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Office of the President
February 10, 2004

Members, Board of Trustees:

LEXINGTON COMMUNITY COLLEGE MANAGEMENT RESPONSIBILITIES

Recommendation: that the Board of Trustees approve the following resolution that would effect, pending Legislative approval, the delegation of management responsibilities for the Lexington Community College from the Board of Trustees of the University of Kentucky to the Board of Regents of the Kentucky Community and Technical College System.

DELEGATION OF MANAGEMENT RESPONSIBILITIES FOR THE UNIVERSITY OF KENTUCKY LEXINGTON COMMUNITY COLLEGE TO THE BOARD OF REGENTS OF THE KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM

WHEREAS the 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 the 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 the 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 the 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:

- (1) These responsibilities include, but are not limited to, assets, liabilities, revenues, personnel, programs, financial and accounting services, and support services.*
- (2) That all funds appropriated by the General Assembly of the Commonwealth of Kentucky and received by the University of Kentucky to support the operations of the Lexington Community College shall be transferred and allotted to the Board of Regents for the benefit of the Lexington Community College.*
- (3) That all personal property, including instructional and other moveable equipment of the Lexington Community College and the University of Kentucky designated for the use of Lexington Community College shall be transferred and allotted to the Board of Regents for the benefit of Lexington Community College.*
- (4) That all real property of the Lexington Community College and University of Kentucky designated for use by the Lexington Community College shall remain the real property of the University of Kentucky. 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 has been reached between the University of Kentucky and the Kentucky Community and Technical College System.*
- (5) That restricted gifts, endowments, and sponsored projects designated for the use and benefit of Lexington Community College shall be transferred and allotted to the Board*

of Regents for the benefit of the Lexington Community College. These funds will be managed consistent with any applicable donor and/or sponsor agreements.

- (6) That the Kentucky Community and Technical College System shall reimburse the University of Kentucky at a reasonable cost for any benefits, services and facilities, including debt service applicable to Lexington Community College facilities, provided to the system. Services to be provided by the University of Kentucky to the Lexington Community College facilities located on the Lexington campus shall include but not be limited to: building maintenance, grounds maintenance, utility services, security services, parking, key systems, alarm systems and such other facility and campus services as are consistent with the University goal and need to maintain, oversee and manage its real property. Further, the Kentucky Community and Technical College System shall reimburse the University for the actual cost of expenditures of the health care plans and the long-term disability plan for Lexington Community College employees and retirees who are enrolled in such plans or who are beneficiaries of such plans as of July 1, 2004 and thereafter.*
- (7) That the employees in the Lexington Community College as of July 1, 2004 shall be governed by the University of Kentucky regulations and any subsequent changes made by the University, except that appeals shall be to the Board of Regents or to the boards' designee. The following provisions shall apply:*

 - (a) Temporary disability leave (sick leave) and annual vacation leave accruals as of the effective date of the transfer shall be retained by each employee.*
 - (b) Employees with tenure, as of the effective date, shall retain their tenure. Employees without tenure, as of the effective date, shall earn tenure based on personnel policies in effect at the time of their employment. New employees without tenure, as of the effective date, shall earn tenure based on the policies established by the Board of Regents of the Kentucky Community and Technical College System.*
 - (c) Employees shall maintain a salary not less than their previous salary as of July 1, 2004. The amounts paid to part-time and adjunct faculty per credit hour shall not be less than previously paid.*
 - (d) All employees hired before July 1, 2004 shall be provided the same benefit package available for other University of Kentucky employees as the University of Kentucky may modify, change, consolidate, or eliminate it for all employees.*
 - (e) A person employed as of the effective date of the transfer in the Lexington Community College may elect to become an employee in the Kentucky Community and Technical College System and be subject to the human resources regulations (policies and procedures) of the Kentucky Community and Technical College System. The employee shall have the right to exercise this option at any future time after the effective date. An employee who elects to accept this option and who remains an employee of Kentucky Community and Technical College System may not reverse this option.*
 - (f) A regular full-time employee may, with prior administrative approval, take up to six credit hours per semester or combination of summer sessions on the University of Kentucky's campus or at a community college during the employee's normal working*

