

## **AGENDA**

Tuition Development Work Group

Council on Postsecondary Education

Tuesday, January 23, 2018

2:00 PM

Conference Room A

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1. Opening Remarks	2
2. Review and Discuss Governor's Proposed Budget	
a. Compare to CPE Request	
1) Institutional Operating Funds	3
2) Capital Request	8
3) Agency Budget	9
b. Implications for 2018-19 Tuition Cycle	10
3. Review Timeline	11
4. Finalize Tuition and Fee Policy	
a. Current Policy	13
b. Asset Preservation Fee Exception	19
5. Review and Discuss Policy Relevant Data	24
6. Other Business	
7. Adjournment	
Next Meeting: March 19, 2018 @ 3:00 p.m.; CPE Offices, Conf Rm A	

Kentucky Public Postsecondary Institutions  
 Enacted and Revised 2017-18 General Fund Appropriations  
 Budget Reduction Order 18-01

Draft - For Discussion Purposes  
 December 28, 2017

	A	B	(A + B) C	D	(D - C) E	(D ÷ C) - 1 F
<u>Institution</u>	<u>2017-18 Regular Appropriation <sup>1</sup></u>	<u>Performance Distribution <sup>2</sup></u>	<u>2017-18 Total General Fund</u>	<u>2017-18 Revised General Fund <sup>3</sup></u>	<u>Dollar Reduction</u>	<u>Percent Reduction</u>
University of Kentucky	\$253,677,400	\$13,411,800	\$267,089,200	\$264,418,300	(\$2,670,900)	-1.00%
University of Louisville	126,177,500	6,580,500	132,758,000	131,430,400	(1,327,600)	-1.00%
Eastern Kentucky University	61,723,700	3,321,500	65,045,200	64,394,700	(650,500)	-1.00%
Kentucky State University	26,729,600	0	26,729,600	26,462,300	(267,300)	-1.00%
Morehead State University	39,899,700	1,742,900	41,642,600	41,226,200	(416,400)	-1.00%
Murray State University	43,570,800	2,231,300	45,802,100	45,344,100	(458,000)	-1.00%
Northern Kentucky University	48,875,200	2,745,900	51,621,100	51,104,900	(516,200)	-1.00%
Western Kentucky University	70,823,600	3,830,200	74,653,800	73,907,300	(746,500)	-1.00%
KCTCS	172,524,700	9,080,300	181,605,000	179,788,900	(1,816,100)	-1.00%
<b>Total</b>	<b>\$844,002,200</b>	<b>\$42,944,400</b>	<b>\$886,946,600</b>	<b>\$878,077,100</b>	<b>(\$8,869,500)</b>	<b>-1.00%</b>

<sup>1</sup> Enacted General Fund appropriations for institutional operations for fiscal year 2017-18. Figures shown were obtained from the 2016-2018 Budget of the Commonwealth (HB 303).

<sup>2</sup> Recommended distribution of \$42.9 million from the Postsecondary Education Performance Fund (PEPF) to institutions in fiscal year 2017-18 based on funding model calculations.

<sup>3</sup> Figures shown were obtained from General Fund Budget Reduction Order 18-01, received and filed December 28, 2017.

Kentucky Public Postsecondary Institutions  
 Governor's Proposed Program Specific Cuts and Eliminations  
 2018-20 Executive Budget

