MINUTES
Kentucky Community and Technical College System
Board of Regents Meeting
June 10, 2016

Board Members Present:
Mr. Robert G. Cooper
Ms. Venus R. Evans
Ms. Betsy E. Flynn
Dr. Angela Fultz
Dr. Gail R. Henson
Ms. Mary R. Kinney
Mr. Barry K. Martin
Ms. Lacey B. Parham
Ms. Marcia L. Roth
Mr. James Lee Stevens
Mr. Donald R. Tarter
Ms. Tammy C. Thompson
Mr. Mark A. Wells

Board Members Absent:
Mr. Porter G. Peeples

CALL TO ORDER
KCTCS Board of Regents Chair Marcia Roth called to order the meeting of the Kentucky Community and Technical College System Board of Regents at 9:02 a.m. (ET) on June 10, 2016. The meeting was held in Room T210 of the Technical Building at Maysville Community and Technical College. The press was notified of the meeting on June 1, 2016. Hon. Pamela Duncan, KCTCS Associate General Counsel, served as parliamentarian.

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

APPROVAL OF MINUTES
Chair Roth asked if there were any corrections to the March 11, 2016, minutes presented in the meeting materials. There being none, the minutes were declared approved as presented.

ADDITIONS OR CHANGES TO THE AGENDA
There were no additions or changes to the agenda.

ACKNOWLEDGMENT OF MEETING HOSTS AND INTRODUCTION OF GUESTS
Chair Roth welcomed guests to the meeting. She thanked Maysville Community and Technical College President Steve Vacik for his hospitality and thanked his staff for coordinating the Board’s visit to their college.

COLLEGE GREETINGS:
MAYSVILLE COMMUNITY AND TECHNICAL COLLEGE
Chair Roth called on President Box to introduce Dr. Steve Vacik, Maysville Community and Technical College President, to bring college greetings. Dr. Vacik provided an overview of the various opportunities available and programs offered at the college.
Following the presentation, Chair Roth thanked Dr. Vacik for the information and expressed gratitude to the college for addressing the needs of students, faculty and staff, and the local community.

The presentation given at the meeting is available at: https://publicsearch.kctcs.edu/board/Pages/201606.aspx

**CHAIR’S REPORT**

Chair Roth exercised her point of privilege as Chair of the Board and asked if the Board could have a moment of silence to honor a former Board member, Richard Bean’s wife Martha Bean.

KCTCS Board of Regents Chair Roth presented highlights from the April 19, 2016, KCTCS Foundation Board meeting. The Foundation Board approved a Resolution for the Dissolution and Final Distribution of Funds from the Webb Annuity which was established in 1999 to support the Lees College Campus of Hazard Community and Technical College. The investment of annuity, which was managed by Fifth Third Bank, had not kept pace with the required distributions to the two surviving sons of the original donor, Mrs. Drewsilla Webb. With the written permission of the two sons, the account at Fifth Third Bank was dissolved and a plan was agreed upon that would distribute the remaining funds, thus relieving the KCTCS Foundation from any further financial liability. The Foundation Board received a legislative update from President Box and discussed the 2016-22 KCTCS Strategic Plan.

Chair Roth also noted that the Foundation Board received an update on the recent media inquiries regarding foundation assets and the legal opinion rendered that clarifies that the KCTCS Foundation, nor any of the college foundations, are subject to Kentucky’s Open Records law as independent, 501c3 Foundation Boards. The Celebration of Philanthropy Awards dinner will be held on October 1, 2016, at the Louisville Downtown Marriott and the next meeting of the Foundation Board will be its annual retreat on August 23, 2016.

Chair Roth shared that the President’s Compensation Committee met on June 2, 2016 and made a report to the Executive Committee at their June 9, 2016 meeting. The Committee has completed their work and will not meet again. The minutes of the meeting were distributed to the committee members for their review and comment via email by June 6, 2016. No comments or edits were received, so the minutes are declared approved.

Chair Roth shared with the Board that Regent Lacey Parham was part of an Owensboro Community and Technical College team that won the western regional IDEA State U Business Model Competition that was held in Hopkinsville, March 2016. She and her partner advanced to the IDEA State U finals in Lexington, April 2016. They came in first place for their Business Model Competition.
ACTION:
RESOLUTION OF APPRECIATION
VENUS R. EVANS

RECOMMENDATION: That the KCTCS Board of Regents approve the Resolution of Appreciation – Venus R. Evans (Attachment A).

Chair Roth called on Regent Betsy Flynn to read the Resolution of Appreciation – Venus R. Evans.

MOTION: Mr. Cooper moved and Ms. Thompson seconded that the KCTCS Board of Regents approve the Resolution of Appreciation – Venus R. Evans (Attachment A).

VOTE: The motion was approved unanimously.

ACTION:
RESOLUTION OF APPRECIATION
LACEY B. PARHAM

RECOMMENDATION: That the KCTCS Board of Regents approve the Resolution of Appreciation – Lacey B. Parham (Attachment B).

Chair Roth called on Regent Angela Fultz to read the Resolution of Appreciation – Lacey B. Parham.

MOTION: Mr. Tarter moved and Ms. Evans seconded that the KCTCS Board of Regents approve the Resolution of Appreciation – Lacey B. Parham (Attachment B).

VOTE: The motion was approved unanimously.

PRESIDENT’S REPORT

KCTCS President Box provided the Board an update on Dual Credit proposals. He was a member of the taskforce appointed by Governor Beshear two years ago to develop an agreement with the Kentucky Department of Education (KDE). The original agreement had tuition set at one-half of the KCTCS in-state tuition rate, which had been the standard across the state at that time.

The taskforce issued a report with recommendations that resulted in a Memorandum of Agreement (MOA) outlining the sharing of the Dual Credit costs and that no institution could charge more than one-half of the KCTCS in-state tuition rate.

Due to a change in KDE leadership shortly thereafter, the MOA was not distributed across the school districts as it should have been. The taskforce recommendations included a legislative a proposal for an appropriation request to cover the costs to KCTCS to offset this proposal, and a dual credit scholarships request was made for $5 million during the 2016 legislative session. In the meantime, KCTCS proceeded with implementing the MOA provisions and encountered resistance from the school superintendents.

Subsequently, President Box met with the new administration’s Education Secretary Hal Heiner, CPE President Bob King, and KDE Commissioner Stephen Pruitt and learned that Secretary Heiner did not support the MOA.
Governor Bevin shortly thereafter announced a Dual Credit Scholarship initiative, where higher education institutions would be prohibited from charging more than one-third of the KCTCS in-state tuition rate for Dual Credit courses. As a result, several universities announced that they would not participate in the initiative. Additionally, the Governor’s current proposal does not provide KCTCS tuition revenue until after completion of the dual credit course. The school districts are also being encouraged to lower tuition costs further through negotiation, increasing their revenue stream.

President Box noted that Dual Credit is part of the KCTCS legislative mandate and mission, however, KCTCS is at a financial disadvantage under this new proposal. Regardless, KCTCS intends to implement the program to the extent possible without strapping KCTCS financially.

Other updates provided by President Box included a video announcing the KCTCS All-Academic Team and the 21st Century Scholar Winner. He also shared a video presentation on the 2016 Super Sunday Event.

President Box called on Vice President Gloria McCall, and her staff to update the Board on KCTCS Strategic Enrollment Management efforts. The KCTCS Strategic Plan 2010-16 Performance Measures update was also provided.

