ceremony *(PACE) - External*

The Kentucky Community and Technical College System dedicated its new System Office on November 19, 2004. Over 400 participants, including community leaders, government officials, and representatives from education, business and industry, and KCTCS employees, attended the ceremony and reception. Students in the Culinary Arts program of Bowling Green Technical College catered the event.

The 125,000 square-foot facility serves as the corporate office and conference center for the state's 16 community and technical colleges. The KCTCS System Office is equipped with technologically sophisticated workforce training rooms, a 300-seat conference center, conference rooms, board rooms, and office space for the KCTCS staff. It provides meeting and conference space for over the faculty and staff throughout the Commonwealth.

UNIFIED SYSTEM of COLLEGES and PUBLIC RECOGNITION

KCTCS will be a unified system of comprehensive community and technical colleges, recognized as a state and national leader in postsecondary education.

Business-Higher Education Forum *(PACE) - External*

President McCall was invited to join the Business-Higher Education Forum (BHEF) in fall 2004. BHEF is an affiliate of the American Council on Education, a group comprised of leaders of American business and institutions of higher education as well as representatives from prominent foundations and the military. Their initiatives cover key topics, including ethics, math and science education, student outcomes, and learning and technology. The forum meets twice a year and has scheduled its next meeting for February 24-26, 2005, in Scottsdale, Arizona.

Accreditation Update *(PACE) – Accountability*

Central Kentucky Technical College was approved for reaffirmation of accreditation by the Council on Occupational Education at the September 19-22, 2004, Commission meeting.

Lexington Community College and Central Kentucky Technical College submitted a substantive change consolidation prospectus to the Southern Association of Colleges and Schools (SACS) on September 24, 2004.

Jefferson Community College and Jefferson Technical College will host a SACS visiting team in regard to their substantive change for consolidation on February 1-3, 2005.

Owensboro Community and Technical College will host a SACS visiting team in regard to reaffirmation on September 20-22, 2005.

Bluegrass District Kickoff – August 20, 2004

President McCall joined Dr. Jim Kerley, Lexington Community College President and Bluegrass District CEO, and the faculty and staff of Central Kentucky Technical College and Lexington Community College for their first official joint gathering to celebrate their plans for consolidation.

Leadership Kentucky 2004 – September 16, 2004 *(PACE) – External*

President McCall presented an overview of KCTCS to the 2004 Leadership Kentucky Class at Owensboro Community and Technical College, highlighting KCTCS history, statutory mandates, mission, vision, and successes.

National Marketing and Public Relations Conference (NCMPR) – October 3-6, 2004 *(PACE) – External*

KCTCS hosted the NCMPR- Region 2 Conference, October 4-6, in Covington, Kentucky. President McCall was the featured speaker at the Pacesetter and Communicator of the Year Awards Luncheon. Other KCTCS staff presented three sessions highlighting topics in Graphic Designing, Photography in Public Relations, and the Challenges of Internal Communications.

Additionally, KCTCS received five Medallion Awards for excellence in marketing and public relations. The awards were in the following categories: College Promotional Videos, Annual Reports, Diversity Projects, Handbooks, and the Wild Card Category.

The conference was attended by 125 marketing and public relations professionals from 12 states. NCMPR has more than 1,550 members from more than 600 colleges across the U.S., Canada, and the Bahamas.

American Association of Community Colleges (AACC) *(PACE)* – *External*
As Chair-elect, President McCall was involved in the November 12-13, 2004, Executive Committee and Board meetings in Washington, D.C.