Draft - For Discussion Purposes  
 January 18, 2018

Mandated Programs

Institution/ Mandated Program	2016-17 State General Fund <sup>3</sup>	Governor's Proposed 2018-19 General Fund	Dollar Change
University of Kentucky			
Hospital Direct Support	\$1,053,000	\$0	(\$1,053,000)
Agriculture Cooperative Extension	33,360,300	33,360,300	0
Agriculture Experiment Station	31,444,900	31,444,900	0
Agriculture Public Service	1,807,900	0	(1,807,900)
Livestock Disease Diagnostic Laboratory	4,123,100	2,063,100	(2,060,000)
Kentucky Geological Survey	4,348,100	4,348,100	0
University Press	672,500	0	(672,500)
Center on Aging	2,322,200	2,322,200	0
Center for Entrepreneurship	612,900	0	(612,900)
Rural Health Care	416,800	416,800	0
Center on Cancer Prevention, Ed., & Care	398,000	398,000	0
Center for Applied Energy Research	5,343,300	2,673,300	(2,670,000)
UK Total	\$85,903,000	\$77,026,700	(\$8,876,300)
University of Louisville			
Rural Health Care <sup>1</sup>	\$741,600	\$741,600	\$0
Eastern Kentucky University			
Community Operations Board <sup>1</sup>	\$200,000	\$0	(\$200,000)
Model Laboratory School <sup>1</sup>	2,200,000	2,050,000	(150,000)
EKU Total	\$2,400,000	\$2,050,000	(\$350,000)
Kentucky State University			
Land Grant Program Match <sup>2</sup>	\$6,736,000	\$6,736,000	\$0
Morehead State University			
Craft Academy Dual Credit Program <sup>2</sup>	\$2,880,000	\$2,880,000	\$0
Kentucky Folk Art Center <sup>1</sup>	200,000	0	(200,000)
MoSU Total	\$3,080,000	\$2,880,000	(\$200,000)
Murray State University			
Breathitt Veterinary Center	\$2,487,400	\$1,287,400	(\$1,200,000)
Northern Kentucky University			
Kentucky Center for Mathematics	\$1,323,900	\$0	(\$1,323,900)
Western Kentucky University			
Gatton Academy for Math and Science <sup>2</sup>	\$4,844,600	\$4,844,600	\$0
Kentucky Mesonet <sup>2</sup>	750,000	0	(750,000)
WKU Total	\$5,594,600	\$4,844,600	(\$750,000)
University Subtotal	\$108,266,500	\$95,566,300	(\$12,700,200)
KCTCS			
Adult Agriculture	\$1,410,600	\$0	(\$1,410,600)
KY Board of Emergency Medical Services	1,919,700	1,919,700	0
KY Coal Academy	2,350,100	0	(2,350,100)
KY Train Smart (Formerly KY WINS)	4,426,300	4,426,300	0
KY Fire Rescue Training	1,994,600	1,994,600	0
KCTCS Subtotal	\$12,101,300	\$8,340,600	(\$3,760,700)
<b>Mandated Program Total (All Institutions)</b>	<b>\$120,367,800</b>	<b>\$103,906,900</b>	<b>(\$16,460,900)</b>

Kentucky Public Postsecondary Institutions  
 Governor's Proposed Program Specific Cuts and Eliminations  
 2018-20 Executive Budget

Draft - For Discussion Purposes  
 January 18, 2018

Other Programs

Institution/ Mandated Program	2016-17 State General Fund	Governor's Proposed 2018-19 General Fund	Dollar Change
University of Kentucky			
Mining Engineering Scholarship Program	\$300,000	\$0	(\$300,000)
Robinson Scholars Program	1,000,000	0	(1,000,000)
<b>Other Program Total</b>	<b>\$1,300,000</b>	<b>\$0</b>	<b>(\$1,300,000)</b>
<b>Total Program Specific Cuts &amp; Eliminations</b>	<b>\$121,667,800</b>	<b>\$103,906,900</b>	<b>(\$17,760,900)</b>

<sup>1</sup> Figures provided by postsecondary institution chief budget officers in 2016-17.

<sup>2</sup> Figures obtained from Budgets of the Commonwealth.

<sup>3</sup> Same numbers used in final iteration of Performance Funding Model, submitted to OSBD on April 1, 2017.

Source: Council on Postsecondary Education, Comprehensive Database FD-10 Form, unless noted otherwise.

