



2011 Progress Report on Postsecondary Education

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Kentucky Chamber
Uniting Business. Advancing Kentucky.

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2011 Progress Report on Postsecondary Education

Introduction

Kentucky's 1997 higher education reforms set an ambitious goal of elevating the state to the national average of educational attainment by 2020. Ten years later, the Kentucky Chamber of Commerce Task Force on Postsecondary Education conducted an independent review to determine Kentucky's progress toward achieving that goal and to identify continuing challenges and barriers.

The Task Force, comprising business leaders from across the state, included a number of recommendations in its report and called on the Kentucky Chamber to monitor developments in postsecondary education. This is the third update since the Task Force report was released in December 2007. It measures progress as reflected in a set of statistical indicators recommended by the National Center for Higher Education Management Systems (NCHEMS), which assisted the Task Force in the preparation of its report, and includes developments related to the report's recommendations and other areas.

Summary of Key Points

- Kentucky's per capita income national rank has moved up three spots to 44th.
- Kentucky ranked third among the states for percentage growth in personal income from 2009 to 2010.
- The state has moved up two slots and now ranks 45th nationally in the education attainment of 25- to 64-year-olds.
- Kentucky moved from 44th in 2000 to 36th in 2009 in the percentage of college degree holders among people who are 25 to 44 years old.
- More high school graduates are going to college, and fewer need remedial work to take college-level courses.
- Enrollment continues to increase at Kentucky's postsecondary institutions. The Kentucky Community & Technical College System continues to lead the way with the greatest enrollment growth.
- Tuition continues to rise at all public institutions.
- The state's public and private institutions conferred a record number of degrees and credentials during the 2010-11 academic year.
- The Kentucky Chamber of Commerce is collaborating with several other organizations to secure funding for a regional economic development plan that will create stronger links between postsecondary institutions and economic development agencies.

Indicators

Per Capita Income

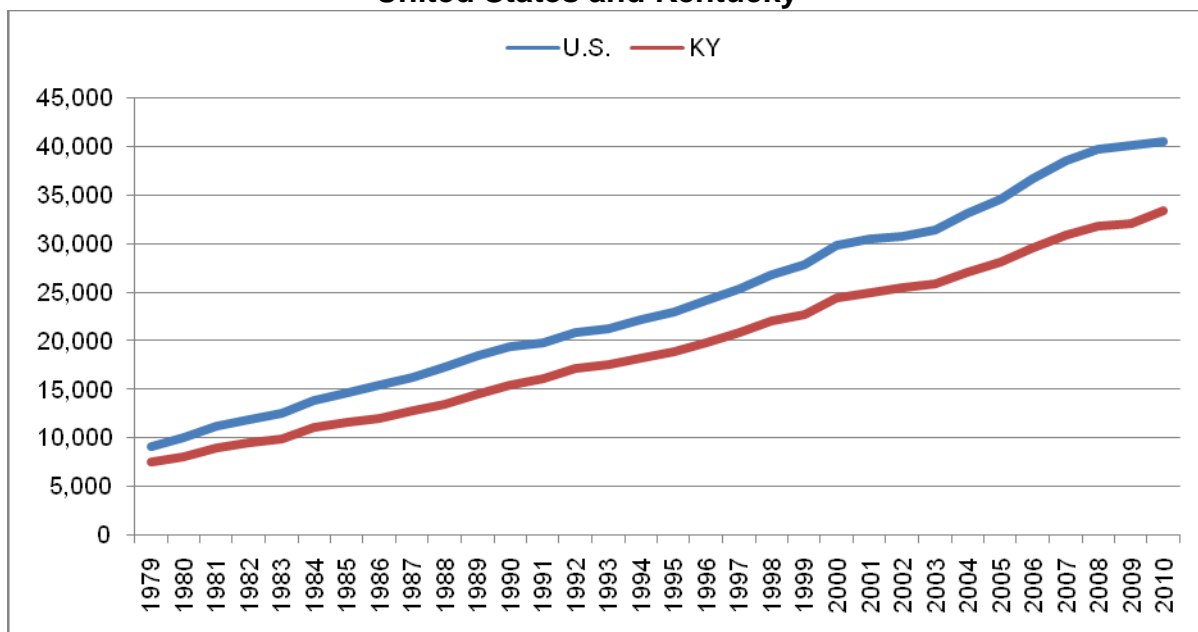
Strengthening Kentucky's economic prospects and increasing per capita income were key objectives of the postsecondary education reforms. The relationship between higher education and economic growth was reflected in the reform's strategic goals:

- To expand the capacity of postsecondary institutions, integrate the state's education agenda at all levels and make connections between education and the development of a strong economy
- To increase Kentucky's education attainment and per capita income to a level that meets or exceeds the national average

Reaching the goal for economic growth continues to be a challenge, but there has been improvement in the past year. After stagnating at about 80% of the national average since 1979, Kentucky's per capita income improved to 82.1% of the national average in 2010. In current dollars, according to the U.S. Bureau of Economic Analysis, Kentucky's \$33,348 income ranked 44th in the nation, up from 47th in 2009.

Kentucky ranked third among the states for percentage growth in personal income from 2009 to 2010. The Bureau of Economic Analysis reports that Kentucky's personal income – that received by all residents from all sources – grew 4% from 2009 to 2010. The national average was 3% growth.