Media Coverage *(PACE)* – *External*
KCTCS programs and personnel have received state and national coverage in recent weeks. Publications include *Community College Times*, *Community College Week, The Chronicle of Higher Education, Kentucky Enquirer, Business First, Lane Report, Louisville Courier-Journal,* and *Lexington Herald-Leader*. Among the stories published were:
- KCTCS Auto Workforce Collaborative
- KCTCS joins consortium to do research and development on Homeland Security projects
- KCTCS contributes toward state progress in national higher education report
- KCTCS enrollment growth
- Opening and dedication of new KCTCS System Office
- Appointments to KCTCS leadership boards
- National recognition of KCTCS grant news
- National recognition of KCTCS fundraising and private giving
- National recognition of KCTCS faculty and staff

OTHER HIGHLIGHTS:

Council on Postsecondary Education (CPE) Update
At the September 19, 2004, meeting, the CPE agenda included the following items of interest to KCTCS:
- **Comprehensive Funding Model Review** – CPE staff presented an update on the activities and progress to date, including the completion of campus visits at each institution, a two-day Chief Budget Officers retreat in June 2004, development of five work groups to address the issues of Base Funding Model, Performance/Accountability, Capital Issues, Funding Distribution, and Incentive Funding Programs.
- **2004-05 Strategic Planning Process Update** – The CPE staff presented an update on the activities that have taken place to revise the strategic plan for postsecondary education and discussed the process for 2004-05. The schedule for Regional Forums across the state was included.

- **Preliminary Enrollment Estimates –** The CPE staff presented preliminary fall 2004 enrollment estimates at the meeting. The final numbers are due to CPE from the institution on November 1, 2004.
- **Committee on Equal Opportunity (CEO) Report –** The CPE was provided a report on the status of the *Kentucky Plan;* and the CEO is moving forward to develop a new statewide plan, anticipating presenting it for CPE approval in November 2005.

At the November 8, 2004, meeting, the CPE agenda included the following items of interest to KCTCS:
- **Comprehensive Funding Model Review Progress Report** - The CPE staff presented objectives and principles for the funding review, an executive summary of progress regarding the development of draft recommendations, a comparison of possible benchmark model changes, a comparison of possible funding distribution methodology changes, a comparison of possible capital changes, and recommended trust fund changes for the Council's consideration.
- **2004-05 Strategic Planning Process Update –** The CPE received an update on the nine regional forums held across the state to learn how postsecondary education can help meet the needs of communities, regions, and the state as a whole. Proposed changes to the five questions were presented for review.   Feedback will be gathered over the next few months. The newly proposed six questions are:
  - *Are Kentuckians of all ages prepared for postsecondary education?*
  - *Is Kentucky postsecondary education affordable for students?*
  - *Are more students enrolling and advancing through the system?*
  - *Are more students earning certificates and degrees?*
  - *Are we preparing graduates for life and work in Kentucky?*
  - *Are Kentucky's communities and economy benefiting?*
- **Affordability Policy Group Report** – The CPE approved the recommendation to require the public institutions to report 2005-06 tuition increases and an analysis of the institutional need-based and other student financial aid provided for the past five-year period. Institutions should also present any proposals for mid-year increases in tuition to the CPE for approval prior to action by their governing boards. Additionally, the CPE approved pursuing an outside consultant to complete a detailed affordability study.
- **Statewide Public Postsecondary Placement Policy –** CPE approved the policy guaranteeing placement into credit-bearing coursework to any student entering a Kentucky public postsecondary institution who is able to demonstrate specific levels of competence in English and math.
- **Kentucky/Ohio Tuition Reciprocity Agreement –** CPE approved an amendment to the agreement to allow Southern State Community College to withdraw from the agreement since no Kentucky residents enrolled at the college.

KCTCS Performance Indicators Update *(PACE) – Accountability*
As of November 2004, updated information is available for several indicators:
- **Credentials Awarded** - The number of credentials awarded increased by 29 percent between 2002-03 and 2003-04 to 12,740. KCTCS awarded 4,764 associate's degrees, 2,226 diplomas, and 5,750 certificates during 2003-04 and exceeded the performance target for each of these measures.

- **Professional Development Programs** – KCTCS spent 4.7 percent of its operating expenses on professional development activities in 2003-04, compared to 3.6 percent in 2002-03. The performance target for 2003-04 was 4.0 percent.
- **Community and Economic Development Indicators** – Updated measures are available for several community and economic development indicators. Performance targets were not established for these indicators:
  - Workforce Credit Enrollment increased from 11,516 in 2002-03 to 12,975 in 2003-04.
  - Employment Assessments increased from 61,486 in 2002-03 to 78,103 in 2003-04.
  - Adult Basic Education Enrollment increased from 17,740 in 2002-03 to 22,617 in 2003-04.
  - Community Education Enrollment increased from 32,348 in 2002-03 to 36,036 in 2003-04.

