

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, February 10, 2004.

The Board of Trustees of the University of Kentucky met at 2:00 p.m. (Lexington time) on Tuesday, February 10, 2004 in the Board Room on the 18th Floor of Patterson Office Tower.

A. Meeting Opened

Mr. Steven S. Reed, Chair, called the meeting to order at 2:07 p.m., and Ms. Marianne Smith Edge gave the invocation.

B. Roll Call

The following members of the Board of Trustees answered the call of the roll: Marianne Smith Edge, Davy Jones, Michael Kennedy, Robert P. Meriwether, Billy Joe Miles, Phillip Patton, Elissa Plattner, Steven S. Reed (Chair), Frank Shoop, Marian Moore Sims, Alice Stevens Sparks, Myra Leigh Tobin, Rachel Watts, JoEtta Y. Wickliffe, Russ Williams, Elaine A. Wilson, and Barbara S. Young. Absent from the meeting were James F. Hardyman, Pamela R. May, and Billy B. Wilcoxson. The University administration was represented by President Lee T. Todd, Jr., Provost Michael Nietzel, Executive Vice President for Finance and Administration Dick Siemer, and Acting General Counsel Barbara Jones.

Members of the various news media were also in attendance. A quorum being present, the Chair declared the meeting officially open for the conduct of business at 2:11 p.m.

C. Consent Agenda

Mr. Reed said that the next item on the agenda is the approval of the Minutes from the January 27th meeting which is on the consent agenda. He pointed out that a revised set of Minutes had been distributed to the Board for action. The revisions in those Minutes are noted at the top of the first page. He asked for a motion of approval. Mr. Shoop moved approval of the Minutes. Ms. Sims seconded the motion, and it carried without dissent. Dr. Meriwether abstained from voting.

D. Lexington Community College Management Responsibilities (AACR 1)

Ms. Sparks, Chair of the Academic Affairs Committee, reported that the Committee met as late as yesterday. She thanked the members of the Committee: Elaine Wilson, Barbara Young, Elissa Plattner, and Michael Kennedy for their admirable performance. The Committee spent a great deal of time on the issue, and most importantly, they kept an open mind. She said that she appreciated the time the Committee members gave to this issue. She thanked Dr. Todd for allowing the Board's committee system to work and to facilitate every need that she felt they had. She thanked Dr. Kerley for his dedication to Lexington Community College (LCC) and for his cooperation in dealing with the Committee.

Ms. Sparks reported that the Committee had three lengthy meetings at which time anyone who wanted to speak was permitted and welcomed. She said that she, along with Barbara Young and Michael Kennedy, attended the faculty senate meeting in order to get more input. She has had a lot of discussions and gone through a lot of correspondence dating back to 2000. She said that she feels the Committee has acted in good faith in dealing with a very emotional issue.

Ms. Sparks reported that a revised AACR 1 had been distributed to the Board and noted that the changes made by the Committee are in red. She pointed out that “pending legislative approval” had been added in the recommendation because everyone knows that this will have to go to Frankfort. She said that Michael Kennedy added the sections that begin with “whereas” and are highlighted in red. She asked Chairman Reed if it would be appropriate for her to read them.

For the benefit of the audience, Mr. Reed said that he thought it would be appropriate for Ms. Sparks to read each section that begins with whereas and is highlighted in red. He said that it would help the audience to understand the length the Committee has gone to in reaching this resolution as well as taking their concerns to heart with the changes that the Committee has made.

Ms. Sparks said that it was, also, her preference to read them. She read the following sections in the resolution:

Whereas Lexington Community College and the University of Kentucky have been closely associated institutions for four decades; and

Whereas both institutions have as major goals the quality education of Kentucky’s citizens; and

Whereas the Southern Association of Colleges and Schools has declared recently that Lexington Community College is on probationary accreditation solely because of its lack of autonomy from the University of Kentucky; and

Whereas the Board of Trustees of the University of Kentucky has reluctantly concluded that Southern Association of Colleges and Schools position on the matter of autonomy and accreditation has made it impossible to adjust the existing, long-term relationship or develop a new connection between the two institutions such that “Lexington Community College is part of the University of Kentucky” in any meaningful way; and

Whereas Lexington Community College could unquestionably be considered an autonomous institution within the Kentucky Community and Technical College System, thereby having Southern Association of Colleges and Schools accreditation; and,

Whereas it appears that Lexington Community College would be at an advantage financially by being an institution under the auspices of the Kentucky Community and Technical College System; and

Whereas many of the strong ties between Lexington Community College and the University of Kentucky can be maintained, and even enhanced, through the development of additional agreements and contracts, befitting two independent, autonomous, accredited institutions:

Be it therefore resolved that the University of Kentucky Board of Trustees request that the President and the administration make concerted, long-term efforts to maintain and enhance those aspects of the University of Kentucky – Lexington Community College relationship that benefit the students, staff, and faculty of Lexington Community College and, as importantly, augment the learning experience for citizens of the Commonwealth of Kentucky; and

Be it therefore further resolved that the University of Kentucky Board of Trustees recommend to the Governor, the Kentucky General Assembly, and the Council on Postsecondary Education that the governance and management responsibilities for the University of Kentucky Lexington Community College be delegated to the Kentucky Community and Technical College System, upon the effective date of the enabling legislation, with the following provisos:

Ms. Sparks said that the next change is in number 4 and she read that change.

That the real property of the Lexington Community College and the University of Kentucky designated for use by the Lexington Community College shall remain the real property of the University of Kentucky. This is the addition: The University of Kentucky shall extend the use of the Lexington Community College facilities to the Lexington Community College for a minimum of five (5) years. The University of Kentucky shall not direct the Lexington Community College to vacate the Lexington Community College facilities until such time that a mutually agreed upon alternative site or sites have been reached between the University of Kentucky and the Lexington Community College.

Ms. Young said that she would like to amend that section. She asked Mr. Williams to distribute copies of the recommended amendment. She read the following amendment:

The University of Kentucky shall extend the use of the facilities occupied by the Lexington Community College to the Lexington Community College for a minimum of five (5) years. The University of Kentucky shall not direct the Lexington Community College to vacate those facilities until such time that a mutually agreed upon alternative site or sites have been reached between the University of Kentucky and the Kentucky Community and Technical College System.

Ms. Young said that this amendment was suggested by the Legal Counsel, and it makes it a little clearer.

Ms. Sparks asked if the resolution should be voted on as a whole or should the amendment be voted on now.

Ms. Jones, Acting General Counsel, said that it could be amended now or later.

Mr. Reed said the amendment would be voted on now. He asked for a motion to approve the amendment. Ms. Young made a motion to approve the amendment and reflect the language that she had read. Ms. Wilson seconded the motion, and it carried without dissent. Dr. Meriwether abstained from voting. Mr. Reed asked Ms. Sparks to proceed.

Ms. Sparks continued with the revisions.

Change in number 7 -- The word "administrative" has been deleted.

Change in C, under number 7 -- Employees shall maintain a salary not less than their previous salary as of July 1, 2004. The addition to this is: The amounts paid to part-time and adjunct faculty per credit hour shall not be less than previously paid.

Change in number 8 -- That students enrolled in the University of Kentucky Lexington Community College through June 30, 2006 shall have all of the responsibilities, services, privileges, and rights accorded to them as University of Kentucky students. The privileges shall include, but not be limited to, tickets to athletic events, homecoming queen contests, the Great Teacher Award Contest, and the University of Kentucky scholarship programs. These students shall pay the mandatory University of Kentucky student fees through June 30, 2006. On July 1, 2006 and thereafter, Lexington Community College students may elect to participate in student services and activities provided by the University of Kentucky and shall pay the appropriate fees for these services and activities. The addition is to include the following fees: Athletics, Student Government Association, WRFL Student Radio, Student Activities, Student Center, Student Health Plan, Technology Fee, Seaton Center Fee and Student Affairs. Lexington Community College students shall continue to be provided access to the University of Kentucky residence halls.

Ms. Tobin asked that the word Contest at the end of Great Teacher Award be deleted.

Ms. Sparks said that it might be what it is called.

Ms. Tobin said it was not. It is called Great Teacher Award.

Ms. Sparks said that she considered that a friendly edit and asked Mr. Reed for his response.

Mr. Reed said that was fine.

Ms. Wickliffe asked if this would allow the students to use the Johnson Center as well.

Ms. Sparks replied, yes.

Ms. Wickliffe inquired that they can use it with the fee.

Ms. Sparks replied, of course, the library is open to all Kentuckians.

Ms. Sims said the resolution should probably say the Seaton Center and Johnson Center.

Ms. Sparks called upon Provost Nietzel for his response.

Provost Nietzel said that it is the Seaton Center.