Kentucky Public Postsecondary Institutions  
 CPE Requested and Governor's Proposed General Fund for Institutional Operations  
 2018-20 Executive Budget

Draft - For Discussion Purposes  
 January 18, 2018

Beginning Base	2018-20 CPE Requested		2017-18 Revised	2018-20 Governor's Proposed	
	2018-19	2019-20	2017-18	2018-19	2019-20
2017-18 Regular Appropriation	\$844,002,200	\$844,002,200	\$844,002,200	\$844,002,200	\$844,002,200
Plus: Performance Distribution	42,944,400	42,944,400	42,944,400	42,944,400	42,944,400
Minus: Mid-Year Budget Reduction (BRO 18-01)	0	0	(8,869,500)	0	0
<b>Beginning Base</b>	<b>\$886,946,600</b>	<b>\$886,946,600</b>	<b>\$878,077,100</b>	<b>\$886,946,600</b>	<b>\$886,946,600</b>
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Additional Budget Requests	2018-20 CPE Requested		2018-20 Governor's Proposed		
	2018-19	2019-20	2018-19	2019-20	
Performance Funding					
Public Universities	\$14,750,100	\$28,438,700		\$0	\$0
KCTCS	4,187,400	8,073,500		0	0
Subtotal	\$18,937,500	\$36,512,200	<b>A</b>	\$0	\$0
Special Initiatives					
KERS Increases	\$47,247,500	\$47,247,500		\$0	\$0
Competitive Workforce Initiative	3,561,100	5,935,100		0	0
KSU Land Grant Match	290,000	290,000		0	0
Subtotal	\$51,098,600	\$53,472,600	<b>B</b>	\$0	\$0
<b>Total Additional Budget Requests</b>	<b>\$70,036,100</b>	<b>\$89,984,800</b>	<b>(A + B)</b>	<b>\$0</b>	<b>\$0</b>
<hr/>					
Program Specific Cuts/Eliminations			2018-20 Governor's Proposed		
			2018-19	2019-20	
UK program cuts					
Robinson Scholarship			(\$1,000,000)	(\$1,000,000)	
Mining Scholarship			(300,000)	(300,000)	
Hospital Direct Support			(1,053,000)	(1,053,000)	
Agriculture Public Service			(1,807,900)	(1,807,900)	
Livestock Disease Diagnostic Laboratory			(2,060,000)	(2,060,000)	
University Press			(672,500)	(672,500)	
Center for Entrepreneurship			(612,900)	(612,900)	
Center for Applied Energy Research			(2,670,000)	(2,670,000)	
			(\$10,176,300)	(\$10,176,300)	
EKU program cuts					
Community Operations Board			(\$200,000)	(\$200,000)	
Model Laboratory School			(150,000)	(150,000)	
			(\$350,000)	(\$350,000)	
MoSU - Kentucky Folk Art Center			(200,000)	(200,000)	
MuSU - Breathitt Veterinary Center			(1,200,000)	(1,200,000)	
NKU - Kentucky Center for Mathematics			(1,323,900)	(1,323,900)	
WKU - Kentucky Mesonet			(750,000)	(750,000)	
KCTCS program cuts					
Adult Agriculture			(\$1,410,600)	(\$1,410,600)	
Kentucky Coal Academy			(2,350,100)	(2,350,100)	
			(\$3,760,700)	(\$3,760,700)	
<b>Total Program Specific Cuts/Eliminations</b>	<b>-</b>	<b>-</b>	<b>C</b>	<b>(\$17,760,900)</b>	<b>(\$17,760,900)</b>
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Across-the-Board Budget Reductions			2018-20 Governor's Proposed		
			2018-19	2019-20	
Beginning Base			\$886,946,600	\$886,946,600	
Minus: Program Specific Cuts/Eliminations			(17,760,900)	(17,760,900)	
Applicable Reduction Base			869,185,700	869,185,700	
Times: Across the Board Reduction Percentage			-6.25%	-6.25%	
<b>Total Across-the-Board Budget Reductions</b>	<b>-</b>	<b>-</b>	<b>D</b>	<b>(\$54,324,300)</b>	<b>(\$54,324,300)</b>

Kentucky Public Postsecondary Institutions  
 CPE Requested and Governor's Proposed General Fund for Institutional Operations  
 2018-20 Executive Budget