More detailed information is provided in the **attachment.** Note that the format for displaying the indicators has been revised; the list of indicators and their definitions has not been changed.

Kentucky Community and Technical College System
Performance Indicators
December 2, 2004

Student Access, Success, and Services

Enrollment Growth	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Target Fall 2003	Progress
Headcount	52,201	63,120	67,812	72,023	69,982	Exceeded target
Full-Time Equivalent	29,575	33,459	36,148	37,610	37,411	Exceeded target
Adult Basic Education Alumni						Pending data collection

	2000-01	2001-02	2002-03	2003-04	Target 2003-04	Progress
GED Completers	5,576	3,515	3,248			
Affordability			2.94%	3.70%	≤ 4.00%	Achieved target
Early Leavers with Marketable Skills		279	144			Pending revised definition

Diversity	Fall 2000	Fall 2001	Fall 2002	Fall 2003		
Minority Students, Total	10.8%	9.6%	9.1%	8.4%		
American Indian	0.5%	0.4%	0.3%	0.3%		
Asian	0.9%	0.7%	0.6%	0.6%		
Black	8.4%	7.7%	7.2%	6.7%		
Hispanic	1.0%	0.9%	0.9%	0.9%		
Non-Resident Alien	0.0%	0.0%	0.1%	0.0%		
White	83.2%	84.1%	79.7%	76.5%		
Not Reported	5.9%	6.3%	11.2%	15.1%		

	2000-01	2001-02	2002-03	2003-04		
Minority Faculty and Staff, Total		6.1%	6.2%	6.4%		
American Indian		0.1%	0.1%	0.1%		
Asian		0.6%	0.8%	0.7%		
Black		5.2%	4.9%	5.1%		
Hispanic		0.2%	0.4%	0.4%		
White		93.9%	93.8%	93.6%		

Program Quality and Effectiveness

Educational Effectiveness	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Target Fall 2003	Progress
Retention[1]	54.9%	52.4%	55.4%	55.2%	54.8%	Exceeded target
Transfers						Performance improved, did not meet target
To Kentucky 4-Year Institutions	2,213	2,145	2,219	2,242	2,530	
To Out-of-State Institutions		423	392			
Alumni Satisfaction						
Percent "Satisfied" or "Very Satisfied" with Overall Instruction		91.1%	90.9%		98.0%	
Percent Planning to Transfer to Another Institution		37.7%	33.4%		65.0%	
Percent who Would Recommend Institution to Another Student		73.9%	84.3%		90.0%	

	2000-01	2001-02	2002-03	2003-04	Target 2003-04	Progress
Credentials Awarded, Total	6,770	9,022	9,863	12,740	10,359	Exceeded target
Certificates	1,839	3,708	3,929	5,750	4,130	
Diplomas	1,609	1,608	1,705	2,226	1,788	
Associate's Degrees	3,322	3,706	4,229	4,764	4,441	

	2000-01	2001-02	2002-03	2003-04	Target 2002-03	Progress
Licensure/Certification Exam Pass Rates						
Registered Nurse			96.0%		81.6%[2]	Exceeded national average
Practical Nurse			91.7%		86.5%[2]	Exceeded national average
Radiography			82.0%			
Respiratory Care			77.6%			
Physical Therapist Assistant			73.3%		76.3%[2]	Did not meet national average

[1]The retention rate is the percentage of first-time degree-seeking freshmen entering in the summer or fall who are enrolled the following fall semester. Full- and part-time students are included. Students who transfer to another Kentucky institution or earn a credential are considered retained.

[2]National average.