Ms. Sparks clarified that it is the same thing as the Seaton Center.

Ms. Sparks continued with number 9 in the resolution. This language is new -- students enrolled at Lexington Community College on, or before, September 1, 2004, shall have six (6) years to complete the degree program in which they are enrolled and receive a diploma conveyed by the University of Kentucky Board of Trustees.

She said that these items complete the latest revisions to AACR 1. She reiterated that the Committee has met a lot and very seriously considered this resolution. She reported that it was passed yesterday unanimously by the Academic Affairs Committee to recommend approval to the Board of Trustees. She moved approval of the resolution, and Ms. Wilson seconded the motion.

Mr. Reed asked if there was any discussion, and Dr. Meriwether said he would like to comment.

Dr. Meriwether gave the following comments:

“I don’t speak terribly well so I will be as straight as I can about this. We come here today with a terribly divided situation. Not so much the people on this Board because I don’t even know where most of them stand. We come divided between our student body, our faculty senate, our students on the campus, faculty here, and a good number of our alumni who are not being represented.

We also are in the process of pulling a ruse over the state legislature. There has been enough misinformation about this thing today, this proposal today, to drive a truck through. The fact is, this has been going on for 2 ½ years. Your first statement in the beginning says that you have tried for a long period of time and only recently have we been told that we were on probation. That’s not right. It’s right there in front of you. O.K. That’s just not true. This president and this administration has known about this for 2 ½ years. They were informed of it 2 ½ years ago. This Board knew nothing about it.

I don’t come here today to tell you (interrupted by applause from audience). Let’s just talk facts. I don’t come here today to tell you that we should be affiliated with KCTCS or we shouldn’t be. To be perfectly honest ladies and gentlemen, I don’t have enough sense to know that. I can tell you a lot about the Medical Center and some that will curl your hair. But, I don’t

know anything about this. I do know one thing. This Board is not informed. It doesn't know what's going on. And, I say that to you because my first inkling of this was two months ago. When I found out about it, I tried to discover up here what the end point was going to be. It seemed to me that everyone I talked to gave me the end point that this is what we were going to do. We were going to turn this over to KCTCS.

Well, not knowing much about it, I asked why. I got told we were on probation, and I got a pretty good list of the things we were on probation for LCC. They didn't seem to be academic in nature. So, I called SACS. I said what's the problem -- why is it we can't work this out. Dr. Rogers, just so that we're sure we're talking facts here, Dr. Rogers told me on the phone, and there were others listening in, that he had told the administration at this university he had no dog in this hunt. He simply had the criteria outlined by SACS. That he had been made firmly aware that our administration had no intention of abiding by those guidelines and that he had given them up to three years to come to grips with that. Other institutions, Arkansas, Louisiana, a number of others, have come to that.

My problem is for 2 ½ years this damn Board sat here and didn't know anything about it. Two months ago we begin to find inklings of it, and two weeks ago we had a meeting. You're quite correct, and if it hadn't been for Barbara Young, it would have been run through then. The bottom line is, I don't know how to make a decision today folks and neither do any of you at this table because you have been feed a bunch of pabulum -- most of it untrue -- some of it half true.

There may be a good reason we'd go to KCTCS. I don't know that. There may be a good reason to stay with LCC. But, I will tell you this. If I'm going to make an error, it's going to be an error just like I made a moment ago in not participating with a fraudulent procedure. This is something that has not been discussed with the Board. The Board has no information about it except what it's gotten secondarily. Many recommendations have been made to the Chairman about Mr. Rogers, Mr. Allen, both of whom are the individuals that put Auburn University on probation for exactly the same reason -- lack of Board information.

If we sit here today and separate ourselves from Lexington Community College, we're going to have to go against somebody. We're going to have to go against this Academic Affairs Committee or we're going to have to go against our administration. Personally, I'd rather us not do anything. I'd rather have Rogers come up here and sit in that chair and have him tell me -- tell you exactly the same thing he told me. The truth is he hasn't been talked to very much. If I can't have that, and I've got to err on the side of we're going to make this decision today, if I want to be separated from somebody, I'd rather be separated from this administration and this kind of decision-making than I had be from the students, the faculty, and the people that represent (interrupted by applause from audience).

In my own business, I run it like a benevolent dictator. I like that term. I own it. I own 100% of the stock. Some people at this table have forgotten that they do not own this university, and they do not consult, they do not provide timely information, and how in hell this Board can sit around this table and choose to give up 8,000 students, a community college, based on one day's discussion, and a good bit of incorrect information, is beyond anything I can imagine.

So, I will leave you ladies and gentlemen to make your decision. It's been made clear to me that my presence here is not wanted, and I can understand why by some of these Board members. I will not resign, Mr. President. I will be there looking over your shoulder every minute of every day." (applause from audience)

(Dr. Meriwether left the meeting at 2:32 p.m. Lexington time.)

Mr. Reed said that there has been a motion and a second. He called for additional discussion.

Ms. Watts said that she wanted to thank the Academic Affairs Committee, President Todd, and President Kerley for everything that they have done to get together and really talk about everything, very in-depth discussions and very proactive discussions. She said that she thought it was with great reluctance that this piece was passed forward. She did not think it was something that anyone sitting here was looking forward to or is really excited about. But, she thinks that it is probably the best decision that the Board could come to for the future of UK and LCC. There are a lot of good things in this resolution, a lot of provisions to insure that students still get their health services, benefits from being able to live on campus, and things like that. She said that she had received a petition from 3,000 students from LCC saying that they would hope that she would support not to move LCC to KCTCS. She said that she has a great deal of respect and reverence for the decision that the Committee made, but she also needs to represent her constituency and support them. She said that she cannot blame them for wanting to stay with UK, and she supports them in that opinion and that decision. Again, she thanked the Committee and expressed her appreciation to them for all the thought that was put into this resolution and also into what the students need in the future of Kentucky.

Mr. Miles commented that he had not been to any of the meetings, and he thinks the Board has to go with the Committee process. He said, in his opinion, if this had been split out when all the other schools were split out, he does not think that the University would have the SACS problem that it has today. They would have been run separate like all the other community colleges, and that was probably a compromise at the time.

Mr. Patton said that this resolution properly goes to great lengths to protect the rights of students and staff of the existing LCC. He said that he wanted to be reassured that KCTCS is on board in honoring those same protections.

President Todd said that he had been in conversations with Mike McCall, President of KCTCS, throughout this process. The KCTCS Board passed a resolution that indicated a preference that if the transfer were to take place, that the faculty and staff would go under their personnel system. He said that he had indicated to President McCall that it would not be acceptable to him or to the University of Kentucky Board. The language in this resolution provides that the faculty and staff be treated just like those of 1998 that went over to the KCTCS system. He said that he told President McCall that maybe he has a better personnel system than he used to have, but he has to be the seller in that case and the University's employees have to be the buyers. It is their decision.

President Todd said that he will recommend to Chair Reed that, if this resolution passes, the University put together a working committee, and KCTCS would like to do the same whereas the legal, human resources, and finance are represented as well as a Board member from each institution to work through the details so that the legislation can move forward. President McCall said that some of these things added might give him some speed bumps, but it has been done for the protection of the students, the faculty and staff. In their last conversation, President McCall said those things are not show stoppers. They are just speed bumps.

Mr. Patton said that everyone knew that the General Assembly had to pass it. When House Bill 1 was passed in 1997, legislatively they protected the staff and students of all of the community colleges. He said that he only assumed they would be consistent and do the same this time.

President Todd said that the University would have to draft a bill. Something would have to get introduced by the 17th and 19th in the different houses. He pointed out that it is a short timetable, and the University has to get a bill introduced. There will then be time to write the specific language, and the University will mirror a lot of the language that was in the previous House Bill 1. He thanked Judge Patton for bringing the legislative necessity to the administration's attention and said that he appreciated it. He said that they knew that the process is going to be to come to grips with KCTCS -- then go to the CPE because they have to be able to agree with this -- and then get the legislation approved.

Dr. Jones thanked Alice Sparks for the outstanding efforts she has made navigating through all of this. It has just been extraordinary -- the length she has gone through and the time that she has spent on this, as far as to how to get LCC out of the status quo, which it cannot stay in the status quo, so what would happen that is different.

“This is a large issue with many perspectives of consideration. Prior to a final Board action on such an issue, the Board contemplates that it would obtain input from many different vantage points. To facilitate the Board's obtaining input from a number of vantage points, it has identified in its regulations a number of processes to optimally take place to ensure all those vantage points are covered in getting this input secured.

One of these is the action of the Academic Affairs Committee, to do as Alice has done, and develop a recommendation to the Board. Another process is for the President to make a recommendation to the Board. The President in his administrative hat utilizes his fine team of administrative officers and Task Forces to generate ideas and information for him.