Draft - For Discussion Purposes  
 January 18, 2018

General Fund for Institutional Operations	2018-20 CPE Requested		2017-18 Revised	2018-20 Governor's Proposed	
	2018-19	2019-20	2017-18	2018-19	2019-20
Beginning Base	886,946,600	886,946,600	878,077,100	886,946,600	886,946,600
Plus: Additional Budget Requests	70,036,100	89,984,800		-	-
<b>Minus: Total Program Cuts and Reductions</b>	<b>-</b>	<b>-</b>	<b>(C + D)</b>	<b>(72,085,200)</b>	<b>(72,085,200)</b>
<b>Total General Fund for Institutional Operations</b>	<b>956,982,700</b>	<b>976,931,400</b>		<b>814,861,400</b>	<b>814,861,400</b>
Performance Fund Reallocation	-	(7,665,800)		-	(7,665,800)
Direct Appropriation to Postsecondary Institutions	956,982,700	969,265,600		814,861,400	807,195,600

Kentucky Public Postsecondary Institutions  
 Governor's Proposed General Fund for Institutional Operations  
 2018-20 Executive Budget

Draft - For Discussion Purposes  
 January 18, 2018

	A	B	(A + B) C	D	(C + D) E	(E x (-6.25%)) F	(C + D + F) G	(G - C) H	(G ÷ C) - 1 I
Institution	2017-18 Regular Appropriation <sup>1</sup>	Performance Distribution <sup>2</sup>	2017-18 Total General Fund	Program Specific Cuts/Eliminations <sup>3</sup>	Applicable Reduction Base	Across the Board Reduction (-6.25%)	Governor's 2018-19 Proposed General Fund	Dollar Change	Percent Change
University of Kentucky	\$253,677,400	\$13,411,800	\$267,089,200	(\$10,176,300)	\$256,912,900	(\$16,057,100)	\$240,855,800	(\$26,233,400)	-9.82%
University of Louisville	126,177,500	6,580,500	132,758,000	0	132,758,000	(8,297,400)	124,460,600	(8,297,400)	-6.25%
Eastern Kentucky University	61,723,700	3,321,500	65,045,200	(350,000)	64,695,200	(4,043,500)	60,651,700	(4,393,500)	-6.75%
Kentucky State University	26,729,600	0	26,729,600	0	26,729,600	(1,670,600)	25,059,000	(1,670,600)	-6.25%
Morehead State University	39,899,700	1,742,900	41,642,600	(200,000)	41,442,600	(2,590,200)	38,852,400	(2,790,200)	-6.70%
Murray State University	43,570,800	2,231,300	45,802,100	(1,200,000)	44,602,100	(2,787,600)	41,814,500	(3,987,600)	-8.71%
Northern Kentucky University	48,875,200	2,745,900	51,621,100	(1,323,900)	50,297,200	(3,143,600)	47,153,600	(4,467,500)	-8.65%
Western Kentucky University	70,823,600	3,830,200	74,653,800	(750,000)	73,903,800	(4,619,000)	69,284,800	(5,369,000)	-7.19%
KCTCS	172,524,700	9,080,300	181,605,000	(3,760,700)	177,844,300	(11,115,300)	166,729,000	(14,876,000)	-8.19%
<b>Total</b>	<b>\$844,002,200</b>	<b>\$42,944,400</b>	<b>\$886,946,600</b>	<b>(\$17,760,900)</b>	<b>\$869,185,700</b>	<b>(\$54,324,300)</b>	<b>\$814,861,400</b>	<b>(\$72,085,200)</b>	<b>-8.13%</b>

	J	K	(J + K) L
Institution	Governor's 2018-19 Proposed General Fund	Performance Reallocation	Governor's 2019-20 Proposed General Fund
University of Kentucky	\$240,855,800	(\$1,811,900)	\$239,043,900
University of Louisville	124,460,600	(1,320,200)	123,140,400
Eastern Kentucky University	60,651,700	(626,500)	60,025,200
Kentucky State University	25,059,000	(199,900)	24,859,100
Morehead State University	38,852,400	(385,600)	38,466,800
Murray State University	41,814,500	(433,100)	41,381,400
Northern Kentucky University	47,153,600	(503,000)	46,650,600
Western Kentucky University	69,284,800	(690,600)	68,594,200
KCTCS	166,729,000	(1,695,000)	165,034,000
<b>Total</b>	<b>\$814,861,400</b>	<b>(\$7,665,800)</b>	<b>\$807,195,600</b>

<sup>1</sup> Enacted General Fund appropriations for institutional operations for fiscal year 2017-18. Figures shown were obtained from the 2016-2018 Budget of the Commonwealth (HB 303).