- hours. The University of Kentucky shall defray the registration fee up to a maximum of six (6) credit hours per semester or combination of summer sessions.*
- (g) New employees hired on or after July 1, 2004, in the Kentucky Community and Technical College System for the Lexington Community College shall be governed by the regulations established by the Board of Regents.*
 - (h) The actual costs of all workers' compensation claims of employees who, on or after the effective date, remain in the University's employee benefits plans shall be paid by the Kentucky Community and Technical College System. The costs of workers' compensation claims incurred prior to July 1, 2004 by Lexington Community College employees shall be paid by the Kentucky Community and Technical College System.*
 - (i) The Kentucky Community and Technical College System shall pay the cost of all unemployment claims made on or after July 1, 2004 by persons who were Lexington Community College employees as of the effective date.*
 - (j) The costs of employee benefits for Lexington Community College employees who retire on or before June 30, 2004 are the responsibility of the University of Kentucky. The costs of employee benefits for Lexington Community College employees who retire on or after July 1, 2004 are the responsibility of the Kentucky Community and Technical College System.*
- (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, 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 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 University of Kentucky residence halls.*
- (9) 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.*
- (10) That the University administration be authorized to execute an agreement between the Board of Trustees of the University of Kentucky and the Board of Regents of the Kentucky Community and Technical College System relating to the Trust Indenture covenants of the UK Consolidated Educational Buildings Revenue Bonds.*
- (11) That the University administration be authorized to negotiate and enter into an agreement with the Kentucky Community and Technical College System in connection with services and facilities which the University will continue to provide to the Lexington Community College and other administrative and legal issues related to the*

delegation of managerial responsibility, and that the agreement be reported to the Board.

- (12) *That if any conflict arises between the University of Kentucky Board of Trustees and the Kentucky Community and Technical College Board of Regents relating to the delegation of authority from the University to the Board of Regents or the management of the University of Kentucky Lexington Community College within the Kentucky Community and Technical College System, the Council on Postsecondary Education shall resolve the conflict.*

Background: This delegation would enable Lexington Community College to be 1) a separately accredited institution by the Southern Association of Colleges and Schools (SACS) and 2) a member institution of the Kentucky Community and Technical College System.

In November 2000, the Reaffirmation Committee of the Commission on Colleges, Southern Association of Colleges and Schools (SACS) reviewed the Self Study report of the Lexington Community College and made a visit to campus. In July 2001, SACS reaffirmed LCC's accreditation and requested a follow-up report addressing several recommendations, including the separation of functions between LCC and UK.

A second follow-up report was requested and LCC submitted it in July 2002. In June 2003, SACS continued LCC's accreditation for another year, but placed it on probation for 12 months for failure to satisfy accreditation criteria concerning the issue of whether LCC had sufficient autonomy from UK to justify separate accreditation. A third follow-up report was requested six weeks prior to a visit in the spring of 2004.

In August 2003, Dr. Todd appointed a 14 member Special Task Force on Options for SACS Accreditation of the Lexington Community College. The committee was charged with considering three options: 1) LCC maintains its relationship with UK, but institutes changes that would convince SACS that it has sufficient autonomy and independence to justify being separately accredited; 2) LCC is not separately accredited, but is included as a component of the accreditation of the University of Kentucky; and 3) LCC is accredited as a separate community college, either as a freestanding institution or as part of the Kentucky Community and Technical College System.

After carefully considering all options, the Task Force unanimously agreed to recommend to Dr. Todd that LCC be transferred to the Kentucky Community and Technical College System and maintain its separate accreditation as an institution of higher education. The Task Force also recommended that the decision on LCC's future be made as soon as possible, to allow LCC to meet the SACS deadline for responding to the July 2003 letter and to allow the maximum time for implementing whatever decision is made.

The Staff Senate and the University Senate reviewed and discussed the report of the Task Force, acknowledging it as a complex issue, one without a perfect solution. If the Task Force recommendation is accepted, the Staff Senate and University Senate strongly believes that LCC students, staff and faculty must be afforded the same rights and privileges that were enjoyed by

the students, staff and faculty of the other community college when they became part of KCTCS six years ago.

After careful consideration of the process, deliberations, and recommendations, the President and the Provost recommend the delegation of the University of Kentucky's management responsibilities for Lexington Community College to the Kentucky Community and Technical College System.

Action taken: Approved Disapproved Other _____