The PowerPoint presentations for these and other updates are available at: https://publicsearch.kctcs.edu/board/Pages/201606.aspx

The written report presented at the meeting is available at: https://publicsearch.kctcs.edu/board/Board%20Meetings/2016/201606/Final%20President%20Report%20JUNE%202016%20Attachments%20added.pdf

At the conclusion of the President’s Report, President Box asked the Board to consider a Resolution of Appreciation for Vice President Tim Burcham who recently announced his retirement for August 30, 2016.

ACTION: RESOLUTION OF APPRECIATION TIMOTHY R. BURCHAM

RECOMMENDATION: That the KCTCS Board of Regents approve the Resolution of Appreciation – Timothy R. Burcham (Attachment C).

Chair Roth read the Resolution of Appreciation – Timothy R. Burcham.

MOTION: Dr. Henson moved and Ms. Evans seconded that the KCTCS Board of Regents approve the Resolution of Appreciation – Timothy R. Burcham (Attachment C).

VOTE: The motion was approved unanimously.
RECESS
The KCTCS Board of Regents recessed at 10:50 a.m. (ET) and reconvened at 11:03 a.m. (ET).

CONSENT AGENDA
Chair Roth asked if there were any changes to the consent agenda. There being none, the agenda was approved as presented.

EXECUTIVE COMMITTEE
Chair Roth called upon Executive Committee and Board of Regents Vice Chair Gail Henson to make the committee’s report.

ACTION: REVISION OF MISSION STATEMENT FOR ASHLAND COMMUNITY AND TECHNICAL COLLEGE

RECOMMENDATION: That the KCTCS Board of Regents approve the revision of the mission statement for Ashland Community and Technical College (ACTC) as presented in the agenda materials.

Dr. Henson noted that it is the policy of the KCTCS Board of Regents that each SACS-accredited college under the jurisdiction of the KCTCS Board of Regents has a statement of purpose approved by the governing board and that the KCTCS Board of Regents periodically review and approve mission statements of each SACS-accredited college. It is also the policy of KCTCS that the college mission statement be reviewed annually and that the mission statement shall be submitted to the KCTCS Board of Regents for approval at least once every three years.

She noted that in August 2015, ACTC’s College Council that included staff, faculty, and administration asked for input from their departments on the current mission statement. After the department discussions at the September meeting of the College Council, the decision was made not to revise the mission statement, but at the November 2015 meeting of the ACTC College Council, the decision not to revise the current mission statement was reversed and two changes were suggested. The first change was to revise the phrase from “serving Northeast Kentucky” to “located in Northeast Kentucky” to emphasize geographic location and to recognize that the college serves students from outside this region of Kentucky. The second change was to improve the readability of the mission statement by revising the lengthy sentence in the middle of the paragraph. The final version of the revised Mission Statement was approved by the ACTC Board of Directors at the December 10, 2015 meeting.

MOTION: On behalf of the Executive Committee, Dr. Henson moved that the KCTCS Board of Regents approve the revision of the mission statement for Ashland Community and Technical College (ACTC) as presented in the agenda materials.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.
RECOMMENDATION: That the KCTCS Board of Regents approve the revision of the mission statement for Elizabethtown Community and Technical College (ECTC) as presented in the agenda materials.

Dr. Henson noted that the ECTC division chairs and the College Leadership Team had their summer meetings in July 2015, and during those meetings, the Dean of Institutional Effectiveness reviewed the current mission statement and asked meeting participants to review with their divisions and send any changes to the Office of Institutional Effectiveness. In October 2015, faculty and staff were given the opportunity to submit their comments and suggestions to revise the mission statement.

She shared that in January 2016, after the review of all the comments and suggestions, the College Leadership Team revised the mission statement. They revised the phrase from “public two-year degree granting institution” to “public associate degree granting institution” to emphasize that it is more about the degree than the time it takes to achieve the degree. The final version of the revised Mission Statement was approved by the ECTC Board of Directors at the February 8, 2016 meeting.

MOTION: On behalf of the Executive Committee, Dr. Henson moved that the KCTCS Board of Regents approve the revision of the mission statement for Elizabethtown Community and Technical College (ECTC) as presented in the agenda materials.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.

RECOMMENDATION: That the KCTCS Board of Regents approve the renewal of the mission statement for Maysville Community and Technical College (MCTC) as presented in the agenda materials.

Dr. Henson noted that in December 2015, the faculty and staff of MCTC began the mission statement review process. The process included asking employees to respond to statements using a Likert scale rating of 1 – highly disagree to 5 – highly agree. The results were compiled by the Office of Institutional Planning, Research, and Effectiveness. The findings of the review were sent to the Administrative Council. At their March 2016 meeting, they voted to renew the Mission Statement. The renewed Mission Statement was approved by the MCTC Board of Directors at the May 3, 2016 meeting.

MOTION: On behalf of the Executive Committee, Dr. Henson moved that the KCTCS Board of Regents approve the renewal of the mission statement for Maysville Community and Technical College (MCTC) as presented in the agenda materials.
Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.

**ACTION:**

**APPROVAL OF KCTCS STRATEGIC PLAN 2016-22**

RECOMMENDATION: That the KCTCS Board of Regents approve the *KCTCS Strategic Plan 2016-22* (Attachment D), which will establish the overall strategic direction of KCTCS through June 30, 2022.

Dr. Henson called on President Box to present an overview with assistance from KCTCS Vice President Tim Burcham.

It was noted that the statutory role of the KCTCS Board of Regents, per KRS 164.350, is to evaluate the institution’s progress in implementing its mission, goals, and objectives; ensure conformity with the CPE strategic agenda; and ensure accountability for the status of the institution’s progress. The proposed *KCTCS Values, Vision, Mission, Goals, Performance Measures, and Targets* for the *KCTCS Strategic Plan 2016-22* (Attachment D) build upon the mandates found in the *Kentucky Postsecondary Education Improvement Act of 1997* (as amended) in alignment with the Board of Regents’ statutory responsibility. During the development of the fourth KCTCS Strategic Plan there were four over-arching principles that were followed: open and transparent, engaging and inclusive, internal alignment, and compelling and clear.

President Box shared that KCTCS continues progress toward achieving Kentucky’s 2020 long-term goals, including the development of a well-educated and highly trained workforce, globally competitive businesses and industries, and a standard of living in excess of the national average, while recognizing the importance of preparing for 2022 and beyond with the *KCTCS Strategic Plan 2016-22* and its subordinate two-year business plans. The *KCTCS Strategic Plan 2016-22* and corresponding two-year business plans will align with the biennial budgeting process, and will address local, state, and national trends and issues identified through environmental scanning, research, and engagement activities.

Dr. Henson shared that the Board appreciated the clarity and directness of this strategic plan.

MOTION: On behalf of the Executive Committee, Dr. Henson moved that the KCTCS Board of Regents approve the *KCTCS Strategic Plan 2016-22* (Attachment D), which will establish the overall strategic direction of KCTCS through June 30, 2022.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.
Dr. Henson called on President Box to present an overview with assistance from KCTCS Vice President Tim Burcham.