<sup>2</sup> Recommended distribution of \$42.9 million from the Postsecondary Education Performance Fund (PEPF) to institutions in fiscal year 2017-18 based on funding model calculations.

<sup>3</sup> Governor's proposed cuts and eliminations of mandated program appropriations, using 2016-17 mandated program appropriations as a beginning base, and select scholarship programs at the University of Kentucky.

Kentucky Public Postsecondary Institutions  
 Governor's Proposed Appropriations and Matching Requirements for Asset Preservation  
 2018-20 Executive Budget

Draft - For Discussion Purposes  
 January 23, 2018

Allocation of Asset Preservation Funds Among Institutions

Institution	2013 VFA Study Identified Need <sup>1</sup>	Percent of Total	2018-19 Funding for Asset Preservation			2019-20 Funding for Asset Preservation			Biennial Funding for Asset Preservation		
			State Bond Funds	Institution Matching Funds	Annual Funding Totals	State Bond Funds	Institution Matching Funds	Annual Funding Totals	State Bond Funds	Institution Matching Funds	Biennial Funding Totals
UK	\$2,242,371,690	36.8%	\$55,261,700	\$55,261,700	\$110,523,400	\$55,261,700	\$82,892,550	\$138,154,250	\$110,523,400	\$138,154,250	\$248,677,650
UofL	1,032,082,314	17.0%	25,435,000	25,435,000	50,870,000	25,435,000	38,152,500	63,587,500	50,870,000	63,587,500	114,457,500
EKU	438,941,880	7.2%	10,817,400	10,817,400	21,634,800	10,817,400	16,226,100	27,043,500	21,634,800	27,043,500	48,678,300
KSU	113,775,480	1.9%	2,803,900	2,803,900	5,607,800	2,803,900	4,205,850	7,009,750	5,607,800	7,009,750	12,617,550
MoSU	321,567,480	5.3%	7,924,800	7,924,800	15,849,600	7,924,800	11,887,200	19,812,000	15,849,600	19,812,000	35,661,600
MuSU	347,559,030	5.7%	8,565,400	8,565,400	17,130,800	8,565,400	12,848,100	21,413,500	17,130,800	21,413,500	38,544,300
NKU	294,015,940	4.8%	7,245,800	7,245,800	14,491,600	7,245,800	10,868,700	18,114,500	14,491,600	18,114,500	32,606,100
WKU	537,724,980	8.8%	13,251,900	13,251,900	26,503,800	13,251,900	19,877,850	33,129,750	26,503,800	33,129,750	59,633,550
KCTCS	758,556,630	12.5%	18,694,100	18,694,100	37,388,200	18,694,100	28,041,150	46,735,250	37,388,200	46,735,250	84,123,450
System	\$6,086,595,424	100.0%	\$150,000,000	\$150,000,000	\$300,000,000	\$150,000,000	\$225,000,000	\$375,000,000	\$300,000,000	\$375,000,000	\$675,000,000
Allocation Percentages:			50.0%	50.0%	100.0%	40.0%	60.0%	100.0%	44.4%	55.6%	100.0%

Appropriations and Matching Requirements

Funding Totals:	\$150,000,000	\$150,000,000	\$300,000,000	\$150,000,000	\$225,000,000	\$375,000,000
Required Matching Percentages:	50.0%	50.0%	100.0%	40.0%	60.0%	100.0%

<sup>1</sup> Figures obtained from Council on Postsecondary Education's 2018-20 Postsecondary Education Budget Recommendation, Capital Investment Request, Table 2, November 3, 2017.

Source: Commonwealth of Kentucky, 2018-20 Executive Budget.