Professional and Organizational Development

Professional Development Programs	2000-01	2001-02	2002-03	2003-04	Target 2003-04	Progress
Percent of operating expenses spent on development activities			3.6%	4.7%	4.0%	Exceeded target

Community/Economic Development and Partnerships

Economic and Cultural Impact	2000-01	2001-02	2002-03	2003-04	Progress
Workforce Training Enrollment, Total [3]	122,444	121,399	128,353		
Workforce Credit Enrollment	[3]	14,347	11,516	12,975	
Workforce Non-Credit Attendance	[3]	29,989[4]	29,646[4]	18,019	
Combined Workforce Credit and Non-Credit Attendance	46,251	14,347	11,516	30,994	
Fire/Rescue Training, Non-Credit Attendance	75,662	68,883	78,783	73,178	
Fire/Rescue Training, Credit Enrollment	531	8,180	8,408		
Employment Assessments	44,672	36,192	61,486	78,103	
Adult Basic Education Enrollment	9,051	13,495	17,740	22,617	
GED Corrections Students					Pending data collection
GED Preparation Courses, Enrollment			804		
GEDs Awarded			378		
Community Education Enrollment	23,035	25,106	32,348	36,036	
Employer Satisfaction with Graduates 4 = "Good," 5 = "Very Good"		4.35	4.40		
Employer Satisfaction with Workforce Training Services					Baseline data available 2005
Attendance at College- or Community-Sponsored Events			500,000		

[3]Credit/Non-Credit breakdown not available for 2000-01.

[4]Includes attendance at special training project concluded in 2002-03. Beginning in 2003-04 attendance tracked in PeopleSoft.

Resource Development

Fiscal Management and Effectiveness	2000-01	2001-02	2002-03	2003-04	Target 2003-04	Progress
External Audit Report	Clean	Clean	Clean			
General Fund Revenue		$181,445,800	$185,313,100	$184,493,000	$189,097,700	Did not meet target
Grants and Contracts		$40,004,860	$43,396,829	$46,026,948	$45,566,670	Exceeded target
External and Gift Funding		$7,938,145	$6,166,635	$13,428,782	$6,474,967	Exceeded target
Per Student Funding[4]		$7,384	$7,343	$7,390	$7,673	Did not meet target

[5]Public funds (General Fund appropriations plus tuition and fees revenue) per FTE enrollment.

Unified System of Colleges and Public Recognition

Institutional Profile	2000-01	2001-02	2002-03	2003-04	Target 2003-04	Progress
Colleges Progressing in Consolidation Stages		3	2	4	5	Did not meet target
Articles Appearing in Regional or National Publications		123	101	112		
Presentations in National Venues by KCTCS Personnel			122			

Kentucky Community and Technical College System
Performance Indicators

DEFINITIONS

Enrollment Growth

Headcount   Official fall enrollment, as reported to the Council on Postsecondary Education.

Full-Time Equivalent   Official fall enrollment divided by 16.

GED Completers   Annual unduplicated headcount based on credentials self-reported by entering students.

Affordability   Tuition as a percentage of Kentucky's median family income.

Early Leavers with Marketable Skills (ELMS)   Annual headcount of early leavers in technical programs assessed by faculty as having marketable skills as reported in the Perkins Fund database. KCTCS is working to standardize the ELMS definition for future reports.

Diversity

Minority Faculty and Staff   Employees by race/ethnicity as reported annually to the National Center for Educational Statistics based on a snapshot in early November.

Educational Effectiveness

Retention   Percent of Fall/Summer first-time freshmen who (1) returned the subsequent Fall, (2) earned a credential between the end of the prior Fall term and the start of the subsequent Fall term, or (3) enrolled in another Kentucky institution. The beginning cohort excludes those who die, become disabled, some military enlistees, and those enlisting in church missions and US foreign service.

Transfers to Out-of-State Institutions   Number of Fall students who enrolled the following Fall term in an institution outside of Kentucky (based on National Student Clearinghouse data). This statistic does not include Indiana University, a common transfer destination. Efforts are being made to include transfers to IU in future reports.

Alumni Satisfaction   Percent of affirmative responses to selected items in the KCTCS Exit survey.

Licensure/Certification Exam Pass Rate   Percent of students passing licensure/certification exams as reported to colleges by licensure exam administrators. These statistics may be limited to first-time takers or to a given graduating class.