**Per Capita Income 1979 to 2010
United States and Kentucky**



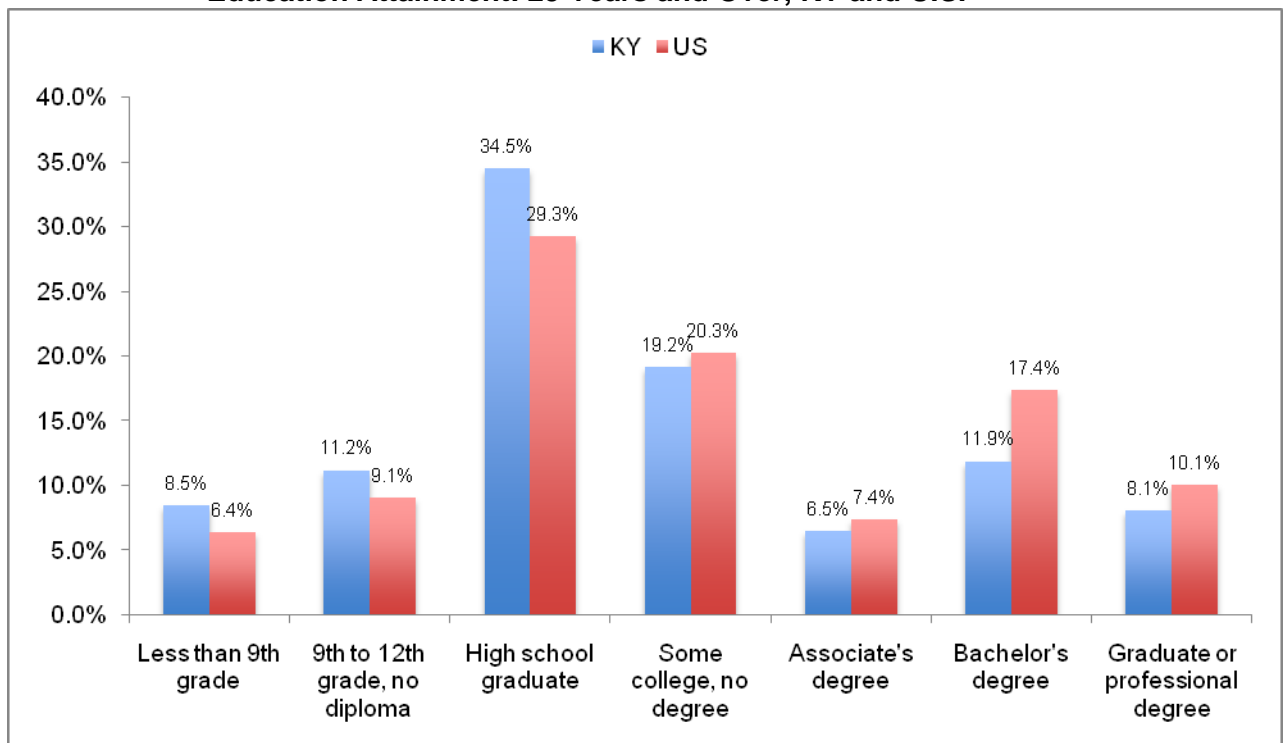
Source: U. S. Bureau of Economic Analysis

Education Attainment

Economic growth is built on education attainment. Kentucky has recorded some progress in this area, although it continues to trail much of the nation in education attainment, especially among older age groups. Research conducted by NCHEMS for the Kentucky Council on Postsecondary Education found that the state ranks 45th in the college attainment (associate degrees or higher) of adults 25 to 64 years old. This is up two slots from 2009 and reflects a 6 percentage point improvement since 2000.

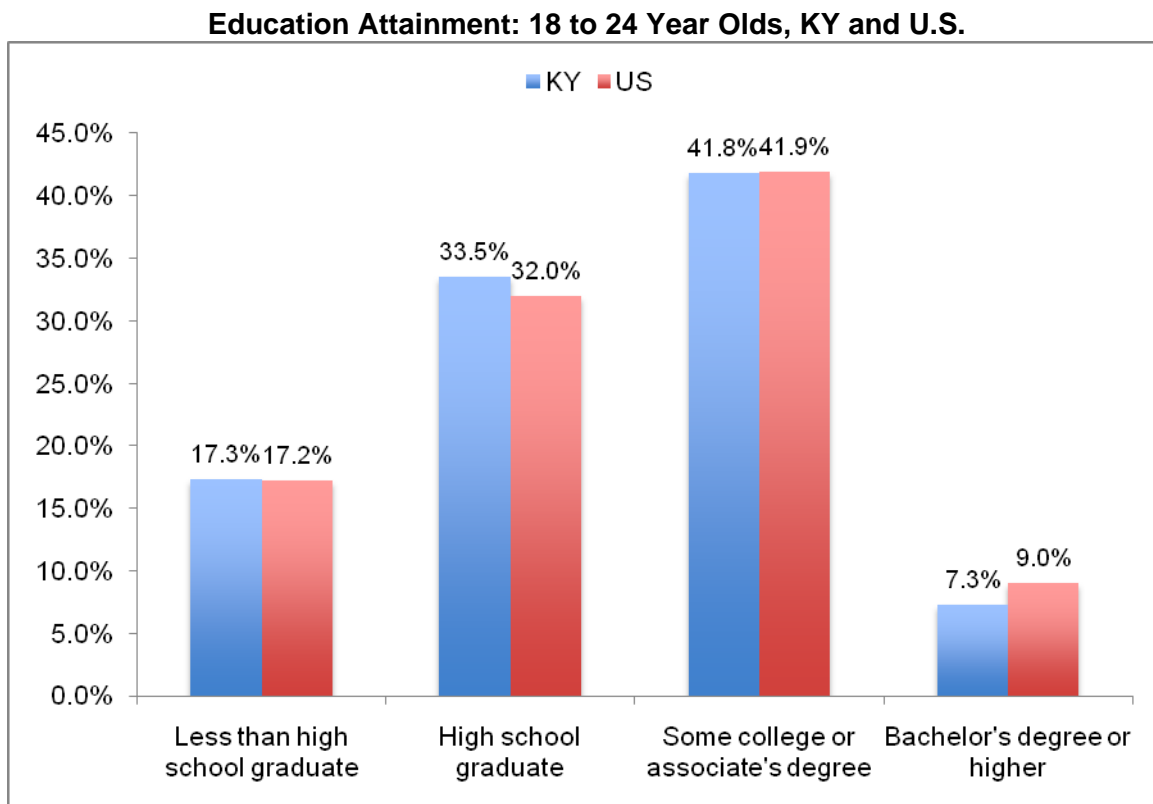
Continuing a recent pattern, the percentage of college degree holders among those 25 to 44 years old showed stronger improvement, gaining 6 points since 2000, according to NCHEMS. In that age group, Kentucky moved from 44th in 2000 to 36th in 2009.

Education Attainment: 25 Years and Over, KY and U.S.



Source: 2009 American Community Survey, U.S. Census Bureau

Attainment among younger Kentuckians, 18-24 years old, was mixed, according to the Census Bureau, with a slight increase in those attaining bachelor's degrees and a slight decline in those with some college or associate's degrees.



Source: 2009 American Community Survey, U.S. Census Bureau

Information on earnings, education attainment and unemployment illustrates the relationship between economic well-being and education. A breakdown of the August 2011 national unemployment figures by education attainment level shows:

- Overall unemployment: 9.1%
- High school diploma: 9.6%
- Some college: 8.2%
- Bachelor's or more: 4.3%

The tables on the following pages show the percentage of Kentucky adults, 25 and older, with a two- or four-year degree and the per capita income by county. These are presented two ways – alphabetically and rank order. (Note that the per capita income by county is in 2009 inflation-adjusted dollars.)