He also wears the academic hat as Chair of the University Senate. The University Senate under the Board's regulations is the organ of governance of the 2,000+ University Faculty, and the Board anticipates in its regulations that the input of the Faculty through its Senate arm would be meritorious, impactful and perhaps persuasive. In the regulations where the Board is providing for input on academic organization from the President, in the same sentence, it wants advice from the University President and it wants advice from the University Senate, and it doesn't measure one there being more impactful than the other.

Unfortunately, because SACS has only just recently made really clear some of the latitude and the options that might have been available to consider on their merits, the Senate processes that it has in place for weighing some of these options (that we only at the 11th hour realize that the latitude possibly offers) those Senate processes have not been engaged. The Senate body for example, has a committee for it that is analogous to the AAC for the Board. That process has unfortunately not had a chance to be engaged. So, the Senate had a meeting yesterday (the University Senate) and background was given, Dr. Kerley, Dr. Nietzel were there, they had the floor and shared information. Jeff Dembo gave a brief background on the other activities of the AAC committee. But the Senate did not endorse any particular option. Recognizing that the Senate's processes by which it would inform itself, by which it would make informed recommendation, had not been engaged, it specifically voted 3:1 to not endorse AACR1 at this time.

So, I have a constituency as a Faculty Senator and as a Faculty Trustee. Just on principle I have to embrace, protect and advocate for the presumption that the Board has made that the Senate's processes, if they were exercised, might identify an LCC outcome that is highly meritorious that is not the present AACR 1, that might be persuasive for the Board to adopt. So, if today I vote for the AACR1, I would feel I would in essence that I was disavowing the Board's presumption of the importance and impact of the Senate's processes of developing a recommendation to the Board. So, as I vote today not for AACR1, I wanted the Board to understand my clear, unique context here, in which the motivation with respect to my constituency is not the same as other motivations that might be of concern to other members of the Board."

Dr. Plattner gave the following comments:

"With all respect and admiration for people who believe in their principles, I feel that a fellow Board member has impugned our veracity and our dignity. And, those who have chosen to applaud a fellow member of our group who has called down the truth on our heads and questioned that. I must state that I wish Dr. Meriwether had remained among us so that we could say to him, we are nothing as individuals. We are only of value by working together. We are nothing as singular people. We're only as true as the partnership that we are.

The committee system works, finally at this university. And good people who you count on and who you have judgment in made various decisions for various committees, and I've always believed that they've brought their very best to those committees. There's not any reason to further laud the Academic Committee. We've been chaired by a champion, and those who have served on the Committee have championed the causes that are difficult.

But I must say to you that today must be the end. Today must be the end of us not sitting around the table and trusting and having confidence in each other. All the meetings have been open, phone lines crackling, and e-mails buzzing. If I've ever seen a committee that's been conducted right out in front of this building, this is the one. So, over a time that is very, very difficult I know to all, I call out to Dr. Meriwether, a man who speaks his mind, who's a man of principles and ideals, too, and where are we but a group that honors each other's opinions and attitudes. But, my friends, if we do not trust each other and do not believe in each other, then

what we are as a Board of Trustees is really not worth the paper that these ideas have been written on.

I would call out to all of us. We're like all Kentuckians -- just as stubborn and hard-headed as they come, opinionated, a variety of the right, but in the end, what do we do? We work together, and so, as you drive or fly back home to Paducah, Dr. Meriwether, we don't ever want you to stop speaking your mind, but we do want you to know that we are people who are of integrity, who are of dignity, and who have learned the truth and worked hard with the truth, and that can never be called to question."

Professor Kennedy gave the following comments:

"I share Dr. Meriwether's concerns that the Board had not communicated directly with SACS. No part of the Board had, although Dr. Todd had, and members of his administration and Dr. Kerley had. So, I began to raise that issue fairly lately -- a couple of weeks ago, and I wanted to get a SACS representative to come and speak to either the Academic Affairs Committee or the Board. And it turns out that they sort of don't do that. It might have been arranged with more time, but what was arranged was a telephone call between a SACS representative, and I guess it was the President of SACS, Jack Allen, Dr. Todd, Dr. Kerley, Dr. Nietzel and myself, and I wrote a summary of that. I thought I would read that because I think it provides some facts that the Board might find useful. The most important specific thing that I learned was that if the decision was to move LCC to KCTCS -- that would be a "major change." LCC would be visited again by a "substantive change committee," and we'll call that Committee X. Issues related to autonomy would go away as would the expiration of LCC accreditation. So, it would be a new ballgame. If, however, we make a decision to the UK administrative structure to make LCC autonomous, but still part of UK, but still separately accredited, then we would be visited by the special committee. We'll call that Committee Y. Well, there was a letter dated 3 July from Rogers of SACS. That would recommend to the 77 member SACS commission on colleges whether sufficient autonomy had been gained to prevent LCC accreditation. The commission would vote. There's a risk there. The Academic Affairs Committee of the Board was disinclined to take that risk.

I did ask the question -- suppose the LCC president and the UK president both reported to the current Board of Trustees? The answer was in that case, assuming all the other SACS requirements, separate this, separate that, separate the other, a whole laundry list of things that each institution had to do to perform on its own. But, that would constitute autonomy. But then, of course, LCC wouldn't be a part of UK. It would be competing with UK for attention from the same Board of Trustees. It would fall to the Board to make decisions about buildings, revenue allocations, fundraising and so on, and I gathered from all the Board members I spoke to that that was not a desirable situation. We'd put the Board in the position of being sort of a junior Council on Postsecondary Education to have two presidents reporting to the Board and us making the decisions about allocations. Long story short, no matter how we try to finagle it, if UK and LCC are part of the same institution in any significant sense, SACS is not going to be satisfied enough to accredit both institutions separately. And, if we try and the committee decides we fail, LCC loses its accreditation. So, I came away from the phone call convinced that SACS is shortsighted and somewhat bound by a hierarchical view of postsecondary

education. I think the current situation works quite well and ought to be allowed -- that the only reasonable course of action was to recommend that LCC be administratively managed by KCTCS but with strong ties to UK where it mattered, physical proximity, dorms transferability, courses, dual enrollments, access to facilities and so on. I planned to propose amendments to the February 10th AACR 1 that will emphasize this and the amendments are found in the "whereas" section that precede the other document that you have. So, I wanted to offer those facts and indicate why I was convinced that we should pass AACR 1, despite the fact that I don't want to.

Ms. Sparks said that she wanted to apologize to Professor Kennedy. She read a note that said, "Michael, SACS called to discuss that call." She again apologized to Professor Kennedy for not mentioning it earlier because it was very important. Professor Kennedy represented the Academic Affairs Committee by that call. She thanked him for doing that, and apologized for not giving him the message because it was very important. She said that she just had too many notes.

Mr. Williams gave the following comments:

"I've been engaged with this whole issue it seems like for much of my adult life, but I know it's been several months now that we've been having meetings, having discussions. And being on campus, I have the opportunity to engage in those discussions with more regularity and more readiness than I guess some of the other Trustees. And I took advantage of that as did others who are here on campus.

I've got to be honest -- that I started out the whole consideration of this issue wondering why independent accreditation under UK wasn't a possibility. I looked at the options that the Task Force was given. I followed their work and I thought well, you know, we can do this, you know, a separate foundation, got a precedent, a separate senate, the LCC curriculum in a lot of ways is different from a lot of pieces in the UK curriculum so why not. They've got technical courses. Maybe they need to be engaged by a different senate when it comes to curriculum decisions. There are advisory committees, and there were just some parallels that I was able to draw until I went to the meeting where the SACS consultant was addressing all the faculty and staff college, and at that point, as I listened to her, it became very clear to me that as she looked at our current arrangement -- while she didn't say it was impossible to continue the current relationship -- she sure indicated it was going to be very difficult to make the proper divisions between LCC and UK to satisfy SACS.

Now, let me go to the back of my notes because this is something that I have come to realize. SACS is not them. SACS is us. SACS is sort of the academic equivalent to the NCAA I've sort of figured out that we send representation, that we have input, that we help them set standards and then give them permission to hold us accountable to the standards that we have given them permission to set or help them to set. Now, if I'm really wrong in that analogy, let me know, but it's not some group out there doing this to us. It's a group that we fully engage with, and we are a part of so that when we see SACS as some big bad organization, they are really not. They are just somebody who's holding on to some academic standards on our behalf and holding us as well as other institutions accountable for those standards.