President Box noted that higher education funding became one of the cornerstones of this legislative session. The state appropriation for KCTCS in fiscal year (FY) 2016-17 is $181,605,000, which is a 4.5 percent reduction from the FY 2015-16 appropriation of $190,162,300. For FY 2017-18, the state appropriation is $172,524,700, which is 95 percent of the FY 2016-17 appropriation. The remaining 5 percent for KCTCS has been placed in the new Postsecondary Education Performance Fund.

The enacted budget also establishes the Postsecondary Education Working Group and specifies that the Council on Postsecondary Education must establish a Work Group, which includes President Box as a member, charged with developing a funding model for the allocation of the state general fund appropriations set aside for performance funding, incorporating elements of campus performance, mission, and enrollment. The Work Group shall complete its work and submit a report to the Governor and Interim Joint Committee on Education by December 1, 2016.

President Box noted that the budget also contains the following provisions for KCTCS:

- KCTCS is allowed to dispose of any real property and improvements that have become surplus to the colleges’ needs and retain the proceeds from any sale at the individual college location, and
- 41 KCTCS capital projects using restricted funds were approved.

President Box shared that KCTCS was particularly interested in House Bill 626, which began as the Work Ready Kentucky Scholarship Program bill, which would provide free tuition to attend KCTCS for qualified students who graduate from a Kentucky high school or earn a GED by age 19. In the final days of the session several provisions were added to HB 626, including a Dual Credit Scholarship Program, Performance Funding, and a Workforce Development Construction Pool. The Work Ready Kentucky Scholarship was also changed significantly.

Governor Bevin vetoed HB 626 in its entirety, eliminating all details related to these four initiatives. KCTCS awaits details from the Kentucky Higher Education Assistance Authority about the Work Ready Kentucky and Dual Credit Scholarship Programs, as these two programs remained in the Budget Bill (HB 303) as enacted, and are to be administered by that agency.

Dr. Henson noted that the committee met on June 2, 2016, at the KCTCS System Office in Versailles to review the Hanna Resource Group (HRG) report on comparable compensation for President Box. In March 2015, the Board of Regents requested a compensation and classification study be performed for KCTCS since the last comprehensive compensation and classification
study for the System was completed and implemented in 2003. HRG was engaged to work with System Office staff to complete the study.

Dr. Henson shared that HRG also conducted a compensation market analysis on the KCTCS president position to ensure base salary and total pay were competitive in the market place. Extensive research was conducted using information collected from sources including CUPA, the Chronicle of Higher Education, Buck Consultants, Dolan Technologies, Kenexa IBM, ERI, AACC, and information collected from colleges across the country. The results indicate that President Box’s salary is competitive in the market.

**ACTION: KCTCS PRESIDENT’S ANNUAL PERFORMANCE REVIEW**

**RECOMMENDATION:** That the KCTCS Board of Regents approve the evaluation of President Box for the period of January 2015 through May 2016.

Chair Roth noted that the annual performance review process was revised by the Board after President Box was appointed in January 2015. The **KCTCS Board of Regents Policy 2.5 KCTCS President’s Performance Review** was approved at the September 18, 2015, meeting, along with President Box’s 2015-16 Goals and Objectives. During this meeting the timeline for his first review was also approved.

Chair Roth shared that President Box had distributed to the Board his final accomplishments report for the full 16-month period on May 6, 2016. On May 10, 2016, the evaluation form was distributed to all Board members. They were asked to complete the form and return for compilation and review with President Box in accordance with the KCTCS Procedures for the Evaluation of the President.

Chair Roth met with President Box on May 25, 2016 to review the Board’s responses with him. She thanked the Board for their attention to the very important task of evaluating the president. She noted that based on the feedback collected from the Board on the evaluation instruments, President Box has met or exceeded all his objectives for his 2015-16 Goals.

Chair Roth also shared with the Board that evaluating the President of KCTCS is the number one responsibility of the Board. She noted that she felt good about the process that was put in motion a year and a half ago, noting that the process is transparent and open.

Before Chair Roth called for the vote, she noted that pursuant to the **KCTCS Bylaws Section 8.2 Matters on Which Members May Vote that states** “…the two (2) members representing faculty and the two (2) members representing non-teaching personnel shall not vote on individual compensation matters for themselves or other individual employees of KCTCS.”
MOTION: On behalf of the Executive Committee, Dr. Henson moved that the KCTCS Board of Regents approve the evaluation of President Box for the period of January 2015 through May 2016 and that President Box’s contract be:

1) extended for at least an additional year, and
2) revised to reflect the KCTCS Policy for terminal annual leave.

Additionally, in light of fiscal constraints of the current year, and at the request of President Box, the salary will remain the same for the next year.

VOTE: The motion was approved unanimously by those voting: Ms. Roth, Dr. Henson, Ms. Flynn, Mr. Martin, Ms. Evans, Mr. Stephens, Mr. Cooper, Ms. Parham, and Mr. Tarter.

Dr. Fultz, Ms. Kinney, Ms. Thompson, and Mr. Wells did not vote pursuant to the KCTCS Bylaws Section 8.2 Matters on Which Members May Vote that states “…the two (2) members representing faculty and the two (2) members representing non-teaching personnel shall not vote on individual compensation matters for themselves or other individual employees of KCTCS.”

**EXECUTIVE SESSION**

Chair Roth called for a motion for the KCTCS Board of Regents to go into Executive Session pursuant to KRS 61.810 (1) (c) – Proposed or Pending Litigation in which KCTCS may be a party.

MOTION: Mr. Martin moved and Dr. Henson seconded that the KCTCS Board of Regents go into Executive Session pursuant to KRS 61.810 (1) (c) – Proposed or Pending Litigation in which KCTCS may be a party.

VOTE: The motion was approved unanimously.

The Board went into Executive Session at 12:12 p.m. (ET).

**OPEN SESSION**

Chair Roth called for a motion for the KCTCS Board of Regents to reconvene the meeting in Open Session.

MOTION: Ms. Flynn moved and Dr. Henson seconded that the KCTCS Board of Regents reconvene in Open Session.

VOTE: The motion was approved unanimously.

The KCTCS Board of Regents reconvened in open session at 12:48 p.m. (ET).

Chair Roth announced that the Board discussed Proposed or Pending Litigation and that there was no action to bring before the Board at this time.
Chair Roth called upon Finance, Technology, and Human Resources Committee Chair Betsy Flynn to make the committee’s report.

RECOMMENDATION: That the KCTCS Board of Regents approve the 2016-17 KCTCS Salary Schedule (Attachment E), which includes salary ranges for regular full-time faculty and staff. Funding for the salary schedule must be approved by the KCTCS Board of Regents within the KCTCS annual budget.

Ms. Flynn noted that the proposed 2016-17 KCTCS Salary Schedule is the same as the 2015-16 Salary Schedule. It has been designed in consideration of available resources, best practices, and market conditions. The KCTCS Board of Regents last revised the KCTCS Salary Schedule in June 2012. The salary schedule reflects monthly salaries to accommodate the period of assignment in months for regular full-time faculty and staff. Faculty assignments range from 10 to 12 months. Staff assignments range from 9 to 12 months.

She noted that KCTCS has conducted a systemwide compensation and classification study. President Box will present the results of the comprehensive study at the September 2016 Board meeting.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Ms. Flynn moved that the KCTCS Board of Regents approve the 2016-17 KCTCS Salary Schedule (Attachment E), which includes salary ranges for regular full-time faculty and staff. Funding for the salary schedule must be approved by the KCTCS Board of Regents within the KCTCS annual budget.