**Percentage of Kentucky Adults (25 and older)
with 2- or 4-Year Degrees**

KY Average: 18.4% U.S. Average: 24.8%

| County | Percent | County | Percent | County | Percent |
|---------------|----------------|---------------|----------------|---------------|----------------|
| Adair | 10.1% | Grant | 10.6% | Mason | 16.7% |
| Allen | 11.0% | Graves | 15.8% | Meade | 16.2% |
| Anderson | 16.3% | Grayson | 9.0% | Menifee | 9.6% |
| Ballard | 11.0% | Green | 10.9% | Mercer | 16.1% |
| Barren | 14.4% | Greenup | 15.5% | Metcalfe | 8.7% |
| Bath | 12.6% | Hancock | 13.2% | Monroe | 13.0% |
| Bell | 10.5% | Hardin | 20.3% | Montgomery | 13.5% |
| Boone | 26.3% | Harlan | 11.6% | Morgan | 9.9% |
| Bourbon | 17.7% | Harrison | 12.6% | Muhlenberg | 12.0% |
| Boyd | 18.4% | Hart | 9.6% | Nelson | 16.4% |
| Boyle | 18.4% | Henderson | 18.7% | Nicholas | 9.4% |
| Bracken | 9.5% | Henry | 13.0% | Ohio | 12.1% |
| Breathitt | 10.2% | Hickman | 15.6% | Oldham | 30.3% |
| Breckinridge | 10.6% | Hopkins | 15.4% | Owen | 14.0% |
| Bullitt | 15.7% | Jackson | 8.4% | Owsley | 7.9% |
| Butler | 11.7% | Jefferson | 23.7% | Pendleton | 12.5% |
| Caldwell | 11.0% | Jessamine | 22.9% | Perry | 12.8% |
| Calloway | 19.6% | Johnson | 10.7% | Pike | 11.8% |
| Campbell | 22.0% | Kenton | 25.8% | Powell | 8.8% |
| Carlisle | 15.8% | Knott | 10.6% | Pulaski | 14.3% |
| Carroll | 9.6% | Knox | 4.9% | Robertson | 9.5% |
| Carter | 11.6% | Larue | 15.0% | Rockcastle | 12.9% |
| Casey | 9.0% | Laurel | 13.7% | Rowan | 15.6% |
| Christian | 17.4% | Lawrence | 10.1% | Russell | 14.3% |
| Clark | 18.2% | Lee | 7.7% | Scott | 22.9% |
| Clay | 7.3% | Leslie | 8.2% | Shelby | 19.3% |
| Clinton | 10.0% | Letcher | 12.5% | Simpson | 14.4% |
| Crittenden | 10.2% | Lewis | 12.2% | Spencer | 15.2% |
| Cumberland | 10.2% | Lincoln | 9.9% | Taylor | 12.1% |
| Daviess | 18.7% | Livingston | 14.0% | Todd | 12.7% |
| Edmonson | 12.2% | Logan | 11.5% | Trigg | 14.8% |
| Elliott | 10.5% | Lyon | 14.0% | Trimble | 13.8% |
| Estill | 7.5% | McCracken | 22.5% | Union | 21.0% |
| Fayette | 29.3% | McCreary | 6.7% | Warren | 23.6% |
| Fleming | 16.8% | McLean | 10.4% | Washington | 12.9% |
| Floyd | 13.0% | Madison | 21.5% | Wayne | 9.3% |
| Franklin | 22.4% | Magoffin | 9.9% | Webster | 11.7% |
| Fulton | 10.0% | Marion | 12.8% | Whitley | 9.7% |
| Gallatin | 9.4% | Marshall | 13.2% | Wolfe | 9.6% |
| Garrard | 13.7% | Martin | 8.2% | Woodford | 27.5% |

Source: 2009 American Community Survey, U.S. Census Bureau

Per Capita Income by Kentucky County*

KY Average: \$22,284 U.S. Average: \$27,041

| County | Per Capita Income | County | Per Capita Income | County | Per Capita Income |
|--------------|-------------------|------------|-------------------|------------|-------------------|
| Adair | \$15,349 | Grant | \$19,963 | McLean | \$21,871 |
| Allen | \$16,331 | Graves | \$19,315 | Meade | \$19,230 |
| Anderson | \$24,189 | Grayson | \$17,587 | Menifee | \$14,445 |
| Ballard | \$23,308 | Green | \$21,649 | Mercer | \$23,051 |
| Barren | \$20,361 | Greenup | \$21,167 | Metcalfe | \$18,111 |
| Bath | \$15,891 | Hancock | \$19,626 | Monroe | \$16,259 |
| Bell | \$14,111 | Hardin | \$22,759 | Montgomery | \$18,701 |
| Boone | \$28,112 | Harlan | \$15,889 | Morgan | \$17,999 |
| Bourbon | \$20,951 | Harrison | \$20,120 | Muhlenberg | \$18,366 |
| Boyd | \$22,538 | Hart | \$16,663 | Nelson | \$21,877 |
| Boyle | \$21,841 | Henderson | \$22,246 | Nicholas | \$17,198 |
| Bracken | \$19,092 | Henry | \$21,697 | Ohio | \$17,987 |
| Breathitt | \$15,194 | Hickman | \$20,811 | Oldham | \$34,731 |
| Breckinridge | \$18,380 | Hopkins | \$20,965 | Owen | \$21,747 |
| Bullitt | \$23,156 | Jackson | \$14,784 | Owsley | \$11,706 |
| Butler | \$16,965 | Jefferson | \$26,400 | Pendleton | \$19,165 |
| Caldwell | \$19,955 | Jessamine | \$24,140 | Perry | \$18,549 |
| Calloway | \$20,457 | Johnson | \$18,417 | Pike | \$19,012 |
| Campbell | \$27,138 | Kenton | \$27,305 | Powell | \$15,830 |
| Carlisle | \$18,573 | Knott | \$15,366 | Pulaski | \$18,185 |
| Carroll | \$22,278 | Knox | \$13,698 | Robertson | \$16,012 |
| Carter | \$18,172 | Larue | \$18,844 | Rockcastle | \$14,468 |
| Casey | \$13,891 | Laurel | \$18,460 | Rowan | \$16,927 |
| Christian | \$17,408 | Lawrence | \$15,080 | Russell | \$17,066 |
| Clark | \$23,328 | Lee | \$11,488 | Scott | \$27,424 |
| Clay | \$12,607 | Leslie | \$14,435 | Shelby | \$28,201 |
| Clinton | \$14,163 | Letcher | \$16,672 | Simpson | \$20,950 |
| Crittenden | \$19,496 | Lewis | \$14,341 | Spencer | \$24,859 |
| Cumberland | \$14,947 | Lincoln | \$17,609 | Taylor | \$17,523 |
| Daviess | \$22,431 | Livingston | \$21,379 | Todd | \$18,668 |
| Edmonson | \$18,544 | Logan | \$19,379 | Trigg | \$23,087 |
| Elliott | \$12,623 | Lyon | \$18,970 | Trimble | \$19,903 |
| Estill | \$15,528 | Madison | \$20,649 | Union | \$18,078 |
| Fayette | \$27,878 | Magoffin | \$12,449 | Warren | \$23,219 |
| Fleming | \$16,293 | Marion | \$18,100 | Washington | \$19,889 |
| Floyd | \$16,419 | Marshall | \$21,944 | Wayne | \$15,115 |
| Franklin | \$26,590 | Martin | \$12,540 | Webster | \$19,068 |
| Fulton | \$16,347 | Mason | \$21,023 | Whitley | \$14,938 |
| Gallatin | \$17,175 | McCracken | \$24,463 | Wolfe | \$11,148 |
| Garrard | \$17,359 | McCreary | \$12,079 | Woodford | \$28,409 |