House Bill 1 -- these are kind of reasons why I am going to do what I am going to do. House Bill 1 made it very clear, I think, that the expectation was that eventually community colleges and technical colleges would merge into one institution in the towns and cities around Kentucky to provide postsecondary education through those institutions and that having one institution would be certainly stronger than having two institutions within the same town. I don't know all the details, but I understand that successful mergers of technical colleges and community colleges have taken place and are taking place all over the state. And that was really the intention of House Bill 1 -- to set up that system to where there was some seamlessness between the community college process and the technical college process. I don't see that merger ever happening as long as LCC is a part of the University of Kentucky. I just don't think that it would happen, and it would be a real shame, and I think a real missed opportunity, for the citizens of central Kentucky to not have the same opportunity that citizens around the state have by accessing a combined community and technical college.

When this discussion started -- not surprisingly since I, like Davy, Michael and Rachel, have a constituency as well -- I was incredibly concerned about the tone of the December 5th resolution by the KCTCS Board of Regents. I found it to be pre-emptive and premature and almost aggressive. And at that point, I made it quite clear to anybody who would listen to me that if this transfer happened, and it did not happen under the same circumstances as the other 13 colleges transferred, that there was no way on heaven and earth that I would ever vote for it, that my major concern was that the students, staff, and faculty at LCC be treated in exactly the same way as the other 13 colleges were treated and given the same opportunities. That started to pick up some steam, and I am trusting the assurances that our president has gotten from President McCall, and I am encouraged that the transition teams that are being talked about within the two systems to make sure that happens.

Now, it's interesting. It's a matter of choice, and I like the president's analogy that you know that the community college, KCTCS, is the seller and our employees are the buyers. A lot of our former employees have opted to become part of the HR system, the health care system, the retirement system, at about an 80% rate. So, evidently the system has matured over the last six or eight years to where there is an attractive package. But to me the key issue was choice. That the tone of that December 5th memo indicated that there would be no choice., and I found that to be unacceptable. And now I feel there is going to be a choice and whatever the staff and faculty decide.

I think the same holds for students and what name is on their diploma or their degree. We continue to approve community college diplomas and degrees. I think we end that for the rest of the system this year. I think the same privilege needs to be given to LCC students who enrolled in a University of Kentucky program and institution and that was their expectation -- that's part of it as well. I just run out of notes which probably means that I just run out of smart things to say, but just let me say this. I have really -- I have lost sleep over this. I have talked to a lot of people who I am very close to that this is going to have a huge impact on their lives.

Let me just end by saying this. The administration of Lexington Community College may change, but there's nothing written down that says the relationship that we have with Lexington Community College needs to change. We can still have the same transfer agreements.

We can still have the same support of one another. We can still be sister institutions within the same geographic area and support and encourage each others missions. So, I do intend to vote in favor of this resolution.”

The following comments were given by Ms. Sims:

“I feel like I have to make a statement -- I want to make one. I’m so proud of Lexington Community College. I love it. As a person living in Lexington and a long time person on this Board of Trustees, I was here initially when we fought to keep it and under what’s happened with UK, I think that the partnership has been a beautiful one. It’s flourished and grown, and it’s a great place to be educated and to learn here.

I know this committee has come together, and they were well charged and well vented. They worked really hard to find a resolution that would be suitable and amicable to everybody. I’ve always been and I still am a loyal advocate of keeping LCC under the armpit of UK -- if you could keep it that close. I want to continue helping LCC with the mission of the land-grant college to educate anyone who wants to come and learn.

However else, I have listened to this committee and I value -- I value them. I love Bob Meriwether, and he loves UK so much and he loves LCC like we do. But I feel like with the promises that I’ve heard from KCTCS -- the promises that I’ve heard from Dr. Todd and the administration to help LCC and be solidly behind LCC -- I feel like I will concede to the majority opinion and consent with them to make and pray with them to make LCC a stronger and more viable institution than ever under KCTCS.”

The following comments were made by Ms. Smith Edge:

“This is kind of like deja vu of 1998 -- having dealt with similar issues -- not in the seat to make a decision but being involved not only from an alumni but also very involved with the community college in my respective community. Change is never easy to accept, and sometimes the greatest fear is the fear of change rather than thinking what the outcome is. I will say since 1998 I feel like that the change in some of those communities even the advantages have outweighed the initial fear in the initial process. I too value LCC and their connection to UK but have been concerned that possibly LCC hasn’t been able to benefit to its maximum ability due to the current structure. And I think that I too have had concerns with making sure that if this transition takes place that the close ties that the students have had with both institutions, you know, would continue, and I believe the resolution today resolves that as well as what we’ve heard from KCTCS to insure that. However, I think we must realize whatever the governance structure is, the mission and purpose of LCC does not change. And, therefore, you know, we can hope that it continues to flourish and even be a greater institution within the University system and within KCTCS. You know, I commend the Academic Affairs having served on that committee, knowing the long hours put forth, and I feel like that we have been given many opportunities to dissect, to review and to research the information that’s presented, and, therefore, I think AACR 1 that’s presented to us today is a fair representation of the information that has been presented.”

Mr. Reed thanked Ms. Smith Edge and asked for any further discussion from any members of the Board.

Professor Kennedy gave the following comments:

“I’m not going to make this as a motion because I don’t want to burden the administration, but I would like to ask that this Board receive reports perhaps through PR 1 semiannually on the last “whereas” about the strong ties between the two institutions and about the contracts and site agreements and so on that we make with LCC. Would that be a reasonable request?”

President Todd replied, “Sure, not a problem.”

Mr. Shoop called for the question.

President Todd asked to make the following comments.

“I just want to give my thoughts at this time. This is clearly an extremely difficult decision for this Board. The relationship with LCC has worked very well in a sense -- although I’ll give you some statistics in a minute which would make you question that from a funding point of view.

We tried -- we got the letter from SACS three days after I took office. It accredited LCC but gave us 17 recommendations of things that needed to be dealt with. We worked for two years trying to address those 17 in order to keep LCC as a separately accredited institution associated with UK. We got down to five or six.

Where I finally had to draw the line and realize that what we had to do was to create a separate legal entity. And that was where it was going to take legislative action and Board action to make some of those major changes. And so it was at that time. We were put on probation somewhere. I forget when that letter came. I put a task force together to look at the three options that SACS gave us. Even when we got that report where they unanimously supported moving to KCTCS, and yesterday we heard that they thought that there was some time pressure that they didn’t feel like that they had time to do the other option.

I didn’t immediately act on that recommendation. We didn’t have that on the docket for the January Board meeting. I asked the task force led by Ben Carr, which I greatly appreciate, to give a report to the Academic Affairs Committee, I think, on December the 9th. That was the first of three meetings that were held by the Academic Affairs Committee.

We did send a letter to the Senate on December 17th. Dr. Nietzel and Executive Vice President Siemer, you know, requesting a meeting with the Senate. I can say I really appreciate what Jeff Dembo and Sheila Brothers have done in their capacities to work up in that case the Senate Council meeting. I think it was a joint meeting. We could have possibly done things better with the Senate so I understand where Professor Jones is coming from. But, we got a lot of input. We learned a lot.

I did talk to Jim Rogers prior to the conference call that I had with Mike Kennedy and President Kerley and Mike Nietzel and asked him, you know, my perception as we go forward is that if we were to decide to separately accredit LCC under the umbrella of UK, it would have to be a legal entity, but if we declared that, you would give us time to work through those organizational issues. And, he indicated that he would give us another year to work through those because even with the move to KCTCS that was going to take some time too -- I told him - so we very likely will need an extension as well. And that was confirmed the next week when we talked to Jack Allen.

So, the pressure was really to make a decision on which of those two alternatives. I'd even thought at one time that the best thing to do was just to be to roll LCC under our accreditation and remove the probation and then work out over a longer period of time the best situation. However, that wasn't acceptable because then you would not have a separately accredited institution, and that just didn't fit.

As we looked at the alternative, it became clear to me that what we would have would be a legal entity -- called LCC -- that had to have its own Board, its own senate, its own legal services, its own Development Office, its own contracting capability. It would be a separately accredited, but also separately functioned entity.

And then you would have the research extensive entity which I will call UK -- try to figure out how you would organize that. The only way that I think that would work effectively which you have to set up a small system. You would really have to have a president over those two entities reporting to you as the Board, someone like myself would be running the UK research extensive portion, somebody like Dr. Kerley would be running LCC.

If you tried to ask someone in my position to oversee LCC, you really have two different missions, and it's like running two corporations where your responsibility is here but you're overseeing another one. I think there's just all kinds of room for conflict, a feeling like you're not treating them properly, and would not want to be put in that position. So, you would have to have somebody at KCTCS, and in many senses, it'd be negotiating against UK. It would be the only university that looked like or the only institution that looked like that in the state of Kentucky.