Professional Development Programs
Professional Development   Percent of operating expenses budget spent on professional and organizational development.

Economic and Cultural Impact

Workforce Development Enrollment, Credit and Non-Credit

Credit enrollment is an annual unduplicated enrollment reported to KCTCS's PeopleSoft database. Non-credit Fire/Rescue Training is based on paper records submitted by the Fire Commission. Non-credit workforce enrollment counts are drawn from local college databases (beginning in 2003-2004, this data will be included in the central KCTCS database). All non-credit statistics are duplicated headcounts.

Employment Assessments

Annual duplicated headcount drawn from local college databases (beginning in 2003-2004, this data will be included in the central KCTCS database).

Adult Basic Education

Annual unduplicated headcount as reported in the KYAE database. GED figures based on reports from GED staff. GED course headcount is a one-day sample.

Community Education

Annual duplicated headcount reported by college staff (beginning in 2003-2004, this data will be included in the central KCTCS database).

Employer Satisfaction with Graduates

Annual results from exit survey administered 6 months after graduation.

Employer Satisfaction with Training Services

Proposed satisfaction surveys will be administered to company representatives after training service is completed.

Cultural Events

Annual duplicated headcount as reported by the colleges to reflect attendance at cultural events sponsored by the college and the community. There is no standard definition of this statistic.

Fiscal Management and Effectiveness

Grants & Contracts

Annual amount processed by the System Office of Grants and Contracts

External and Gift Funding

Annual amount processed by the System Office of Advancement.

Per Student Funding

Public funds (State General Fund appropriations plus tuition and fees revenue) per FTE enrollment.

Institutional Profile

Colleges Progressing in Consolidation Stages

Number of districts commencing operation as consolidated community and technical colleges as accredited with SACS.

Media Articles

Number of articles appearing in regional or national publications as reported by the System Office of Public

Presentations

Number of presentations in national venues by KCTCS personnel as reported by CEOs and System Office staff. There is no standard definition of this statistic.

R E S O L U T I O N

To Support and Endorse Participation
in the University Center of the Mountains

WHEREAS, the Kentucky Council on Postsecondary Education's *2020 Vision: An Agenda for Kentucky's System of Postsecondary Education* states, "*Communities and Regions* will have access to postsecondary resources and services that are designed to meet distinct needs"; and

WHEREAS, *The Kentucky Postsecondary Education Improvement Act of 1997* (as amended) mandates that KCTCS "be responsive to the needs of students and employers in all regions of the Commonwealth with accessible education and training to support the lifelong learning needs of Kentucky citizens in order to…increase the access for students to complete the pre-baccalaureate associate degree in arts or associate degree in science for ease of transfer to four (4) year institutions"; and

WHEREAS, the *KCTCS Strategic Plan 2000-05* includes the goal to "strengthen the economic development of our communities and state by expanding educational opportunities, improving outreach services, and creating new partnerships"; and

WHEREAS, the University Center of the Mountains is a collaboration of partnering postsecondary institutions, which includes Hazard Community and Technical College, Morehead State University, and Eastern Kentucky University, for the purpose of increasing opportunities to obtain selected undergraduate and graduate degrees and professional certifications that address lifelong learning, economic and workforce needs, and community development within the Kentucky River Area Development District (Breathitt, Knott, Lee, Leslie, Letcher, Owsley, Perry, and Wolfe counties); and

WHEREAS, the purpose of the University Center of the Mountains is to provide greater access to public high quality baccalaureate and graduate education and other postsecondary learning opportunities for the citizens of southeastern Kentucky and to promote more collaboration among the colleges, universities, and other educational providers;

NOW, THEREFORE, BE IT RESOLVED that the KCTCS Board of Regents hereby supports and endorses participation in the University Center of the Mountains.

ADOPTED, this third day of December 2004.

_____   _____
Joseph B. Wise, III, Secretary   Cynthia L. Read, Chair
KCTCS Board of Regents   KCTCS Board of Regents

                                          _____
                                          Michael B. McCall, Ed.D.
                                          KCTCS President