Source: 2009 American Community Survey, U.S. Census Bureau

*2009 inflation-adjusted dollars

Percentage of Kentucky Adults (25 and older) with

2- or 4-year Degrees (From highest to lowest)

KY Average: 18.4% U.S. Average: 24.8%

| County | Percent | County | Percent | County | Percent |
|-----------|---------|------------|---------|--------------|---------|
| Oldham | 30.30% | Barren | 14.40% | Johnson | 10.70% |
| Fayette | 29.30% | Simpson | 14.40% | Breckinridge | 10.60% |
| Woodford | 27.50% | Pulaski | 14.30% | Grant | 10.60% |
| Boone | 26.30% | Russell | 14.30% | Knott | 10.60% |
| Kenton | 25.80% | Livingston | 14.00% | Bell | 10.50% |
| Jefferson | 23.70% | Lyon | 14.00% | Elliott | 10.50% |
| Warren | 23.60% | Owen | 14.00% | McLean | 10.40% |
| Jessamine | 22.90% | Trimble | 13.80% | Breathitt | 10.20% |
| Scott | 22.90% | Garrard | 13.70% | Crittenden | 10.20% |
| McCracken | 22.50% | Laurel | 13.70% | Cumberland | 10.20% |
| Franklin | 22.40% | Montgomery | 13.50% | Adair | 10.10% |
| Campbell | 22.00% | Hancock | 13.20% | Lawrence | 10.10% |
| Madison | 21.50% | Marshall | 13.20% | Clinton | 10.00% |
| Union | 21.00% | Floyd | 13.00% | Fulton | 10.00% |
| Hardin | 20.30% | Henry | 13.00% | Lincoln | 9.90% |
| Calloway | 19.60% | Monroe | 13.00% | Magoffin | 9.90% |
| Shelby | 19.30% | Rockcastle | 12.90% | Morgan | 9.90% |
| Daviess | 18.70% | Washington | 12.90% | Whitley | 9.70% |
| Henderson | 18.70% | Marion | 12.80% | Carroll | 9.60% |
| Boyd | 18.40% | Perry | 12.80% | Hart | 9.60% |
| Boyle | 18.40% | Todd | 12.70% | Menifee | 9.60% |
| Clark | 18.20% | Bath | 12.60% | Wolfe | 9.60% |
| Bourbon | 17.70% | Harrison | 12.60% | Bracken | 9.50% |
| Christian | 17.40% | Letcher | 12.50% | Robertson | 9.50% |
| Fleming | 16.80% | Pendleton | 12.50% | Gallatin | 9.40% |
| Mason | 16.70% | Edmonson | 12.20% | Nicholas | 9.40% |
| Nelson | 16.40% | Lewis | 12.20% | Wayne | 9.30% |
| Anderson | 16.30% | Ohio | 12.10% | Casey | 9.00% |
| Meade | 16.20% | Taylor | 12.10% | Grayson | 9.00% |
| Mercer | 16.10% | Muhlenberg | 12.00% | Powell | 8.80% |
| Carlisle | 15.80% | Pike | 11.80% | Metcalfe | 8.70% |
| Graves | 15.80% | Butler | 11.70% | Jackson | 8.40% |
| Bullitt | 15.70% | Webster | 11.70% | Leslie | 8.20% |
| Hickman | 15.60% | Carter | 11.60% | Martin | 8.20% |
| Rowan | 15.60% | Harlan | 11.60% | Owsley | 7.90% |
| Greenup | 15.50% | Logan | 11.50% | Lee | 7.70% |
| Hopkins | 15.40% | Allen | 11.00% | Estill | 7.50% |
| Spencer | 15.20% | Ballard | 11.00% | Clay | 7.30% |
| Larue | 15.00% | Caldwell | 11.00% | McCreary | 6.70% |
| Trigg | 14.80% | Green | 10.90% | Knox | 4.90% |

Source: 2009 American Community Survey, U.S. Census Bureau

Per Capita Income by Kentucky County*

(From Highest to Lowest)

KY Average: \$22,284 U.S. Average: \$27,041

| County | Per Capita Income | County | Per Capita Income | County | Per Capita Income |
|------------|-------------------|--------------|-------------------|------------|-------------------|
| Oldham | \$34,731 | Calloway | \$20,457 | Gallatin | \$17,175 |
| Woodford | \$28,409 | Barren | \$20,361 | Russell | \$17,066 |
| Shelby | \$28,201 | Harrison | \$20,120 | Butler | \$16,965 |
| Boone | \$28,112 | Grant | \$19,963 | Rowan | \$16,927 |
| Fayette | \$27,878 | Caldwell | \$19,955 | Letcher | \$16,672 |
| Scott | \$27,424 | Trimble | \$19,903 | Hart | \$16,663 |
| Kenton | \$27,305 | Washington | \$19,889 | Floyd | \$16,419 |
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| McCracken | \$24,463 | Meade | \$19,230 | Robertson | \$16,012 |
| Anderson | \$24,189 | Pendleton | \$19,165 | Bath | \$15,891 |
| Jessamine | \$24,140 | Bracken | \$19,092 | Harlan | \$15,889 |
| Clark | \$23,328 | Webster | \$19,068 | Powell | \$15,830 |
| Ballard | \$23,308 | Pike | \$19,012 | Estill | \$15,528 |
| Warren | \$23,219 | Lyon | \$18,970 | Knott | \$15,366 |
| Bullitt | \$23,156 | Larue | \$18,844 | Adair | \$15,349 |
| Trigg | \$23,087 | Montgomery | \$18,701 | Breathitt | \$15,194 |
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| Henderson | \$22,246 | Johnson | \$18,417 | Rockcastle | \$14,468 |
| Marshall | \$21,944 | Breckinridge | \$18,380 | Menifee | \$14,445 |
| Nelson | \$21,877 | Muhlenberg | \$18,366 | Leslie | \$14,435 |
| McLean | \$21,871 | Pulaski | \$18,185 | Lewis | \$14,341 |
| Boyle | \$21,841 | Carter | \$18,172 | Clinton | \$14,163 |
| Owen | \$21,747 | Metcalf | \$18,111 | Bell | \$14,111 |
| Henry | \$21,697 | Marion | \$18,100 | Casey | \$13,891 |
| Green | \$21,649 | Union | \$18,078 | Knox | \$13,698 |
| Livingston | \$21,379 | Morgan | \$17,999 | Elliott | \$12,623 |
| Greenup | \$21,167 | Ohio | \$17,987 | Clay | \$12,607 |
| Mason | \$21,023 | Lincoln | \$17,609 | Martin | \$12,540 |
| Hopkins | \$20,965 | Grayson | \$17,587 | Magoffin | \$12,449 |
| Bourbon | \$20,951 | Taylor | \$17,523 | McCreary | \$12,079 |
| Simpson | \$20,950 | Christian | \$17,408 | Owsley | \$11,706 |
| Hickman | \$20,811 | Garrard | \$17,359 | Lee | \$11,488 |
| Madison | \$20,649 | Nicholas | \$17,198 | Wolfe | \$11,148 |