And while it occurred that LSU and Arkansas have similar situations where community colleges are attached to the University of Arkansas, the University of LSU -- those are bigger systems. Nobody has a two-member system. And none of our benchmarks -- and we have 19 -- have a community college associated with them. So, we truly have two separate missions.

And the concern I have about the funding has been the same one we've had all along. LCC has flourished, and I applaud the faculty and the staff and the students with putting up with the cramped conditions and the lack of funding. But, they've been trapped into the funding model for the state. Their benchmark funding -- they're way off. They only get 38% of what their benchmarks get. But each time and when we do find money -- we haven't found any since

I've been here yet – and when we do find money, their investment would be capped because they would be able to catch up immediately, and that cap is not going to let them catch up.

If you look at the numbers on a full-time equivalent model for 2003, LCC has been receiving state appropriations of \$1,340.00. KCTCS has been receiving \$4,223.00. So LCC has been appropriated one-third of what KCTCS has been able to garner. On a space model, LCC has four and a half square feet per student, whereas KCTCS has seven square feet per student. And we did make as one of our priorities this year a new building for LCC, but the benchmark target for KCTCS is \$700.00 higher than the benchmark target for LCC. And I have come to the conclusion that LCC needs to be in that system where they then will be compared to all the other community colleges in the state. KCTCS gets an appropriation from the state, and then they decide how it is given out across the individual colleges. Their appropriation they argue for and then they can decide the distribution model. They have developed an equity formula which will allow them to see where the inequities are and allowed to fund those over the years. And to me, that is in the best interests of LCC and its students and faculty.

In talking with Mike McCall, he pointed out that presently Central Kentucky Tech on the north side of town has over 3,000 students. LCC has almost 9,000 students. And eventually, division would be for you to have a major educational institution in Lexington of over 15,000 students at the growth rate we presently have. And I think that's the division we should be looking to.

The pressure that I do feel from this Board, and it only makes sense. Since I have been here, I will say that we have been recruiting more from LCC than previously. We have been paying more attention to trying to increase those transfer rates because we get some great students from there. But I have asked our Provost to look into what we term the UK transfer model, and Phil Kraemer has come up with a two page description that we would like to work out. One thing is to ask for an office over there where we could have someone, you know, in the UK Admissions Office or Advising Office there all the time. We would have one day each semester where LCC students who are wanting to transfer would come to campus, and we'd work closely with them to try to help them make sure that they are in line to transfer. There are ways that we can continue that tie, and I think with the suggestions you've made and the number of changes we've made in here to make clear that the students could still have the choice of availing themselves of some of the services that we have is important. So going through all of that thought, I think the best case is for these two institutions to focus tightly on the specific missions that each of us have, and they are quite different, and to have better hopes of getting the funding to be appropriate and then allow us to service the students in the best way possible.

So – glad to answer any questions anybody has for me specifically. I do want to say I greatly appreciate the task force; Chair Dembo, Chair Brothers, the Academic Affairs Committee have gone over and above with the HES situation they had to deal with and now this one. The Board members have put a lot of time in. But I also want to say to my staff, the Provost, the General Counsel, the head of our finance area has been extremely helpful, and Kris Hobson has been working hard to do this. So I understand the emotions. I'm pleased with the way this conversation has gone, and I support the Resolution.”

Mr. Reed thanked President Todd for his comments and said that there appears to be no further comment or discussion from the members of the Board. Prior to the meeting, he and President Todd decided that they wanted to have the maximum amount of input and make this process the most democratic process possible. They decided that it would be advisable and even good to have representatives from LCC to share some of their concerns and comments with the Board. Obviously, there are too many people at the meeting to hear everyone's voice. He called on various representatives of LCC for some brief comment -- understanding that some of these very people have spoken previously to the Academic Affairs Committee already, and their comments are well noted. In light of the importance of this matter, it is incumbent on the Board to hear their comments once again. He called on Dr. Jim Kerley, President of Lexington Community College.

Dr. Kerley gave the following comments:

"Well, I want to extend my thanks. I've heard a lot of thanks going around the table. And this is a very difficult decision, as you know very well. I would ask you, some of you have said you've lost sleep for the last several weeks or months, and I would say multiply that times twenty-five for LCC folks -- our faculty, staff, our students. We've been working on this issue since November of 2000 when we first had the visit and continuous letters and follow-ups and not easy.

I must say that I represent a lot of great people at LCC. Dedicated faculty, great individuals -- they care about our mission of open access. And our student body is superb. They come from many different backgrounds -- 116 counties throughout Kentucky. We have many part-time folks that are teaching with us. They come from business and executives -- about 275 this past semester -- so a lot of great individuals.

Again, I respect whatever decision you've made today, but I just really want you to know about -- you already know some about LCC but our mission -- what we do -- we are very, very passionate about that open access and opportunity for all Kentuckians we think is important. Again, we have very high, dedicated faculty and staff. They really believe that.

I do appreciate -- I was a little concerned. I have to tell you, I was a little concerned. I thought a vote was going to be taken without a chance to address you so I do appreciate that. I have some friends of the College that are willing to speak. Some of them have driven for miles to get here from the Advisory Board and the Alumni Board, from other aspects of the College, our Student Government President, Margaret Morgan, that has a petition that she would like to deliver to you, and I want them to have a voice.

At LCC, we have a very open process. We have discussed this intently. Not the last two weeks but for the last months, the last years -- very open with our emails, our meetings, etcetera. We, as the College, have tried to meet the needs of House Bill 1 -- the charge of House Bill 1. We have done it under the University of Kentucky. I do want to say that. We're a very flexible institution, have a day, night, weekend college, off-campus sites, Winchester classes, downtown classes -- we've literally taken education to the doorsteps of communities. Distance learning -- I won't go through the whole thing, but you know about this.

But since I haven't had an opportunity to speak to you and I wish, honestly I have to tell you – I think truth is important. It would have been nice to be able to come to you in July or a year ago or two years ago to really give you a whole outline. I'm not sure you have had the full scope of the problem and the issues discussed with you intently so I wish we could back it up to do that. And we don't feel like we've had that opportunity and although I think the Task Force, the Academic Affairs Committee did a fantastic job, we appreciate that.

But we serve all students. As you know, this past – well since the Fall of '99, 56% increase in African-American students, 86% in Hispanic students, 41% in international students. As I have said before, 116 counties represented -- unqualified success. And part of a great university, it adds work. Dr. Todd is right. Funding has not been there. I'm not sure that's just because we're with UK. I think we can – I don't see the competition that's been discussed. We could work side by side to get buildings and funding in my opinion -- I have to tell you that. And I'm very supportive as far as KCTCS. We have a lot of excellent partnerships. I have a lot of excellent friends there. That's not negative to them. I think it can work. So again, I appreciate the opportunity just to speak for a few minutes.

We have one of the highest transfer rates of any community college in the country. We have the highest transfer rate in the State of Kentucky as far as community colleges. We have the highest retention rate of any community college. One of the highest retention rates in the country. Something is working well along with the University of Kentucky so I again I must say that we are providing committed to universal access to higher education. We're doing that at a very, very high level.

The questions of CPE – and some of you have followed House Bill 1 – and what CPE is - - they've asked five or six questions. Are more students ready for postsecondary education? Are more students enrolling? Are more students advancing through the systems? Are we preparing Kentuckians for a life in work? Are Kentucky communities and the economy benefiting? And I'd say a very strong "yes" to all these questions on behalf of LCC. We are meeting House Bill 1 in a great, great fashion. We have advanced education in the Commonwealth.

Look at the facts of Kentucky. We are dead last, I think, with folks with an eighth grade education or less. We are among last with individuals having bachelors degrees – I think it's 47th, Associate degrees 46th-47th. A lot of work to do but we are doing our part. Recent survey by CPE, LCC was ranked number one in student satisfaction. Of all community colleges and universities, LCC was ranked number one of all colleges and universities when asked, "Would you recommend your school to others?" LCC was ranked number one of all colleges and universities in general academic classes. LCC was second only to Kentucky State regarding diversity issues on this survey of graduates. LCC was ranked number one of all community colleges in salaries earned after graduation. An average salary of \$35,446.00 – much higher than many four-year college and universities. LCC was ranked number one of all colleges and universities satisfying computer and technical skills. So I do want to bring that out.

Things have worked. We have not been a failure. We are not afraid. I hear fear a little bit here. We're afraid to take changes. This faculty, this staff, this student body is not afraid of

anything. They're willing to take on anything, Dr. Todd. As I've told you many times.
(Applause)

Again I think, Dr. Meriwether, that you have your own opinion and again, I have known him a little bit, and I think he is committed to the University of Kentucky and LCC. He was just speaking what he felt – the truth and, you know, I want to get some of that out a little bit too. Again, I think it is time, this is a monumental issue that we have a right to put it on the table some.