VOTE: The motion was approved unanimously.

RECOMMENDATION: That the KCTCS Board of Regents approve and report to the Council on Postsecondary Education (CPE) a $9 per student credit hour tuition increase in 2016-17 for in-state students. This action combined with the CPE parameter for tuition rates for out-of-state students results in the following 2016-17 per credit hour tuition rates for KCTCS colleges:

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<td>Other Out-of-State Students</td>
<td>546</td>
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Ms. Flynn noted that KRS 164.020 gives the Council on Postsecondary Education (CPE) the authority to determine tuition rates for Kentucky’s state-supported universities and KCTCS. At its April 26, 2016, meeting, CPE
established the 4.6-6.1 percent tuition rate increase parameter in 2016-17 for in-state students for each state-supported university and KCTCS. This parameter provides that the KCTCS 2016-17 in-state tuition rate may increase to $156 per credit hour. CPE also established the parameter for out-of-state tuition rates requiring that these shall be at least two times the in-state rate. The recommended 2016-17 in-state tuition rate is consistent with the CPE parameter for KCTCS in-state tuition. The recommended 2016-17 out-of-state tuition rates are consistent with the CPE parameter for KCTCS out-of-state tuition and continue the out-of-state rate structure that KCTCS has used for the past several years.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Ms. Flynn moved that the KCTCS Board of Regents approve and report to the Council on Postsecondary Education (CPE) a $9 per student credit hour tuition increase in 2016-17 for in-state students. This action combined with the CPE parameter for tuition rates for out-of-state students results in the following 2016-17 per credit hour tuition rates for KCTCS colleges:

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Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.

**ACTION: 2016-17 KCTCS ANNUAL BUDGET**

RECOMMENDATION: That the KCTCS Board of Regents adopt the 2016-17 budget resolution (Attachment F) regarding the 2016-17 Annual Budget for the Kentucky Community and Technical College System. This budget and its provisions will be effective July 1, 2016, through June 30, 2017.

Ms. Flynn shared that the KCTCS annual budget directs the use of financial resources available to KCTCS to help achieve the mission and vision of KCTCS. This budget places the highest priority on students and the effective and efficient use of available resources.

The 2016-17 KCTCS budget funds fixed cost increases in current employee benefits programs and funds the cost of faculty promotions. It funds fixed cost increases in utilities and facility insurance and maintains a nonrecurring budget reserve for each college, the systemwide operations and support programs, the Fire Commission, and the Kentucky Board of Emergency Medical Services (KBEMS). The KCTCS President’s Leadership Team supports the recommended budget.

The proposed resolution (Attachment F) provides for adequate fiscal control and oversight by the KCTCS Board of Regents consistent with common practice within postsecondary education institutions. At the same time, the
resolution provides a reasonable amount of discretion to the KCTCS President and establishes limits and thresholds that the President cannot exceed without the express consent of the Board. The proposed budget and its provisions will be effective for the fiscal year beginning July 1, 2016, and ending June 30, 2017.

The operating budget authorizations approved by the Board total $839,607,200 for the fiscal year beginning July 1, 2016 and ending June 30, 2017. Of this amount, $524,673,300 are unrestricted current funds; and $314,933,900 are restricted funds from sources such as federal, state, private gifts, grants, contracts, or appropriations.

In addition, the Board approved capital budget authorizations totaling $111,927,000 from bond funds and agency funds is approved, contingent upon receipt and availability of those funds for KCTCS for fiscal year beginning July 1, 2016, and ending June 30, 2017.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Ms. Flynn moved that KCTCS Board of Regents adopt the 2016-17 budget resolution (Attachment F) regarding the 2016-17 Annual Budget for the Kentucky Community and Technical College System. This budget and its provisions will be effective July 1, 2016, through June 30, 2017.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.

INFORMATION: BUILDSMART AGENCY BOND ISSUANCE

Ms. Flynn noted that the KCTCS Board of Regents Finance, Technology, and Human Resources Committee received an update on the BuildSmart Agency Bonds issued by the Commonwealth of Kentucky State Property and Building Commission on behalf of KCTCS. She noted that the Board received additional details regarding the Bonds in a handout (Attachment G).

UPDATE: KCTCS QUARTERLY FINANCIAL REPORT

Ms. Flynn reported that information for the third quarter of fiscal year 2015-16, which ended March 31, 2016, was derived from the KCTCS Administrative Financial System. The Statement of Revenues and Expenditures reflects the actual program and operational expenditures compared to the fiscal year 2015-16 budget approved by the KCTCS Board of Regents on June 12, 2015.

She noted that total revenues of $718 million reflect 81 percent of the budgeted revenue and appropriated funds. Current fund expenditures and budget reserve through the fiscal year total $620 million, 70 percent of the expenditures budgeted for the year. As of the end of the first quarter, KCTCS has received 91 percent of budgeted tuition revenue; and 86 percent of the total budgeted financial aid has been received and expended. A total of 100 percent of the nonrecurring budget reserve from prior year funds is in place. It was noted that investment income was down due to the downturn in global markets. KCTCS staff are revising KCTCS’s portfolio for possible rebalance.
The Statement of Net Position, although not specifically required in the Board’s *Annual Budget Adoption Resolution*, has also been included in the Quarterly Financial Report to give the Board a periodic snapshot of the KCTCS financial position using the most common accounting-based schedule.

**UPDATE: FACILITIES SUPPORT SERVICES AND SUSTAINABILITY STATUS REPORT**

Ms. Flynn noted that the current report titled *Facilities Support Services and Sustainability Status Report* was provided to the Board in a separately bound document and available online and provides updates related to KCTCS capital construction projects; sustainability, including facilities utilization; and other initiatives, such as Environmental Health and Safety (EHS) and Crisis Management.

**UPDATE: RESOURCE DEVELOPMENT REPORT**

Ms. Flynn noted that the report provides an update on the private giving and sponsored projects, grants, and contracts. Private gift income by donor purpose and source for the System and the donor source by college for each KCTCS college are presented in this report. The largest private gifts received during the reporting period are also featured.

Sponsored Projects, Grants, and Contract funds are stated by source and purpose for the System Office in total; and total awards to each KCTCS college are included in the report. The top grants and contracts received during the reporting period are highlighted. The period for the report is July 1, 2015, through May 12, 2016.

**ACADEMIC AFFAIRS AND CURRICULUM COMMITTEE**

Chair Roth called on Academic Affairs and Curriculum Committee Chair Angela Fultz to make the committee’s report.

**ACTION: KCTCS COLLEGE CANDIDATE FOR CREDENTIAL - STUDENT REGENT LACEY PARHAM**

RECOMMENDATION: That the KCTCS Board of Regents approve the awarding of an Associate in Applied Science to Ms. Lacey Parham, Owensboro Community and Technical College, as presented in the supplemental booklet, *KCTCS Candidates for Credentials January 12, 2016 through April 11, 2016*, with the credentials to be awarded to Ms. Parham upon certification that the respective requirements have been satisfactorily completed.

Dr. Fultz noted that it has been KCTCS Board of Regents practice to honor student regents who request a credential during their term on the Board. Regent Parham has requested a credential award for an Associate in Applied Science to be awarded spring 2016.