Source: 2009 American Community Survey, U.S. Census Bureau

*2009 inflation-adjusted dollars

College & Career Preparation

The number of Kentucky students taking the ACT continued to increase in 2011, growing to 46,428 high school juniors and seniors. (Legislation enacted in 2008 required that all public school juniors take the test, beginning in 2009; the subsequent decline in scores was attributed to the higher participation rate.) Students showed slight improvement in 2011 in three of the four subjects included in the test – English, math, reading and science – but their overall composite score of 19.6 continued to trail the national average of 21.1

| ACT Average 2011 Scores | | | | | | | | | | | |
|-------------------------|--------------------|---------|------|------|------|---------|------|---------|------|-----------|------|
| Grad Year | KY Students Tested | English | | Math | | Reading | | Science | | Composite | |
| | | KY | US | KY | US | KY | US | KY | US | KY | US |
| 2007 | 30,929 | 20.3 | 20.7 | 20.0 | 21.0 | 21.2 | 21.5 | 20.6 | 21.0 | 20.7 | 21.2 |
| 2008 | 31,728 | 20.5 | 20.6 | 20.2 | 21.0 | 21.5 | 21.4 | 20.7 | 20.8 | 20.9 | 21.1 |
| 2009 | 45,419 | 18.8 | 20.6 | 19.0 | 21.0 | 19.8 | 21.4 | 19.7 | 20.9 | 19.4 | 21.1 |
| 2010 | 45,763 | 18.9 | 20.5 | 19.1 | 21.0 | 19.7 | 21.3 | 19.5 | 20.9 | 19.4 | 21.0 |
| 2011 | 46,428 | 19.2 | 20.6 | 19.1 | 21.1 | 20.0 | 21.3 | 19.6 | 20.9 | 19.6 | 21.1 |

Source: ACT High School Profile: Kentucky State Report 2011

| Percent and Average Composite Score by Race/Ethnicity, 2011 | | | |
|---|--------|-----|------|
| | N | % | Avg |
| All Students | 46,428 | 100 | 19.6 |
| Black/African American | 4,130 | 9 | 16.5 |
| American Indian/Alaska Native | 185 | 0 | 17.3 |
| White | 36,653 | 79 | 20.1 |
| Hispanic/Latino | 1,179 | 3 | 18.2 |
| Asian | 536 | 1 | 22.6 |
| Native Hawaiian/Other Pacific Islander | 16 | 0 | 19.8 |
| Two or more races | 948 | 2 | 19.2 |
| Prefer not to respond/No response | 2,781 | 6 | 18.1 |

Source: ACT High School Profile: Kentucky State Report 2011

| Percent of Students, 2011 Meeting ACT College Readiness Benchmarks | | | | | | | | | | | |
|---|--------------------|---------|----|------|----|---------|----|---------|----|------------------|----|
| Grad Year | KY Students Tested | English | | Math | | Reading | | Science | | Meeting All Four | |
| | | KY | US | KY | US | KY | US | KY | US | KY | US |
| 2007 | 30,929 | 67 | 69 | 35 | 43 | 50 | 53 | 24 | 28 | 18 | 23 |
| 2008 | 31,728 | 68 | 68 | 35 | 43 | 53 | 53 | 25 | 28 | 19 | 22 |
| 2009 | 45,419 | 55 | 67 | 26 | 42 | 41 | 53 | 20 | 28 | 15 | 23 |
| 2010 | 45,763 | 55 | 66 | 28 | 43 | 40 | 52 | 21 | 29 | 16 | 24 |
| 2011 | 46,428 | 57 | 66 | 28 | 45 | 43 | 52 | 21 | 30 | 16 | 25 |

Source: ACT High School Profile: Kentucky State Report 2011

Students who reach the ACT benchmarks are considered to have a 50 percent chance of obtaining a B or higher and a 75 percent chance of obtaining a C or higher in a credit-bearing college course. The highest possible ACT score in each subject is 36. ACT benchmark scores are:

- English: 18
- Math: 22
- Reading: 21
- Science: 24

Some of ACT's college readiness benchmarks differ from those adopted by the Kentucky Council on Postsecondary Education as part of the state's college admissions regulations. The state regulations require all public postsecondary institutions to place students in a credit-bearing course if they make the following scores on the ACT (there is no state benchmark for science scores):

- English: 18
- Math: 19
- Reading: 20

Students scoring below those levels have to take either a non-credit, developmental course or a credit-bearing course that includes additional support such as extra class sessions, tutoring or monitoring.

As noted, Kentucky requires all juniors to take the ACT, considered an important tool in determining college-readiness. The five-year trend tables on the preceding page reflect the scores of all juniors and the seniors who chose to take the test again in a given year. ACT, Inc., in compiling information on a graduating class, uses students' scores from the last time they took the test. If juniors did not take the test again as seniors, their junior scores would be included in the data for the graduating class.

The 2011 composite score for public school graduating seniors was 19.2, compared to 19.0 in 2010, according to the Kentucky Department of Education. Overall average ACT scores for the 2011 graduates:

- English: 18.7
- Math: 18.8
- Reading: 19.6
- Science: 19.3



The education pipeline – the progression of students through the levels of education from early childhood through postsecondary – is one measurement of progress, and the Task Force emphasized the need for improvements in this area. The most recent projections on the “leaks” in the pipeline were made by Education Commissioner Terry Holliday, who estimates:

- Of the 50,000 students who finished 8th grade in the spring of 2011, between 10,000 and 15,000 will drop out before graduating from high school.
- Of the remaining 35,000, only 10,000 will graduate ready for college-level courses or the demands of the modern workplace.
- The rest will need additional training or instruction.

Legislation enacted in 2009 mandated that elementary/secondary and postsecondary education leaders develop a plan to reduce high school graduates' need for college-course remediation by 50 percent. The two levels of education are working together on that and other initiatives focused on improving students' preparation for college and career.

In a gesture reflecting this collaboration, the presidents of Kentucky's colleges and universities and all public school district superintendents and local school boards have signed a pledge to improve high school students' preparation.

Efforts continue to improve the transfer process for students who begin their postsecondary work at a two-year school and want to move on to a four-year institution. The Council on Postsecondary Education approved policy changes to give students a guarantee that their transfer of individual courses will fulfill general education requirements of comparable courses at any public institution in Kentucky. Previously, students had to transfer a block of courses, instead of individual courses, to have such a guarantee.

In addition, the Kentucky Community and Technical College System has adopted a common course numbering system ensuring that comparable general education courses have the same name, content and learning outcomes at all KCTCS campuses. The policy changes take effect in 2012.