Can LCC stay part of UK and maintain separate accreditation? Dr. Todd has said “yes” to that. And I have, not only once or twice, but I have talked to SACS on a regular basis for weeks and months on this particular issue. We know that can be done. Is that the best thing? That's probably your decision. It is your decision to do that. We must demonstrate autonomy from the University of Kentucky. It can be done within the University of Kentucky. It is not impossible. It does not require setting up a system. It does not require two presidents reporting to the Board. I have talked to Jack Allen very recently. I could report to the President. The President could report to the Board. And we'd work out the autonomy issues. So again, I just want to make sure we're factual on the issues.

And we're again – I won't go through all the letters and everything else we've gotten because you all have that. I have talked in several different times about setting up a separate foundation. That was denied. That would have helped as far as the accreditation. That was denied. Building requests – I have mentioned that more than once. That we could submit building requests separate from UK. Don't see that as competition. I really do not. It could be done and is done at LSU and University of Arkansas and other places. Semantics as far as the system, but it can be done.

Direct reporting to the UK President, Dr. Lee Todd, not to the Provost – those are kinds of things that I asked for early on when Dr. Todd first came. First meeting -- July 2001 -- had a meeting. And I asked for that request. And so, these things were up front right at the beginning. We talked about SACS issues and the direct reporting. We came to the point of having probation and not having sufficient autonomy. That is a fact. It is a SACS issue that we did have to address. July 16, 2003, I did meet with Dr. Nietzel, Dr. Todd and informed them we had hired a consultant, Dr. Martha Sullivan, to resolve this autonomy issue with UK and to advise us to work it out with the University of Kentucky, and I asked specifically Dr. Todd at that point to be open to the many changes necessary, and he's right. She did say there's a whole laundry list. She did not say it was impossible to accomplish needed autonomy. Dr. Todd, at that time, mentioned his reluctance to make any more changes than what we had done. We had made a few changes. According to SACS, those were more cosmetic changes. We changed the audit. We changed technical programs. We did some of those kinds of things.

After that meeting, the consultant told me “Jim, it is very evident that the President is not willing to move forward to make all the necessary changes needed. Maybe, you know, you need to start thinking of other alternatives.” I did write a letter shortly after that to Dr. Todd, and I said I appreciate your candid remarks and really understand your point of view very much. I respect that. Again, Dr. Todd's opinion was basically formed at that particular time in my

opinion. We, again, those are some of the comments that were made. I won't go on and on. Again, I know your time is limited.

Shortly thereafter, after that visit we did set up our own SWAT team. The SWAT team did most of the work for the Task Force as far as the gut of the information and submitted that to the Task Force and a great group of folks. Dr. Carr, I appreciate your efforts. And all the individuals involved from KCTCS. They've really tried to do an honest job. When it came right down to it, honestly, we're speaking truth today. We really only had one option. I really knew how Dr. Todd felt. And I respect that very much. Not willing to go to the full extent of what SACS is requiring. And he has mentioned that already.

We -- coming under the accreditation of the University of Kentucky is totally unacceptable. We lose the faith of the community college that is so sacred to our faculty and our staff and our students. So we set up our own SWAT team, and we looked at the strengths and weaknesses and opportunities and threats and not afraid, no fear, to look at all those different options. August 18, 2003, Dr. Todd visited LCC for the second visit of his on campus. He welcomed the faculty and staff back. We appreciated him coming there, but he clearly indicated to the faculty and staff where his position stood on this particular issue.

September 8th, Dr. Todd met with the UK Faculty Senate and indicated not fully supportive of going to the full limit as far as LCC. August 28th, the Task Force set up. Again, a great group set up. December 4th, Task Force recommends second option to go with KCTCS. Again, the Task Force felt like there were no other options available.

December 22nd, I wrote a letter personally to SACS. Again, I have been intricately involved with SACS, along with our faculty and staff, and indicated possible action by UK. We needed to inform them of what was going on as far as SACS. January 7th, I, along with our Academic Dean, Sandy Kerry, had a conference call with Jim Rogers, Head of SACS, whom I'd talked to several times on this issue and Jack Allen, the Associate Director of SACS. They wanted specifics -- what's happened, Jim? We understand - is January 27th going to happen? It was postponed. That was fine with them.

I think it was a great decision on your part to really address this as a single issue. So I do appreciate that greatly. I had also asked at one point -- I sent a memo to Alice Sparks. I said "you know, I think it would be great if we could just get together and have dialogue. We need a little bit more open dialogue. You all are doing it as a committee." But also to get with the administrators, Dr. Todd, myself, Steve Reed and others to evaluate this very, very important situation. I did mention in my memo to Alice, and again, I think she did a great job with the Committee. And thank you, Alice, for what you have done. But I had mentioned the Hope Community College in Arkansas, University of Arkansas, and LSU and if you look, I have a whole thick book that talks about how community colleges set up across the country. There is no one right way. You can't say one way is better than the other way. It depends on the attitude and the willingness to make that work. And that is the key thing. (Applause)

At Hope Community College at the University of Arkansas, the difference they have -- they have autonomy. And that's correct. We do not have full autonomy. They have a separate

foundation. Their buildings are submitted separately than the university. No problem with the head of the community college and no problem with the University of Arkansas president doing it. They work side by side. They do what's best for the university and for the community college. The community college president is allowed to lobby the legislature for funding which has been difficult for me. I met with the Board regularly to discuss university issues as far as budgets, engaged in their own contracts. Again, bottom line what -- I have to stand up for our faculty and staff and students -- bottom line, my assessment.

Again, I'm positive toward KCTCS and whatever decision you make, but I have to tell you that we have a vast majority of folks that believe that separate accreditation with the University of Kentucky -- our polls indicate that we want to stay with the University of Kentucky separately accredited -- can be done as we've already indicated. SACS does not have a preference. They're willing to work with us to make it work. I've given you the facts. There's a lot more we could give you on how great we've done as a community college. They said "we need a convincing course of action" which they have not had to this point. So again, I know Dr. Todd has mentioned a clash with a Top Twenty research emphasis with an open emphasis as far as the community college. I don't see that there has to be a clash. I think all great universities have excellent undergraduate programs. We are part of that undergraduate emphasis of superior teaching. (Applause)

So, I respect your decision. I will abide by that decision. You're excellent individuals, but I must speak the truth today on behalf of our group and my conversations with the Administration and many, many conversations with SACS. This is a tough issue. We're very passionate about it and again, we have some other individuals who might want to also speak. Thank you for the opportunity." (Applause)

Mr. Reed said that at this point there are a few others to speak. He said the Board did want to hear from Margaret Morgan, the SGA Association President for LCC; Margaret Coffler, LCC Advisory Board Member and Chair of LCC Development Council; Tom Masterson, LCC Alumni Board President, and Vicki Parton, Chair of LCC Faculty Committee and Professor of Math. The reason we want to hear from these people is because they represent a certain constituency at LCC, and we made clear that they would have the opportunity to come speak. We did set this meeting aside for this issue because of the importance that we see it just like you do. He asked Ms. Margaret Morgan to give brief comments.

Ms. Morgan gave the following comments:

"I have a lot to talk about so -- and it's important issues so please bear with me. First of all, I am very excited that I am a representative of LCC because I haven't gotten a chance to talk to all members of the Board and especially you. I don't want to stand here and demean your character because I think you're doing a great job by yourselves. The community is not behind you. They are behind LCC. And members of the Board, there is a thing called group synchronicity, and it's where you follow your leader. You don't stand up for what you believe in and I pray, some of you I do know -- some of you, I don't, and the ones I do are great people. I pray that you stand on your own and don't follow the leader on this one. Okay. The contributions -- I was prepared to talk about contributions that LCC gives to the University. I think that Dr.

Kerley made a great point there. Everything that he said was exactly what I was going to say so I don't feel that I need to take your time for that. As far as student fees, enrollment, our diversity, we add to the University.

With KCTCS we have lower academic standards. We just feel that is unacceptable. We don't want to become a part of KCTCS. The emotional issue, I think that you have heard that completely -- not only from me but from everybody else -- and I do thank you again for listening to that. The Board that we're speaking to today is our last chance at UK, but it is not the only chance. We are prepared to fight. As Dr. Kerley said, we are not afraid of UK, of battling alone. We're not afraid of anything. And right now I'm prepared to present a student petition. We have over 3,000 signatures. And if Chairman Reed will -- thank you. This petition to the Board of Trustees is to recommend to President Todd that we stay with UK with separate accreditation.