MOTION: On behalf of the Academic Affairs and Curriculum Committee, Dr. Fultz moved that the KCTCS Board of Regents approve the awarding of an Associate in Applied Science to Ms. Lacey Parham, Owensboro Community and Technical College, as presented in the supplemental booklet, *KCTCS Candidates for Credentials January 12, 2016 through April 11, 2016*, with the credentials to be awarded to Ms. Parham upon certification that the respective
requirements have been satisfactorily completed.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.

**ACTION: NEW PROGRAM PROPOSALS**

**ASSOCIATE IN APPLIED SCIENCE (AAS) IN SURGICAL TECHNOLOGY FOR SOUTHEAST KENTUCKY COMMUNITY AND TECHNICAL COLLEGE**

Dr. Fultz provided a brief summary of each program proposal and then proceeded with a motion to approve programs by college.

**MOTION:** On behalf of the Academic Affairs and Curriculum Committee, Dr. Fultz moved that the KCTCS Board of Regents approve the following New Program Proposal for Southeast Kentucky Community and Technical College presented in the Board Agenda Materials on pages 129-132:

- Associate in Applied Science (AAS) in Surgical Technology for Southeast Kentucky Community and Technical College (SKCTC) to be implemented in fall 2016.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.

**ACTION: NEW PROGRAM PROPOSALS**

**ASSOCIATE IN APPLIED SCIENCE (AAS) IN PHYSICAL THERAPY ASSISTANT FOR HOPKINSVILLE COMMUNITY COLLEGE**

**ASSOCIATE IN APPLIED SCIENCE (AAS) IN RADIOGRAPHY FOR HOPKINSVILLE COMMUNITY COLLEGE**

**ASSOCIATE IN APPLIED SCIENCE (AAS) IN RESPIRATORY CARE FOR HOPKINSVILLE COMMUNITY COLLEGE**

MOTION: On behalf of the Academic Affairs and Curriculum Committee, Dr. Fultz moved that the KCTCS Board of Regents approve the following New Program Proposals for Hopkinsville Community College presented in the Board Agenda Materials on pages 133-144:

- Associate in Applied Science (AAS) in Physical Therapy Assistant for Hopkinsville Community College (HCC) to be implemented in fall 2017.
- Associate in Applied Science (AAS) in Radiography for Hopkinsville Community College (HCC) to be implemented in fall 2017.
- Associate in Applied Science (AAS) in Respiratory Care for Hopkinsville Community College (HCC) to be implemented in fall 2017.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.
ACTION: NEW PROGRAM PROPOSALS

ASSOCIATE IN APPLIED SCIENCE (AAS) IN ELECTRICAL TECHNOLOGY FOR SOUTHCENTRAL KENTUCKY COMMUNITY AND TECHNICAL COLLEGE

MOTION: On behalf of the Academic Affairs and Curriculum Committee, Dr. Fultz moved that the KCTCS Board of Regents approve the following New Program Proposals for Southcentral Kentucky Community and Technical College presented in the Board Agenda Materials on pages 145-154:

- Associate in Applied Science (AAS) in Electrical Technology for Southcentral Kentucky Community and Technical College (SKYCTC) to be implemented in fall 2016.
- Associate in Applied Science (AAS) in Welding Technology for Southcentral Kentucky Community and Technical College (SKYCTC) to be implemented in fall 2016.

Chair Roth called for discussion. There being none, she called for the vote.

VOTE: The motion was approved unanimously.

INFORMATION:

PROPOSED POLICY REVISION KCTCS BOARD OF REGENTS POLICY 6.1 KCTCS CODE OF STUDENT CONDUCT

Dr. Fultz reported that KCTCS Vice President Gloria McCall shared with the committee that the current KCTCS Student Code of Conduct has not been wholly revised in seven years and needs additions and revisions to ensure full compliance with state and federal law.

Dr. Fultz shared that although the current KCTCS Student Code of Conduct references the final appeal for student suspensions or expulsions as within the sole authority of the Board of Regents, KCTCS has no Board Policy that references the Board’s legal obligation as set forth in KRS 164.370 Suspension or Expulsion of Students, which states:

*Each board of regents may invest the faculty or a representative committee of designated faculty, staff, and students with the power to suspend or expel any student for disobedience to its rules, or for any other contumacy, insubordination or immoral conduct. In every case of suspension or expulsion of a student the person suspended or expelled may appeal to the board of regents. The board of regents shall prescribe the manner and the mode of procedure on appeal. The decision of the board of regents shall be final.*
Dr. Fultz shared that the revised KCTCS Board policy ensures that student conduct and the processes permitted in dealing with violations of conduct rules are legally defensible. The revised KCTCS Board policy and the KCTCS Code of Student Conduct will clearly spell out that students have the right to appeal to the Board of Regents.

Dr. Fultz noted that the revised policy also clarifies that the KCTCS President has the delegated authority to use KCTCS’ internal governance structure to promulgate the KCTCS Code of Student Conduct and direct that the KCTCS Code of Student Conduct undergo continuous updates and revisions. The Board will be asked to approve this policy revision at the September 2016 meeting.

**UPDATE: STUDENT SERVICES**

Dr. Fultz noted that the KCTCS Board of Regents Academic Affairs and Curriculum Committee received an update on Student Services from Vice President Gloria McCall. She noted the update included information on Financial Aid Overhaul and Redesign, GO KCTCS! Student Service Centers, Student Retention: Starfish Update, CPE 2016-20 Degree Eligibility/Statewide Diversity Policy Development, and Gender Neutrality Ad Hoc Team.

**UPDATE: ECONOMIC AND WORKFORCE DEVELOPMENT**

Dr. Fultz noted that the KCTCS Board of Regents Academic Affairs and Curriculum Committee received an update on Economic and Workforce Development from KCTCS Chancellor Rhonda Tracy.

She noted that as of May 11, 2016, 25 career pathway projects, 9 Academic Program Development project, and 1,812 business and industry training projects have been funded. These projects have provided training and assessment services for 250,872 participants. From July 1, 2015, through May 11, 2016, KCTCS colleges awarded 7,969 hours of academic credit to 4,272 individuals and provided non-credit training for 3,642 individuals for 29,422 clock hours through workforce development training projects.

For fiscal year 2015-16, KCTCS has funded 97 business and industry training projects through May 11, 2016; the average wage is $27.27.

**NEXT MEETING**

Chair Roth announced that the next regular meeting of the KCTCS Board of Regents is scheduled for September 15-16, 2016, Ashland Community and Technical College, Ashland.
Ms. Parham moved that the meeting adjourn. Ms. Evans seconded the motion.