The latest “Kentucky College and Career Readiness High School Feedback Report, Class of 2008,” found that more high school graduates are going to college and fewer need remedial work. The feedback reports are an ongoing series providing comparative information at the school, district and state level. Highlights of the 2008 report, released in November 2010, included:

- 63% of the 43,362 public and private high school graduates in 2008 entered college by that fall, 57% of them enrolling in a Kentucky institution. (In 2002, 51% of 41,328 high school graduates went on to college.)
- The percentage of those students who needed remedial education fell from 45% in 2002 to 38% in 2008.
- Significant gaps were evident. Students fared better in urban and higher-income areas than in rural and low-income areas.



Other Developments:

- Reports from the 2009-2010 school year showed nonacademic indicators remained similar to those reported the previous year. The overall high school dropout rate increased less than one-half point, from 2.89% in 2009 to 3.19% in 2010. The percentage of students held back a grade decreased slightly, from 2.75% to 2.36%.
- Workshops are being held around the state to familiarize postsecondary faculty and staff with the new, more rigorous, standards now being taught in elementary and secondary schools. The workshops are part of the collaborative efforts of P-16 educators to improve students' college and career preparation.
- As of the 2010-11 school year, 44 high schools were participating in AdvanceKentucky, a successful initiative focusing on improving student performance in mathematics, science and English. There were some 11,000 student enrollments in Advanced Placement classes in those courses.
- 10,294 Kentuckians earned GEDs during 2010-11, a 10% increase from the 9,357 diplomas awarded the previous year. The increase was attributed to free testing offered during three months as well as continuing efforts by local adult education programs. In the past 11 years, 116,142 Kentuckians have earned a GED. However, about 15% of Kentucky's working-age population, or more than 414,000 Kentuckians, still lack a high school credential or GED.



Postsecondary Enrollment

Enrollment has continued to increase at Kentucky's postsecondary institutions, growing to 266,462 students at public and independent institutions in the fall of 2010. The greatest increase, of 6.3%, was recorded by the Kentucky Community and Technical College system.

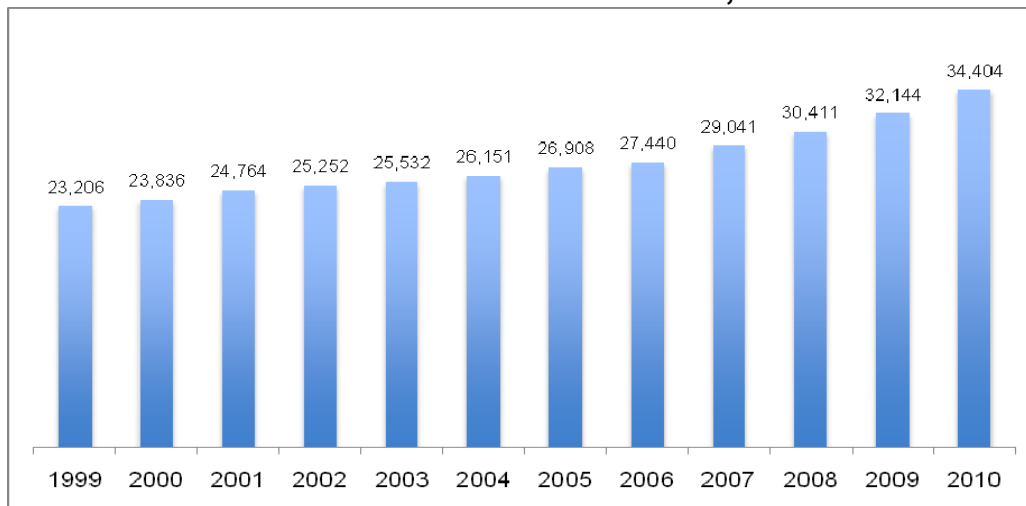
Total Headcount Enrollment by Level Kentucky Public Institutions Fall 2001 to Fall 2010

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| EKU | 14,913 | 15,248 | 15,951 | 16,183 | 16,219 | 15,763 | 15,839 | 16,031 | 16,268 | 16,567 |
| KSU | 2,314 | 2,253 | 2,306 | 2,335 | 2,386 | 2,500 | 2,696 | 2,659 | 2,834 | 2,851 |
| Morehead | 9,027 | 9,390 | 9,509 | 9,293 | 9,062 | 9,025 | 9,066 | 8,981 | 9,046 | 8,842 |
| Murray | 9,648 | 9,920 | 10,100 | 10,128 | 10,274 | 10,304 | 10,156 | 10,022 | 10,078 | 10,416 |
| NKU | 12,548 | 13,743 | 13,945 | 13,921 | 14,025 | 14,638 | 14,807 | 15,109 | 15,405 | 15,748 |
| UK | 24,791 | 25,741 | 26,260 | 26,545 | 26,439 | 27,209 | 26,648 | 26,913 | 27,171 | 28,037 |
| U of L | 20,394 | 21,089 | 21,464 | 21,725 | 21,760 | 21,841 | 21,689 | 21,761 | 22,031 | 22,290 |
| WKU | 16,579 | 17,818 | 18,391 | 18,513 | 18,645 | 18,664 | 19,265 | 19,761 | 20,712 | 20,903 |
| Total | 110,214 | 115,202 | 117,926 | 118,643 | 118,810 | 119,944 | 120,166 | 121,237 | 123,545 | 125,654 |
| KCTCS | 70,913 | 76,082 | 80,695 | 81,990 | 84,931 | 86,475 | 92,828 | 89,942 | 100,348 | 106,664 |

Source: Kentucky Council on Postsecondary Education

Total enrollment at independent institutions – members of the Association of Independent Kentucky Colleges and Universities (AIKCU) – increased 7% over the previous year. The 34,404 students included 28,282 undergraduates and 6,122 graduate/professional students.

AIKCU Total Fall Enrollment, 1999-2010



Source: CPE Comprehensive Database

AIKCU member institutions:

- Alice Lloyd College, Pippa Passes
- Asbury College, Wilmore
- Bellarmine University, Louisville
- Berea College, Berea
- Brescia University, Owensboro
- Campbellsville University, Campbellsville
- Centre College, Danville
- Georgetown College, Georgetown
- Kentucky Christian University, Grayson
- Kentucky Wesleyan College, Owensboro
- Lindsey Wilson College, Columbia
- Mid-Continent University, Mayfield
- Midway College, Midway
- Pikeville College, Pikeville
- St. Catharine College, Springfield
- Spalding University, Louisville
- Thomas More College, Crestview Hills
- Transylvania University, Lexington
- Union College, Barbourville



Performance and Productivity Measures

The state's public and private institutions conferred a record number of degrees and credentials during the 2010-11 academic year, according to the Council on Postsecondary Education. The CPE's preliminary report noted the following:

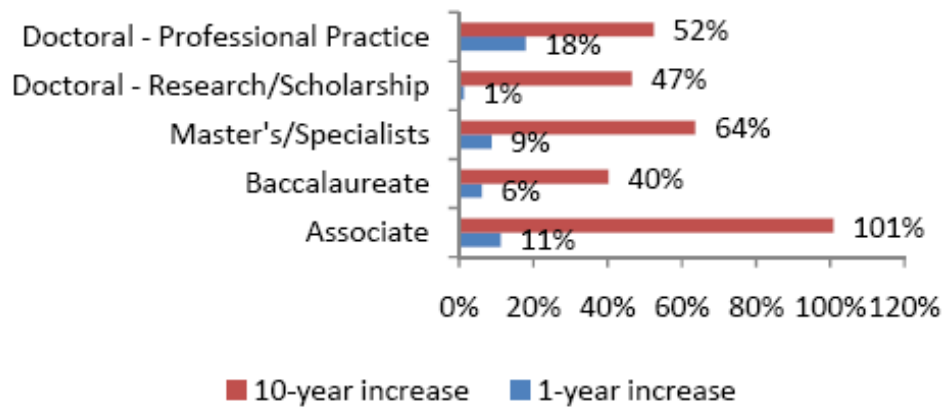
- 62,700 degrees and credentials were conferred, an all-time high and an 11% increase over the previous year.
- Associate degrees increased by 11%.
- Bachelor's degrees increased 6% statewide.
- Graduate level – master's, specialist's and doctoral – degrees increased 9.5%.
- The number of associate degrees has doubled over the past 10 years. The Chamber Task Force report emphasized the importance of increasing degree attainment at both the associate and bachelor's levels.

Source for data and following two graphs: Kentucky Council on Postsecondary Education, Preliminary 2010-11 Degrees Report

Estimated 2010-11 Credentials Awarded Statewide by Level



One and Ten-Year Increases in Degrees Awarded Statewide, 2010-11 Preliminary



Degrees/Credentials Awarded, 1997-2010, Public & Independent Institutions

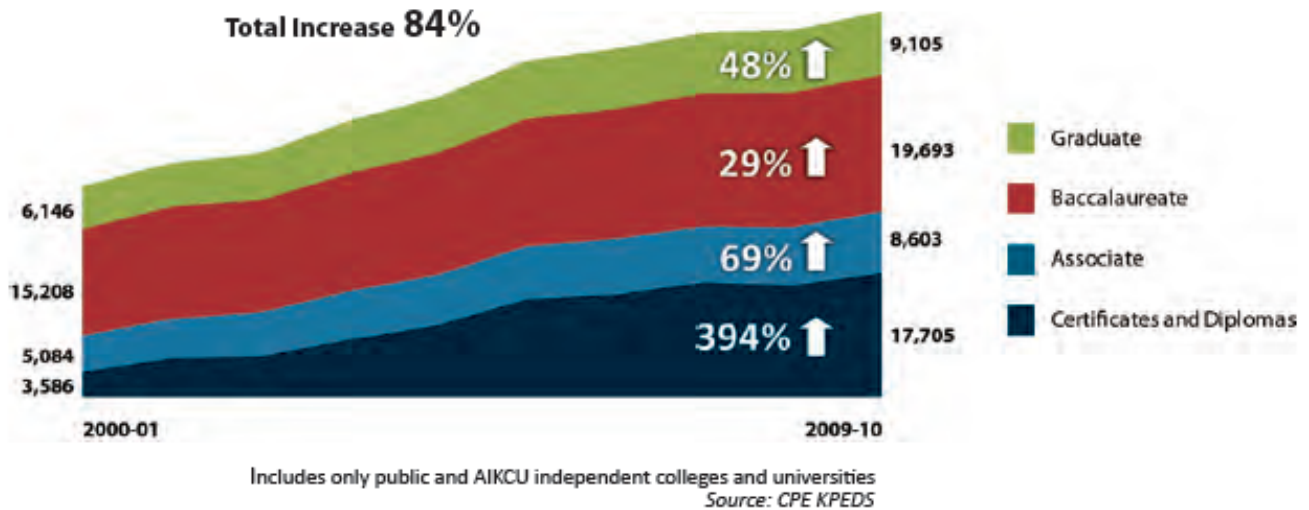
| Year | Certificates/ Diplomas | Associate | Baccalaureate | Master/ Specialist | Doctoral | Professional | Total |
|----------|---------------------------|-----------|---------------|-----------------------|----------|--------------|--------|
| 1996/97 | 152 | 5,722 | 14,342 | 3,720 | 328 | 812 | 25,076 |
| 1997/98 | 198 | 5,426 | 14,716 | 4,570 | 323 | 819 | 26,052 |
| 1998/99 | 309 | 5,289 | 15,296 | 4,775 | 312 | 817 | 26,798 |
| 1999/00 | 366 | 5,233 | 15,510 | 4,773 | 355 | 791 | 27,028 |
| 2000/01 | 3,586 | 5,078 | 14,822 | 4,888 | 284 | 824 | 29,542 |
| 2001/02 | 5,451 | 5,567 | 15,839 | 5,035 | 336 | 820 | 33,048 |
| 2002/03 | 5,760 | 6,205 | 15,771 | 5,473 | 347 | 840 | 34,396 |
| 2003/04 | 8,141 | 6,841 | 16,902 | 6,202 | 387 | 863 | 39,336 |
| 2004/05 | 10,222 | 7,139 | 17,457 | 6,570 | 423 | 917 | 42,728 |
| 2005/06 | 13,961 | 7,508 | 18,224 | 6,828 | 476 | 896 | 47,893 |
| 2006/07 | 14,618 | 7,834 | 18,623 | 7,005 | 513 | 913 | 49,506 |
| 2007/08 | 16,405 | 7,752 | 19,090 | 6,928 | 535 | 969 | 51,679 |
| 2008/09 | 16,184 | 8,074 | 19,403 | 7,242 | 526 | 954 | 52,383 |
| 2009/10 | 17,705 | 8,603 | 19,693 | 7,329 | 502 | 1,023 | 55,106 |
| 2010/11* | 21,257 | 10,211 | 21,335 | 8,156 | 466 | 1,256 | 62,700 |

*Estimated

Source: Council on Postsecondary Education

Total Degrees and Credentials Awarded by Level Kentucky Public and AIKCU Independent Institutions 2000-2010