I also want to present the Student Resolution that was passed by our SGA on February 3rd. Thank you. The Resolution that is going around was only representative of our students. We did do a poll because we wanted to know exactly how many students that felt this way. Ninety-two percent of our students wanted to maintain a part of UK with separate accreditation. That's a large number, folks. And also there was a question on there that -- Did LCC's involvement ties with UK influence their decision to enroll at LCC? Ninety-one percent of our students said yes that it did. Sixty-seven percent said if they were not a part, they would not have come to LCC. So I feel that's a very important statistic to look at.

And there's some factual things that I want to clear up. Some of you may not know this -- some of you may know this. The building that we had -- I heard earlier that it was part of your priority. It was part of your priority. We dropped under your administration. Nelda Wyatt has been battling a battle out in Frankfort, and we finally got it under Fletcher's administration - \$28.8 million. So I just wanted to say that. And there's someone -- I don't even remember who it was -- I'm sorry that I don't know your name, but that it would be a better opportunity for us to go to KCTCS for the youth of the Commonwealth and no it's not because the stats say otherwise. And you have that in front of you.

So if we do go to KCTCS, it's going to be a major legislative decision-making. It's going to be major discussion. It's not going to be easier. It may be easier on the Board to just simply go and leave this problem to somebody else, but I would hope that the Administration under President Todd would be willing to take this on because we do offer a lot to the University of Kentucky. I have talked to a lot of students that are in the process of transferring to the University within the next semester -- two semesters -- and they said that if -- depending on what happens today, that they will not transfer.

So it's kind of like -- some of the comments that they made to me was that it's like they're coming to a country club, and they're trying to beg for their admission into the University when that's not the way it should be. You -- as the President -- and you -- as teachers -- I don't even know where you're located. You should have got into this career to help students of Kentucky. And I feel that if you do make the decision today to pass this Resolution that you will be helping a few to go on and excel extremely. But, by and large, you're going to be hurting most students that come here.

We have -- forty percent of our students are not from Fayette or surrounding counties. That's a big statistic. I mean that's large. Sixty percent are from Fayette or surrounding, obviously. Anyway, I'm going to go ahead and sit down because I'm sure that some of you are thinking "God, I wish she would" and, you know, I will. Thank you.

But I wanted to say one more thing, and this just close with. Some of the commercials, the radio ads that the University has put out has been "Hi, I'm whatever. I received so and so scholarship or, you know, whatever and then come be a part of the innovative University of Kentucky." And this support is your chance to be innovative. We have a chance to be a community college set up differently. It has worked other places. It isn't one strict structure. We have a chance so please -- I'm begging you -- please, stand alone on this. Stand up for what you believe in. I know plenty of your family members have went to LCC. Some that I've talked to. Some that I haven't but I've heard. So they benefit from the education there, and I just wish that you'd give our students -- our future students a chance to benefit as well. So, anyway, I'm going to sit down now and let someone else speak from the community college. Thank you." (Applause)

Mr. Reed thanked Ms. Morgan and called upon Margaret Coffler for her remarks.

Mr. Reginald Thomas thanked Chairman Reed and gave the following comments:

"Members of the Board, my name is Reginald Thomas. I'm a member of the Advisory Board at LCC. We've asked today Ms. Margaret Coffler to come to speak on behalf of the Advisory Board regarding the Advisory Board's position with respect to keeping LCC as part of the University of Kentucky. Margaret, please."

Ms. Coffler gave the following comments:

"Thank you, Reggie. Good afternoon, Mr. Chairman, ladies and gentlemen of the Board, President Todd, President Kerley, representatives. Thank you for the honor of allowing me to speak this afternoon.

Twenty-five years ago, my husband and I relocated to Lexington from the Washington, D.C. area, following the completion of his fellowship in order to have the corneal service at the University of Kentucky Department of Ophthalmology. At that time I had completed a masters program and was teaching nursing at a local university in northern Virginia. During a recruitment trip to the University of Kentucky, I interviewed for a faculty position at the then LTI -- Lexington Technical Institute; thus, beginning my affiliation with the college. I was on the faculty in 1984 when the administration, faculty and students of LTI -- with the endorsement of the University of Kentucky administration -- voted to change the name of LTI to the University of Kentucky Lexington Community College.

It was obvious the administration of both University and the College were sensitive to the growing needs and wishes of the community to forge a close bond between the two institutions.

That early relationship of the University and the College, even at that time, in effect helped to bridge the ever-present town-gown politics and proved to be beneficial for both institutions.

Attracted because of open access admission policies and lower tuition rates, young minority students had then, as they do now, a way to prove their academic “stuff” at LCC before transferring to the University of Kentucky. The Lexington area high school student not ready to take on the large setting of the University’s undergraduate courses then and now is able to settle into a nurturing environment taught by professors at the helm. These students could take advantage of -- as they do today -- living in the UK dorms and participating in student activities, thus continuing to acclimatize to their eventual University environment. Add to that list, the single mother who could and now can afford tuition at Lexington Community College as well.

In 1997, House Bill 1 passed through the legislature mandating by law that the crown jewel of the Kentucky Community College System -- LCC remain bonded to the University of Kentucky. This law was enacted primarily because the legislature listened to the great public outcry from the community friends, students, faculty and administration of LCC.

As in 1984 when the name change occurred by vote, the legislature had indeed listened to the people. Again, the wishes of the people of Kentucky to have a community college closely aligned with our great University and a mechanism for obtaining higher education degree from our University were upheld.

In 1997 to the present, Lexington Community College accomplished those tasks set before it by the legislature by maintaining open access admission policies, increasing the minority population of students and providing a seamless, high quality education that leads to a UK degree after four years.

Lexington Community College, then and now, seeks to complete and not compete with the mission of the University of Kentucky as a great land-grant University. It does, in fact, remain a rare jewel in UK’s crown. As in 1984 and 1997, I hope today in 2004 you will consider the wishes of the community and its surrounds along with the administration, faculty and most importantly, the students of LCC and UK to uphold the bond of these two great institutions for the good of the people of the Commonwealth of Kentucky. Thank you for letting me address you today.” (Applause)

Mr. Reed called upon Tom Masterson, LCC Alumni Board President for his remarks.

Mr. Masterson gave the following remarks:

“I am Tom Masterson, President of the Alumni Association. I am also a businessman here in Lexington. I have offices in Lexington and Louisville. I’m an electrical contractor. I came to Lexington Technical Institute in 1972. I was a very below average student and because I was able to go to LCC and then transfer to UK, I feel like that if I wouldn’t have had that opportunity, I never would have had the success in business I’ve had. So I feel very deeply indebted to Lexington Community College and the University of Kentucky. I’ve brought along

two Board of Directors members that I would like to let speak because I feel like they could put it very well.”

Gary Macken gave the following remarks:

“Dr. Todd, Mr. Chairman, Members of the Board of Trustees. My name is Gary Macken. I’m 46 years old. I attend Gatton College of Business and Economics. My college career started in 1996 at LCC. I have a 3.75 GPA. I have two associate degrees, both obtained through LCC on a direct path to the Gatton College of Business and Economics. I’m a member of both the LCC and UK Alumni Associations. I paid over \$13,000.00 last year in federal and state taxes. I paid \$2,400.00 in tuition and student fees to LCC and UK. I am a stakeholder in the decision being made today.

When I started college in 1996, it was possible to go to any community college in the state -- funded by the state -- and follow the University studies curriculum as outlined at the University of Kentucky. All of those courses were available at that time. And the pre-college requirement courses for the College of Business and Economics were also available through the Community College System.

The 1997 legislation that separated all the community colleges except LCC has created a barrier that not many people know about. I’m sure parents of students are learning it. It could be one of the reasons why enrollment is increasing at LCC from across the state. In the 1997 legislation, there is a clause that says that any student obtaining a two-year degree at any state funded university may transfer to any state funded four-year college and have junior standing. However, the curriculum that a student in the academic sense especially – the curriculum that the student follows does not match the University of Kentucky with the exception of LCC.

Over the years I have recruited friends, co-workers to come to LCC and let that be the point of entry to UK. My most recent recruitee is my niece, a graduate of Nelson County High School near Bardstown. She finished high school with several college credits in the AP Program. She started her college career last fall at E’town Community College. She took fifteen hours. This semester she would be at E’town for a second time, and there were only two classes left that she could take if she were to follow the University studies program at E’town Community College. So her dad, my brother, and I got together. We thought it was in Kim’s best interests that she make that transfer this semester to LCC.