VOTE: The motion was approved unanimously, and the meeting adjourned at 1:08 p.m. (ET).
Resolution of Appreciation

VENUS R. EVANS

WHEREAS, the Kentucky Postsecondary Education Improvement Act of 1997 created the Kentucky Community and Technical College System (KCTCS) as Kentucky’s ninth institution of postsecondary education; established the KCTCS Board of Regents as the System’s governing board; and determined that the KCTCS Board membership be composed of fourteen members, including two elected members representing the System’s students; and

WHEREAS, Venus R. Evans has served as a Student Member of the Board of Regents of the Kentucky Community and Technical College System for the 2015-16 academic year; and

WHEREAS, Ms. Evans has demonstrated leadership abilities through her service as KCTCS Student Body Co-President and Somerset Community College Student Government Association President; and

WHEREAS, Ms. Evans has served the Kentucky Community and Technical College System with distinction and has honorably performed her duties to the KCTCS Board of Regents by articulating important issues and concerns affecting all KCTCS students as a member of the Finance, Technology, and Human Resources Committee; and

WHEREAS, Ms. Evans has supported the KCTCS Board of Regents by her presence, achieving a 100 percent attendance; and

WHEREAS, Ms. Evans has discussed issues openly, expressing her long-term vision for the Kentucky Community and Technical College System and the welfare of its students and other constituents; and

WHEREAS, Ms. Evans has demonstrated her dedication, ability, leadership, and willingness to serve the Kentucky Community and Technical College System as well as the entire Commonwealth of Kentucky, while balancing various student, leadership, and personal roles; and

WHEREAS, Ms. Evans has fulfilled her responsibilities as prescribed by the Kentucky Revised Statutes, KCTCS Board of Regents Bylaws, and KCTCS policies; and

WHEREAS, the Kentucky Community and Technical College System Board of Regents wishes to express its congratulations to Ms. Evans on her educational achievements;

NOW, THEREFORE, BE IT RESOLVED that the Kentucky Community and Technical College System Board of Regents hereby commends Ms. Evans for her energy, talents, and dedication as a Student Member of the Kentucky Community and Technical College System Board of Regents; and the Board extends its best wishes for continued success to Ms. Evans in her future endeavors and looks forward to her continued friendship and support of KCTCS.

ADOPTED this tenth day of June 2016.

ATTEST:

Marcia L. Roth, Chair
KCTCS Board of Regents

Betsy E. Flynn, Secretary
KCTCS Board of Regents

Jay K. Box, Ed.D.
KCTCS President
Resolution of Appreciation
LACEY B. PARHAM

WHEREAS, the Kentucky Postsecondary Education Improvement Act of 1997 created the Kentucky Community and Technical College System (KCTCS) as Kentucky’s ninth institution of postsecondary education; established the KCTCS Board of Regents as the System’s governing board; and determined that the KCTCS Board membership be composed of fourteen members, including two elected members representing the System’s students; and

WHEREAS, Lacey B. Parham has served as a Student Member of the Board of Regents of the Kentucky Community and Technical College System for the 2015-16 academic year; and

WHEREAS, Ms. Parham has demonstrated leadership abilities through her service as KCTCS Student Body Co-President and Owensboro Community and Technical College Student Government Association President; and

WHEREAS, Ms. Parham has served the Kentucky Community and Technical College System with distinction and has honorably performed her duties to the KCTCS Board of Regents by articulating important issues and concerns affecting all KCTCS students as a member of the Academic Affairs and Curriculum Committee; and

WHEREAS, Ms. Parham has supported the KCTCS Board of Regents by her presence, achieving a 100 percent attendance; and

WHEREAS, Ms. Parham has discussed issues openly, expressing her long-term vision for the Kentucky Community and Technical College System and the welfare of its students and other constituents; and

WHEREAS, Ms. Parham has demonstrated her dedication, ability, leadership, and willingness to serve the Kentucky Community and Technical College System as well as the entire Commonwealth of Kentucky, while balancing various student, leadership, and personal roles; and

WHEREAS, Ms. Parham has fulfilled her responsibilities as prescribed by the Kentucky Revised Statutes, KCTCS Board of Regents Bylaws, and KCTCS policies; and

WHEREAS, the Kentucky Community and Technical College System Board of Regents wishes to express its congratulations to Ms. Parham on her educational achievements;

NOW, THEREFORE, BE IT RESOLVED that the Kentucky Community and Technical College System Board of Regents hereby commends Ms. Parham for her energy, talents, and dedication as a Student Member of the Kentucky Community and Technical College System Board of Regents; and the Board extends its best wishes for continued success to Ms. Parham in her future endeavors and looks forward to her continued friendship and support of KCTCS.

ADOPTED this tenth day of June 2016.

ATTEST:

Marcia L. Roth, Chair
KCTCS Board of Regents

Betsy E. Flynn, Secretary
KCTCS Board of Regents

Joy K. Box, Ed.D.
KCTCS President
BOYD OF REGENTS

Resolution Honoring
TIMOTHY R. BURCHAM, CFRE

WHEREAS, the Kentucky Postsecondary Education Improvement Act of 1997 (The Act) created the Kentucky Community and Technical College System (KCTCS) as the ninth institution of postsecondary education and mandated that it become a comprehensive community and technical college system by the year 2020 and that it 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…” and

WHEREAS, Timothy R. Burcham has served as KCTCS Vice President and as an inaugural member of the KCTCS President's Cabinet with honor and distinction since the creation of KCTCS from 1998 to the present and as such has played an integral role in KCTCS achieving The Act's mandates; and

WHEREAS, Mr. Burcham's leadership as the System’s Vice President responsible for the functional areas of Development and Alumni Affairs, Marketing and Communications, Web/Digital Services, Governmental Affairs, Strategic Planning, Change and Project Management, Grants and Contracts, and Conference and Event Planning for over 18 years has been instrumental in the success of KCTCS; and

WHEREAS, Mr. Burcham established the KCTCS Foundation, Inc. and has served as its Executive Director since its inception, has led efforts to raise more than $165 million in private gifts for KCTCS, and has increased the KCTCS endowment to nearly $50 million; and

WHEREAS, Mr. Burcham’s creativity and sense of decorum and “style” and event planning skills were vital to the success of KCTCS hosting 16 President’s Gala Philanthropy Awards dinners which honored major donors to the colleges and System Office and drew attendance of over 600 KCTCS supporters annually; and

WHEREAS, Mr. Burcham has played a key role in the achievement of the legislative mandate to establish a comprehensive community and technical college system by 2020 through his diligence and expertise in the development of four KCTCS Strategic Plans; and

WHEREAS, Mr. Burcham’s leadership of the KCTCS award-winning marketing, public relations, and digital media departments has contributed to the creation of a strong brand awareness for KCTCS and its colleges; and

WHEREAS, Mr. Burcham’s organizational and planning skills have been instrumental in the establishment of the "KCTCS Way" and the integrated approach to strategic engagement, change management, and project management; and

WHEREAS, Mr. Burcham has served with honor and distinction and developed strong working relationships with members of the Executive and Legislative branches of the U.S. federal government; the state government of the Commonwealth of Kentucky; Kentucky General Assembly’s Legislative Research Commission; the Kentucky Council on Postsecondary Education and Kentucky postsecondary education institutions; and business, industry, and community leaders that have helped advance the mission of KCTCS; and

WHEREAS, Mr. Burcham’s diligence, dedication, leadership, and service to the Kentucky Community and Technical College System and its Board of Regents enabled the KCTCS Board of Regents to perform its statutorily mandated responsibilities; and

WHEREAS, the KCTCS Board of Regents wishes to express its heartfelt appreciation to Mr. Burcham for his leadership, loyalty, service, and party planning skills and looks forward to his continued friendship;

NOW, THEREFORE, BE IT RESOLVED that the KCTCS Board of Regents hereby commends Mr. Burcham for his energy, talent, dedication, leadership, and time spent in the creation and implementation of the Kentucky Community and Technical College System and extends its best wishes for continued success and much happiness to Mr. Burcham as he retires from the Kentucky Community and Technical College System.

ADOPTED this tenth day of June 2016.