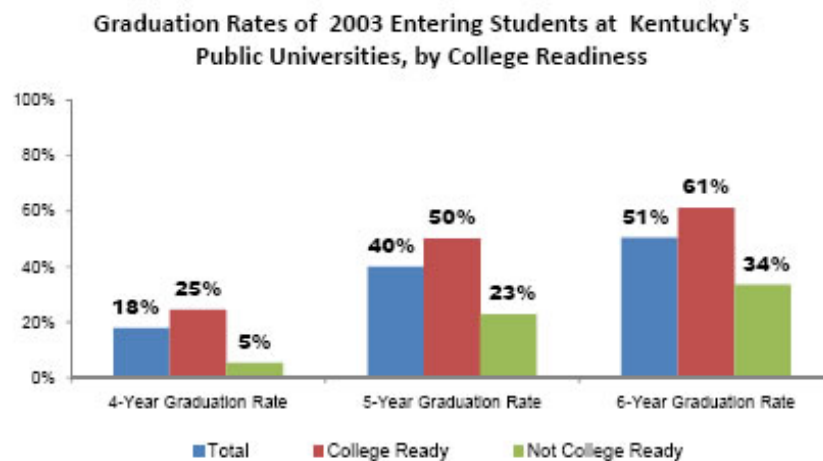
Degrees and credentials have increased dramatically



Another common performance measure is the amount of time it takes a student to graduate. The National Center for Education Statistics' 2011 report notes that approximately 57% of the country's first-time students who enrolled full-time in bachelor's degree programs at a four-year institution in 2002 completed the degree at that institution within six years. Kentucky's public institutions continue to trail that rate, according to the Council on Postsecondary Education, but there are signs of progress.

The report prepared for the CPE by the National Center on Higher Education Management Systems recorded marked improvement in the six-year graduation rates at Kentucky's public and private institutions. The nine percentage point improvement from 2000 to 2009 was the largest change of any state, moving Kentucky's ranking from 44th to 35th among the states. The three-year graduation rates at two-year institutions also increased, by the third-highest percentage point change in the country. Kentucky moved from 38th to 16th among the states in that ranking.

Additional data from the CPE, represented in the following graph, shows the importance of adequate student preparation for college.



Source: CPE NPEDS

Rates reflect the percentage of all full-time, bachelor's degree seeking students who enrolled for the first time in a KY public university in fall 2003 and graduated within 4, 5, or 6 years.

Additional Developments:

- The NCHEMS report also pointed to other significant progress in Kentucky:
 - The state had the fifth-highest percentage point change in total undergraduate credential and degree production of any state in the nation.
 - The percentage change in the number of undergraduate credentials awarded per 1,000 adults with no college degree is the largest in the nation.
- Through the fall of 2010, 492 former college students had completed a bachelor's degree under the Project Graduate program. The program targets adults who have some college credits and are interested in completing their degree.



Tuition Costs

Affordability – a concern addressed in the Chamber Task Force report – continues to be a challenge as tuition again increased at all of the state’s public institutions. The Kentucky Council on Postsecondary Education did set tuition and mandatory fee ceilings for in-state undergraduate students for the third consecutive year: 4% for the Kentucky Community and Technical College System, 5% for the six comprehensive universities and 6% at the University of Kentucky and the University of Louisville.

Kentucky Public Colleges and Universities Full-Time Undergraduate Resident Tuition and Fees 1999-00 to 2010-11 (Annual Rates)

| Year | EKU | KCTCS | KSU | Morehea | Murray | NKU | UK (L) | UK (U) | UofL | WKU |
|------------|-------|-------|-------|---------|--------|-------|--------|--------|-------|-------|
| 1999-00 | 2,390 | 1,475 | 2,300 | 2,440 | 2,400 | 2,408 | 3,296 | 3,296 | 3,406 | 2,390 |
| 2000-01 | 2,542 | 1,537 | 2,440 | 2,510 | 2,556 | 2,700 | 3,446 | 3,446 | 3,447 | 2,534 |
| 2001-02 | 2,706 | 1,812 | 2,648 | 2,710 | 2,754 | 2,820 | 3,734 | 3,734 | 3,954 | 2,844 |
| 2002-03 | 2,928 | 1,920 | 3,134 | 2,926 | 3,032 | 3,216 | 3,974 | 3,974 | 4,082 | 3,312 |
| 2003-04* | 3,358 | 2,370 | 3,370 | 3,364 | 3,436 | 3,744 | 4,546 | 4,546 | 4,450 | 3,850 |
| 2004-05** | 3,792 | 2,760 | 4,081 | 3,840 | 3,984 | 4,368 | 5,164 | 5,314 | 5,040 | 4,596 |
| 2005-06*** | 4,660 | 2,940 | 4,468 | 4,320 | 4,428 | 4,968 | 5,812 | 5,980 | 5,532 | 5,316 |
| 2006-07 | 5,192 | 3,270 | 4,950 | 4,870 | 4,998 | 5,448 | 6,510 | 6,698 | 6,252 | 5,860 |
| 2007-08 | 5,682 | 3,450 | 5,320 | 5,280 | 5,418 | 5,952 | 7,096 | 7,302 | 6,870 | 6,416 |
| 2008-09 | 6,080 | 3,630 | 5,692 | 5,670 | 5,748 | 6,528 | 7,736 | 7,960 | 7,564 | 6,930 |
| 2009-10 | 6,312 | 3,750 | 5,920 | 6,038 | 5,976 | 6,792 | 8,123 | 8,358 | 7,944 | 7,200 |
| 2010-11 | 6,624 | 3,900 | 6,216 | 6,492 | 6,264 | 7,128 | 8,610 | 8,859 | 8,424 | 7,560 |

*Includes midyear tuition increase at WKU and one-time tuition surcharge of \$100 for Spring 2004 at EKU

**Includes midyear tuition increases at WKU and KSU

***Includes midyear tuition increase at WKU

UK (L) = Lower Division; UK (U) = Upper Division

KCTCS charges reflect amount for students taking 30 credit hours. Students are charged per credit hour.

Source: Council on Postsecondary Education



General Developments

- Kentucky colleges and universities have been responsible for at least \$1.85 billion in construction projects since 2008, according to a report in The Lane Report. The University of Kentucky and University of Louisville each had 20 projects totaling \$815.96 million and \$250.8 million, respectively. Northern Kentucky University posted the next-highest total of \$121.7 million for two projects.
- Employment at Kentucky's public colleges and universities totaled 44,151 people in 2010-11. This included 14,457 faculty members and 29,694 non-faculty employees.
- An index based on a selected set of indicators concludes that Kentucky's national ranking in education improved from 48th in 1990 to 33rd in 2009. The index is based on education attainment, dropout rates, ACT scores and student scores on the National Assessment of Educational Progress, commonly called the nation's report card. It was developed by the Center for Business and Economic Research in the Gatton College of Business and Economics at the University of Kentucky.
- The collaborative development of a strategic plan to improve economic growth in the diverse regions of Kentucky is the focus of an effort by the Kentucky Chamber of Commerce, the Kentucky Association of Area Development Districts, the Kentucky Association of Economic Development and the Kentucky Cabinet for Economic Development. This initiative reflects a Task Force recommendation on strengthening the partnership between postsecondary education and economic development. The groups are developing a proposal to secure planning money to:
 - create stronger links between postsecondary institutions and economic development agencies;
 - identify regional economic clusters; and
 - assist regions in meeting workforce, infrastructure and long-term economic development needs.



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