In the discussion that I’ve heard today, the one thing I’ve not heard addressed is whether that affiliation with LCC and UK will continue that assures that a person can obtain all of those lower level classes in the same manner that they’re able to take them today. LCC is the last community college in the state whose university studies and some of the pre-college requirements are available. That’s how I got my associate’s degrees. At the college, I’m a non-traditional student and even though I have a 3.75 GPA was not easy. Okay. I had to take several math courses that the average student would not have to. I had to take foreign language again. And I had the opportunity along the line to accumulate enough hours to get an Associate in Arts and an Associate in Science. I found that to be a benefit. And I have a saying, you know – “a

two-year degree is better than no degree.” Two two-year degrees is better than one two-year degree and a four-year degree is better than any two-year degree.

So ladies and gentlemen, I want the most – I can’t say it in a strong enough way. I wish for the generations behind me the same opportunity that I had. And regardless of your decision today, please keep in mind the value of LCC and its affiliation with UK over the years. I appreciate your time.” (Applause)

Mr. Guy Cornish gave the following comments:

“Good afternoon. I, as well, was a non-traditional student at LTI and then LCC as it changed into a community college. When the community college started at LCC, we paid a higher tuition because of our proximity and our ability to use facilities here at UK. Our first priority was the connection with UK. That was my first priority in picking the school. I, as well, got two associate’s degrees -- one in electrical, one in mechanical engineering at LCC, and it’s very important to me to -- and as part -- I’ve been a charter member of the Board of Alumni and also a past president to keep that connection. It’s -- my child is here now due to the connection I’ve had with the University.

And we talked about consistency with the ’97 decision when they changed the community college to split the other thirteen out. We also talked about wanting to make sure that the same conditions exist in this transfer. And my understanding is the prior thirteen colleges kept all facilities and weren’t given a five-year order to promptly vacate the premises. Not a one of them was asked to do that. And this is the only instance that that’s been edicted and I just ask that if you do make that decision that you do it consistent with the other community colleges as pulled off in the past and not holding LCC at bay because of the proximity to the University. We paid extra tuition to have that ability, and we ought to be able to the same, if not better, outcome if it does get broken apart. Thank you very much. (Applause)

My last comment is I think what makes LCC great is because we derive the benefit of the personnel of the University of Kentucky. In looking at the teachers over the years and the staff -- when one staff member leaves, it seems like somebody from Journalism or another college fills their spot. And I don’t know that we can attract and retain the quality of the staff and teachers if we go to -- say -- KCTCS. So, that’s my point. Thank you.”

Mr. Reed called upon Ms. Vicki Parton, Chair of LCC Faculty Committee, for her comments. Her comments follow.

“Thank you. I’m grateful for the opportunity to speak with you all today. I am the Vice Chair of the faculty at Lexington Community College, and I’m here to just reiterate the grand desires of the LCC faculty to remain affiliated with UK with separate accreditation.

On January 23 of this year, the faculty of Lexington Community College put forth a Resolution stating “We, the faculty of Lexington Community College resolve that the Board of Trustees establish Lexington Community College as an autonomous institution under the auspices of the University of Kentucky. We further resolve that the Board of Trustees instruct

Dr. Todd to proceed with deliberate speed to facilitate autonomous status to satisfy the requirements of the Southern Association of Colleges and Schools.” I think it is very apparent that we have very strong feelings on this matter.

Over the last days and weeks and months, I have continually heard the statement about how LCC does not fit with the mission of the University of Kentucky. According to page one of the UK Bulletin, included in both their vision and mission statement, I will read the vision statement. “The University of Kentucky will be one of the nation’s top twenty public research universities. An institution recognized world-wide for excellence in teaching, research and service, and a catalyst for intellectual social, cultural, and economic development.” Their mission statement also has that reoccurring theme -- a university dedicated to enriching people’s lives through excellence in teaching, research and service.

LCC has quality faculty, and we offer quality teaching. As far as community service goes, a part of our distribution of effort for every single faculty member is community service. We service our students in the classroom, and we service the community.

We also offer a different entry point to UK. We have a lot of individuals that come from small towns in Kentucky. For these students, the intimidation factor of the University is very extant. They come to LCC for the individual attentions that our faculty give to them. The small classes -- that intimacy. Also, of course, there are students throughout the state that would never even be able to come to UK unless they had that opportunity of LCC. In the students’ opinion of LCC, when you talk about LCC to them, LCC is UK. Thank you.” (Applause)

Mr. Reed thanked each of the representatives of LCC. He said that the one thing clear is that LCC has been an astounding success story. The other thing clear is that the people affiliated with LCC love dearly that wonderful community college, and that is very apparent. He said that he would like to make a few comments before taking a final vote. He wanted to reiterate what President Todd said earlier about the need to appoint a working committee, as will KCTCS, to work out the details so a legislative bill can be put together, should the Board proceed with this today. We will do that. Mr. Reed continued with the following remarks:

“In a summary sense, I also want to commend the Academic Affairs Committee. Just so that people understand, it is impossible and impracticable for the Board to do – for every member of the Board to do everything that is needed for the Board. Accordingly, we have committees. Those committees represent the Board. More often than not, the committees will be attended by many members of the Board beyond the actual committee members. Be that as it may, the committee members keep close tabs with other members of the Board -- certainly the Chairman of the Board which appoints the committees. In this case, I have been amazed at the extraordinary work and lengths to which this Academic Affairs Committee has gone to receive input and information in the short time period. I have been very impressed by the leadership of Chair Sparks of that committee. Knowing that some meetings have not been an hour long meeting -- not a two-hour meeting -- but some of which have been essentially day-long meetings. But the point being that the meetings went with no end in time but with one goal. That is to get the information necessary to make informed decisions. I want to thank every member of the committee.

One of the other things I want to point out is that one of the things witnessed here today is something that is a hallmark of how healthy this University is. And that is differences of opinion. I don't shrink from the differences of opinion. In fact, I stand proudly because we have differences of opinion. That makes this University a much greater University. If it ever got to the point where the University leaders had the exact same identical opinion then we would be failing this great state in leadership because we would be devoid of divergent views. But we are not. It also – I am proud of the fact that so many of you have sat patiently in the audience listening with great respect and deference to all of the divergent views. And I'll ask you that – and I commend you for that as well as the fact that you came here today to show your support.

One other point -- It has been discussed about the presence or absence of communication with SACS. Not only did the Academic Affairs Committee stand for the entire Board, I do know that one member of the Academic Affairs Committee, Dr. Kennedy, did speak with SACS – did speak with SACS with the President. I knew that in advance -- knew that the conversation was to occur -- commend him for it -- and asked him to not only represent the Committee but, again, the entire Board. And he did that.

This is a very difficult issue for everybody. I beg the members in the audience, particularly the students, conveyed with great emotion how you feel, to please understand that though it may appear that we are devoid of such emotion as we sit around this table – that our emotion has been shown during the many late night conversations – the struggling with this issue – that knowing that there's not a perfect answer – knowing that there are kids out there that we once were just like. Don't think that all of us don't understand the significance of Lexington Community College and its role at this University because we do.

In closing, life goes on, and we move on. As I look at this University, I look at the changes that are occurring -- almost on a daily basis. Some of which are inevitable. We are in the process of having a pharmaceutical research building being reconstructed at Coldstream to further our research efforts. We have successfully completed a \$600 million dollar capital campaign but didn't stop because we want to go even farther to the level of one billion dollars. We are at record levels in research grants, but our focus isn't limited to research. We have record enrollment at the University, including in the undergraduate school both in quantity and quality. We have new leadership in the Medical Center -- leadership from one of the most esteemed medical centers/University hospitals in the country.

There are so many things that are occurring at this University. And I want this -- everyone here to know of the difficulty of this decision. And I want you to know that you can't only look at how much time we have spent in a meeting and how many days we have spent since we began the process. You also should be cognizant of the fact that it may be two weeks – it may be two months – it may be six months, but during that period of time -- whatever it has been -- has been saturated with preoccupation and a wrestling of this all important decision. And it's not easy.

And finally, you should know that no matter what we do today, I don't think anyone will ever be able to -- no matter the geography -- no matter the distance -- no matter what SACS says

-- I don't think anyone can undo the strong, historical, close relationship between Lexington Community College and the University of Kentucky.

With that, Mr. President, members of the Board, there is a motion on the table made by the Chair of Academic Affairs, Ms. Sparks. There is a second that has been made to the motion adopting the amendment that has already been voted on. At this time, I will ask that since there is no more discussion -- all in favor of passage of AACR 1, the Academic Affairs Committee Report 1, signify by saying "aye." (Aye) Any opposed?" There were three ayes for opposition: Rachel Watts, Davy Jones, and Frank Shoop. With that, the "ayes" have it. AACR 1 is approved.

E. Meeting Adjourned

With no further business to come before the Board, Mr. Reed adjourned the meeting at 4:00 p.m.

Respectfully submitted,

Russ Williams
Secretary, Board of Trustees

(AACR 1 which follows is an official part of the Minutes of the meeting.)