ATTEST:

Ms. Marcia L. Roth, Chair
KCTCS Board of Regents

Carolyn E. “Betty” Flynn, Secretary
KCTCS Board of Regents

Jay K. Box, Ed.D.
KCTCS President
KCTCS 2016-22 Strategic Plan

Our Mission
In everything we do, our mission is to improve the quality of life and employability of the citizens of the Commonwealth by serving as the primary provider of:

- College and Workforce Readiness
- Transfer Education
- Workforce Education and Training

Vision
A world-class system of colleges educating Kentucky’s globally competitive workforce.

Values
- Flexibility and innovation
- Quality and excellence
- Openness and accountability
- Continuous improvement
- Data- and outcomes-driven decision-making
- Inclusion, equity, respect, and global diversity
- Balance, collaboration, and teamwork

Goals, Measures, and Targets

Goal: Raise the level of educational attainment in the Commonwealth by positioning KCTCS as the accessible, affordable, and relevant postsecondary education choice for Kentuckians.

<table>
<thead>
<tr>
<th>Measure: Graduation Rate</th>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduation Rate</td>
<td>Cohort of full-time, first-time degree/certificate-seeking undergraduate students who complete their program within 150% of normal time as reported to IPEDS.</td>
<td>25.5%</td>
<td>31.5%</td>
<td>Increase graduation rate by 1.0 percentage points each year.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Measure: Affordability</th>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordability</td>
<td>KCTCS net price as a percentage of the weighted net price for students paying the in-state or in-district tuition rate &amp; receiving grant or scholarship aid at Kentucky public four-year colleges.</td>
<td>54.0%</td>
<td>50.0%</td>
<td>Achieve and maintain a net price equal to or less than half that of public four-year institutions.</td>
<td></td>
</tr>
</tbody>
</table>
### Goal: Increase access and success for all KCTCS students, particularly among traditionally underserved populations.

**Measure: Student Success**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st to 2nd Year retention – URM</td>
<td>Fall-to-fall retention rates of first-time, credential-seeking students by Underrepresented Minorities (American Indian or Alaska Native, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, and Two or More Races).</td>
<td>39.4%</td>
<td>45.4%</td>
<td>Increase URM retention rate by 1.0 percentage points each year.</td>
</tr>
<tr>
<td>Graduation rate - URM</td>
<td>Cohort of full-time, first-time degree/certificate-seeking undergraduate students who complete their program within 150% of normal time as reported to IPEDS limited to Underrepresented Minorities.</td>
<td>14.4%</td>
<td>20.4%</td>
<td>Increase URM graduation rate by 1.0 percentage points each year.</td>
</tr>
</tbody>
</table>

### Goal: Develop clear pathways through all levels of postsecondary education with an emphasis on experiential learning that lead to successful employment outcomes for KCTCS graduates.

**Measure: Experiential Learning**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiential Learning</td>
<td>Cohort from official data and pulled maximum term to determine college for which they were counted. Each student is only counted once per experiential learning type: Clinicals, Co-ops, Internships, and Service Learning. Student is counted as completed with a grade of A, B, C, D or P.</td>
<td>25.6%</td>
<td>31.6%</td>
<td>Increase number of students engaged in experiential learning by an average of 1.0 percentage points each year.</td>
</tr>
</tbody>
</table>

**Measure: Transfer Rate**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate Degree Transfers</td>
<td>Percent of Associate earners in academic year who enrolled at a four-year in that academic year after the term end date of the term the first Associate credential was earned or in the next academic year.</td>
<td>37.4%</td>
<td>43.4%</td>
<td>Increase transfers by an average of 1.0 percentage points each year.</td>
</tr>
</tbody>
</table>
**Goal: Improve student engagement, support, experiences, and success with best-in-class academic and student services.**

**Measure: Retention**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retention</td>
<td>Fall-to-fall retention rates of first-time, credential-seeking students as reported to IPEDS.</td>
<td>49.4%</td>
<td>55.4%</td>
<td>Increase retention by an average of 1.0 percentage points each year.</td>
</tr>
</tbody>
</table>

**Goal: Align programs and curricula with needs of employers that enhance the employability, job placement, and career development of KCTCS graduates.**

**Measure: Licensure Pass Rates**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensure/Certification Pass Rate</td>
<td>The number of students in the CTE completer/leaver cohort who achieve a passing grade on their first attempt of a licensure exam within one year divided by the number of students in the CTE completer/leaver cohort who sat for the first time to take the licensure exam within one year.</td>
<td>88.8%</td>
<td>Exceed national average</td>
<td>Exceed national average for cohort pass rate</td>
</tr>
</tbody>
</table>

**Measure: Workforce Credit Hour Conversion**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
<th>Baseline</th>
<th>Target</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Hour Conversion</td>
<td>Number of credit hours of workforce non-credit courses (clock hour conversion to credit hours).</td>
<td>13,153</td>
<td>15,030</td>
<td>Increase credit hours by 1% each year from a baseline of a three year average.</td>
</tr>
</tbody>
</table>
PROPOSED 2016-17 KCTCS Salary Schedule*

*Funding for the salary schedule must be approved annually by the Board of Regents.

** Faculty (Monthly**)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Minimum</th>
<th>Market</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructor</td>
<td>$3,521</td>
<td>$4,399</td>
<td>$5,279</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>$3,960</td>
<td>$5,015</td>
<td>$6,071</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>$4,572</td>
<td>$5,867</td>
<td>$7,162</td>
</tr>
<tr>
<td>Professor</td>
<td>$5,416</td>
<td>$7,041</td>
<td>$8,665</td>
</tr>
</tbody>
</table>

** Staff (Monthly**)

<table>
<thead>
<tr>
<th>Band</th>
<th>Minimum***</th>
<th>Market</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$1,389</td>
<td>$1,703</td>
<td>$2,016</td>
</tr>
<tr>
<td>2</td>
<td>$1,523</td>
<td>$1,874</td>
<td>$2,223</td>
</tr>
<tr>
<td>3</td>
<td>$1,675</td>
<td>$2,066</td>
<td>$2,459</td>
</tr>
<tr>
<td>4</td>
<td>$1,846</td>
<td>$2,286</td>
<td>$2,725</td>
</tr>
<tr>
<td>5</td>
<td>$2,042</td>
<td>$2,536</td>
<td>$3,031</td>
</tr>
<tr>
<td>6</td>
<td>$2,263</td>
<td>$2,821</td>
<td>$3,379</td>
</tr>
<tr>
<td>7</td>
<td>$2,515</td>
<td>$3,147</td>
<td>$3,780</td>
</tr>
<tr>
<td>8</td>
<td>$2,803</td>
<td>$3,522</td>
<td>$4,239</td>
</tr>
<tr>
<td>9</td>
<td>$3,135</td>
<td>$3,951</td>
<td>$4,765</td>
</tr>
<tr>
<td>10</td>
<td>$3,513</td>
<td>$4,444</td>
<td>$5,375</td>
</tr>
<tr>
<td>11</td>
<td>$3,950</td>
<td>$5,013</td>
<td>$6,077</td>
</tr>
<tr>
<td>12</td>
<td>$4,454</td>
<td>$5,671</td>
<td>$6,890</td>
</tr>
<tr>
<td>13</td>
<td>$5,035</td>
<td>$6,434</td>
<td>$7,833</td>
</tr>
<tr>
<td>14</td>
<td>$5,707</td>
<td>$7,317</td>
<td>$8,929</td>
</tr>
<tr>
<td>15</td>
<td>$6,487</td>
<td>$8,349</td>
<td>$10,207</td>
</tr>
<tr>
<td>16</td>
<td>$7,393</td>
<td>$9,547</td>
<td>$11,699</td>
</tr>
<tr>
<td>17</td>
<td>$8,452</td>
<td>$10,950</td>
<td>$13,449</td>
</tr>
<tr>
<td>18</td>
<td>$9,687</td>
<td>$12,593</td>
<td>$15,498</td>
</tr>
</tbody>
</table>

* Applies to regular, full-time positions only.

