

MEETING MINUTES

Approval by the Finance Committee, June 9, 2025

Who: Kentucky Council on Postsecondary Education
Meeting Type: Finance Committee
Date: April 14, 2025
Time: 1:00 p.m. ET
Location: Virtual Meeting via ZOOM Webinar

CALL TO ORDER

The Finance Committee met Monday, April 14, 2025, at 1:00 p.m., ET. The meeting occurred virtually via ZOOM webinar. Committee Chair Jacob Brown presided.

ROLL CALL

All committee members attended the meeting: Jacob Brown, Lindsey Case, Jennifer Collins, Kellie Ellis, Madison Silvert, Macy Waddle and Elaine Walker.

Heather Faesy, CPE program manager, served as recorder of the meeting minutes.

APPROVAL OF THE MINUTES

The minutes of the January 27, 2025, Finance Committee meeting were approved as presented.

CPE PRESIDENT REPORT

Dr. Aaron Thompson, CPE President, provided a brief update to the Committee that include comments regarding the outcomes of the 2025 legislative session and upcoming speaking and workforce-related engagements.

TUITION AND MANDATORY FEE RECOMMENDATION, ACADEMIC YEARS 2025-26 AND 2026-27

Dr. Bill Payne, CPE's Vice President of Finance Policy and Programs, presented the proposed tuition and mandatory fee recommendations for academic years 2025-26 and 2026-27. Council staff used a collaborative process to develop its tuition and mandatory fee recommendation for academic years 2025-26 and 2026-27, which included sharing information and engaging in discussions with campus presidents, chief budget officers, and Council members. Several key issues were reviewed during the development process including (a) the level of state support for campus operations; (b) a pending reduction in the

state's pension subsidy; (c) relatively low tuition increases in recent years; (d) the onset of unprecedented and persistent inflationary cost increases; (e) recent trends in college spending; (f) declining college going rates; (g) recent increases in student enrollment at nearly every institution; and (h) recent decreases in student loan debt. Data and supporting information were shared with the committee on each of these issues.

Based on the research and after consulting with all state holders, staff recommended that the Finance Committee approve, and endorse to the full Council, resident undergraduate tuition and mandatory fee ceilings for academic years 2025-26 and 2026-27 that equate to:

- A maximum base rate increase of no more than \$675.00 over two years, and a maximum increase of no more than \$450.00 in any one year, for public research universities.
- A maximum base rate increase of no more than \$630.00 over two years, and a maximum increase of no more than \$420.00 in any one year, for comprehensive universities.
- A maximum base rate increase of no more than \$9.00 per credit hour over two years, and a maximum increase of no more than \$6.00 per credit hour in any one year, for students attending KCTCS institutions.

In addition to proposing resident undergraduate rate ceilings for the next two years, staff recommends that the public institutions be allowed to submit for Council review and approval:

- Nonresident undergraduate tuition and fee rates that comply with the Council's Tuition and Mandatory Fees Policy, or otherwise adhere to provisions of an existing Memorandum of Understanding between the Council and an institution.
- Market competitive tuition and fee rates for graduate and online courses, as approved by their respective governing boards.

Staff further identified and provided the maximum allowable base rates for academic years 2025-26 and 2026-27 given staff's recommended parameters. (Base rates are defined as total tuition and fee charges, minus any Special Use Fees or Asset Preservation Fees previously approved by the Council, and minus an existing agency bond fee at KCTCS.)

Staff answered questions from the Committee regarding the impetus for using a common dollar increase versus a percentage increase, why the research institutions were given a higher dollar amount in comparison to the comprehensive institutions, and reasons why some institutions receive a pension subsidiary.

MOTION: Ms. Walker moved the Finance Committee endorse for Council approval the staff recommendation for resident undergraduate tuition and mandatory fee ceilings for academic years 2025-26 and 2026-27. Chair Silvert seconded the motion.

VOTE: The motion passed.

INTERIM CAPITAL PROJECT REQUEST – MURRAY STATE UNIVERSITY

Mr. Adam Blevins, Associate Director of Finance Policy and Programs, presented Murray State University's request to approve a \$1,510,000 agency restricted funds interim capital project that will replace the roof of the Curriss Center. The project will replace 32,862 square feet of built-up roofing, which was last replaced in 1990 and had a 25-year useful-life expectancy. If approved, work would begin in the summer.

MOTION: Chair Silvert moved that the Finance Committee endorse for Council approval the proposed interim capital project at Murray State University. Ms. Walker seconded the motion.

VOTE: The motion passed.

INTERIM CAPITAL PROJECT REQUEST – MURRAY STATE UNIVERSITY

Mr. Blevins presented Northern Kentucky University's request to approve a \$3,000,000 private donor funds interim project that would demolish and reconstruct the existing outdoor tennis complex. The project will allow the six-court complex to be demolished and reconstructed at the current site on the west side of the main campus. Once repaired, both the university's tennis team and entire student body will have access.

MOTION: Ms. Collins moved that the Finance Committee endorse for Council approval the proposed interim capital project at Northern Kentucky University. Ms. Waddle seconded the motion.

VOTE: The motion passed.

REVISIONS TO THE 2022-24 ENDOWMENT MATCH PROGRAM GUIDELINES

Mr. Blevins presented proposed revisions to the 2022-24 Endowment Match Program Guidelines. The revisions were proposed to comply with the legislative requirements of HB 4 and remove DEI-related planning and reporting requirements from the program.

MOTION: Ms. Walker moved that the Finance Committee endorse for Council approval the proposed revisions to the 2022-24 Endowment Match Program Guidelines. Chair Silvert seconded the motion.

VOTE: The motion passed.

ADJOURNMENT

The Finance Committee adjourned at 2:25 p.m., ET.