** Faculty and staff annual salaries are based on the period (number of months) of assignment. Faculty assignments range from 10 to 12 months; staff assignments range from 9 to 12 months.
Be it Resolved, that upon due consideration and upon recommendation of the Kentucky Community and Technical College System (KCTCS) President, the following operating budget authorizations totaling $839,607,200 are approved for KCTCS for the fiscal year beginning July 1, 2016, and ending June 30, 2017. Of this amount, $524,673,300 are unrestricted current funds; and $314,933,900 are restricted funds from sources such as federal, state, private gifts, grants, contracts, or appropriations.

Be it Resolved, that upon due consideration and upon recommendation of the KCTCS President, the capital budget authorization totaling $111,927,000 from bond funds and agency funds is approved, contingent upon receipt and availability of those funds for KCTCS for fiscal year beginning July 1, 2016, and ending June 30, 2017.

In the event current fund revenues now estimated should not be realized, the KCTCS President shall take appropriate action to reduce budget authorizations to amounts sufficient to ensure that expenditures do not exceed available revenues. The KCTCS President shall report to the Board in advance any major deviations from the approved operating budget.

In the event actual annual revenues exceed estimated revenues, the KCTCS President may authorize an increase in the unrestricted current funds expenditure budget up to 2.0 percent of the Board’s authorized expenditure level. Increases greater than 2.0 percent of the authorized expenditure budget must have prior approval of the Board.
The KCTCS Quarterly Financial Report shall contain sections that reflect the KCTCS July 1 opening budget, amendments to the opening budget, and expenditures to date. This report shall provide the necessary detail for amending the budget as permitted by this resolution.

The purchase of any item of equipment greater than $200,000 must have prior approval of the Board of Regents and must be contained in the Biennial Legislative Appropriations Act in accordance with KRS Chapter 45. A capital construction project with a scope greater than $1,000,000 must have the prior approval of both the KCTCS Board of Regents and the Commonwealth Capital Projects and Bond Oversight Committee, pursuant to KRS 45. Equipment and capital construction projects with scopes greater than these amounts shall be reported as part of the KCTCS Quarterly Financial Report.

All units and individuals within KCTCS incurring financial obligations of KCTCS funds resulting from this authorization shall observe and adhere to applicable laws, regulations, and policies of the Commonwealth of Kentucky and the KCTCS Board of Regents, which govern the expenditure and disbursement of funds. Heads of the various budget units shall not authorize nor incur financial obligation in excess of the budget authorization for that budgetary unit.

This budget and its provisions will be effective July 1, 2016, through June 30, 2017.

ADOPTED, this tenth day of June 2016.

Marcia L. Roth, Chair
KCTCS Board of Regents

Betsy E. Flynn, Secretary
KCTCS Board of Regents

Jay K. Box, Ed.D.
KCTCS President
KCTCS BuildSmart Bond Issuance  
Project No. 114

**Issue:** Ky. State Property and Buildings Commission Agency Fund Revenue Bonds, Project No. 114 $43,200,000 Par, 20 years, Final Maturity 10/01/2035

**Bond Proceeds:** $50,250,000

**Projects Funded:** Madisonville, Jefferson, Gateway, West Kentucky, Henderson, and Elizabethtown

**Interest Cost:** 3.02%

**Underwriter:** Citigroup  
**Bond Rating:** Moody’s Aa3, S&P A, Fitch A+  
**Average Annual Debt Service:** $3,331,675  
**Underwriter Counsel:** Stites Harbison  
**Sale Date:** May 24, 2016  
**Total Debt Service:** $66,593,362  
**Bond Counsel:** Dinsmore & Stohl  
**Settlement Date:** June 16, 2016  
**Total Interest Cost:** $22,038,363  
**Trustee:** US Bank

### Kentucky Community & Technical College System

<table>
<thead>
<tr>
<th>College</th>
<th>Project Title</th>
<th>Bond Funds</th>
<th>Matching Funds</th>
<th>Total Authorization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashland CTC</td>
<td>Renovate Main Bldg - College Drive</td>
<td>$7,500,000</td>
<td>$2,500,000</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Big Sandy CTC</td>
<td>Expansion of Pikeville Campus</td>
<td>$1,500,000</td>
<td>$500,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Bluegrass CTC</td>
<td>Newtown Campus Expansion</td>
<td>$18,000,000</td>
<td>$6,000,000</td>
<td>$24,000,000</td>
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<tr>
<td>Elizabethtown CTC</td>
<td>Renovate Owen Classroom Building</td>
<td>$750,000</td>
<td>$250,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Gateway CTC</td>
<td>Construct Urban Campus</td>
<td>$11,250,000</td>
<td>$3,750,000</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Hazard CTC</td>
<td>Construct Comm Intergenerational Center - Lees</td>
<td>$1,500,000</td>
<td>$500,000</td>
<td>$2,000,000</td>
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<tr>
<td>Henderson CC</td>
<td>Renovate Campus Wide Facilities</td>
<td>$3,750,000</td>
<td>$1,250,000</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Hopkinsville CC</td>
<td>Construct Ag Health &amp; Career Tech, Ph I</td>
<td>$11,250,000</td>
<td>$3,750,000</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Jefferson CTC</td>
<td>Construct Carrollton Campus Phase I</td>
<td>$12,000,000</td>
<td>$4,000,000</td>
<td>$16,000,000</td>
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<tr>
<td>Madisonville CC</td>
<td>Construct Postsecondary Ed Center</td>
<td>$15,000,000</td>
<td>$5,000,000</td>
<td>$20,000,000</td>
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<tr>
<td>Maysville CTC</td>
<td>Construct MCTC/MoSU Postsecondary Cntr of Exc, Ph I</td>
<td>$21,000,000</td>
<td>$7,000,000</td>
<td>$28,000,000</td>
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<tr>
<td>Owensboro CTC</td>
<td>Construct Advanced Technology Cntr, Phase II</td>
<td>$9,000,000</td>
<td>$3,000,000</td>
<td>$12,000,000</td>
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<tr>
<td>Somerset CC</td>
<td>Construct Arts and Humanities Building - North</td>
<td>$1,500,000</td>
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<td>$2,000,000</td>
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<tr>
<td>Southcentral CTC</td>
<td>Construct Instructional Complex</td>
<td>$16,500,000</td>
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<tr>
<td>Southeast KY CTC</td>
<td>Construct Ed. Alliance Cntr Middlesboro Campus</td>
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<td>West KY CTC</td>
<td>Construct 2D Arts School, Phase I</td>
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</tbody>
</table>

**Total:** $145,500,000 $48,500,000 $194,000,000