Governor's Proposed General Fund for Council on Postsecondary Education  
2018-20 Executive Budget

Draft - For Discussion Purposes  
January 18, 2018

	2017-18 Revised		2018-20 Governor's Proposed	
	2017-18	2018-19	2019-20	
<b>Beginning Base</b>				
2017-18 Regular Appropriation	\$41,268,000	\$41,268,000	\$41,268,000	
Plus: Special Appropriation	298,000	298,000	298,000	
Minus: Budget Reduction Order 18-01	(2,114,100)	0	0	
<b>Beginning Base</b>	<b>\$39,451,900</b>	<b>\$41,566,000</b>	<b>\$41,566,000</b>	
<b>Program Specific Cuts/Eliminations</b>		2018-19	2019-20	
Postsecondary Education Preparation Program		(\$239,200)	(\$239,200)	
Minority Student College Preparation Program		(167,100)	(167,100)	
State Autism Training Center		(119,500)	(119,500)	
SREB Doctoral Scholars Program		(64,500)	(64,500)	
Washington Intern Program		(45,600)	(45,600)	
<b>Total Program Specific Cuts/Eliminations</b>		<b>(\$635,900)</b>	<b>(\$635,900)</b>	
<b>Across-the-Board Budget Reductions</b>		2018-19	2019-20	
Beginning Base		\$41,566,000	\$41,566,000	
Minus: Program Specific Cuts/Eliminations		(635,900)	(635,900)	
Applicable Reduction Base		\$40,930,100	\$40,930,100	
Times: Across-the-Board Budget Reduction Percentage		-6.25%	-6.25%	
<b>Total Across-the-Board Budget Reductions</b>		<b>(\$2,558,100)</b>	<b>(\$2,558,100)</b>	
<b>Program Transfers (to Economic Development Cabinet)</b>		2018-19	2019-20	
Kentucky Science and Technology Corporation		(\$4,758,300)	(\$4,758,300)	
Project Lead the Way		(216,300)	(216,300)	
Science and Technology Administration		(137,700)	(137,700)	
<b>Total Program Transfers</b>		<b>(\$5,112,300)</b>	<b>(\$5,112,300)</b>	
<b>Additional Appropriations</b>		2018-19	2019-20	
Debt Service for Postsecondary Institution Asset Preservation		\$6,363,000	\$19,089,000	
KERS Retirement Cost Increases		723,100	788,700	
COT Cost Increases and Workers Comp		273,500	273,500	
<b>Total Additional Appropriations</b>		<b>\$7,359,600</b>	<b>\$20,151,200</b>	
<b>General Fund for Council on Postsecondary Education</b>	<b>2017-18 Revised</b>	<b>2018-20 Governor's Proposed</b>		
	2017-18	2018-19	2019-20	
Beginning Base	\$39,451,900	\$41,566,000	\$41,566,000	
Minus: Total Program Specific Cuts/Eliminations		(635,900)	(635,900)	
Minus: Total Across-the-Board Budget Reductions		(2,558,100)	(2,558,100)	
Minus: Program Transfers		(5,112,300)	(5,112,300)	
Plus: Total Additional Appropriations		7,359,600	20,151,200	
<b>Total General Fund for Council on Postsecondary Education</b>		<b>\$40,619,300</b>	<b>\$53,410,900</b>	

Note: The 6.25% cut was applied to CPE's General Fund, which included Science and Technology funding. The transfer of Science and Technology Program funds to Economic Development was for this program's full (original) budget. This calculation therefore means a 7.1% cut for CPE rather than the intended 6.25%. CPE's General Fund should be increased \$319,500 and Economic Development's Science and Technology Program funding should be decreased \$319,500.

Also of Note: Tobacco Funds (Master Settlement Agreement) were eliminated from CPE's budget in for the upcoming biennium. The 2017-18 budget for this program is \$5,176,100, which is passed through to the Lung Cancer Research Program (\$4,376,100 for lung cancer research at UK and UofL) and Ovarian Cancer Screenings (\$800,000 as directed by HB 303).

Kentucky Public Postsecondary Institutions  
 Budgetary Impact of Governor's Proposed General Fund for Institutional Operations  
 2018-20 Executive Budget

Draft - For Discussion Purposes  
 January 23, 2018

Institution	A	Key Policy Decisions <sup>2</sup>		(B + C) D	(D ÷ A) E
	2017-18 Total General Fund <sup>1</sup>	6.25% Cut in General Fund <sup>3</sup>	Unfunded KERS Cost Increases <sup>4</sup>	Combined Dollar Impact	Combined Percent Impact
University of Kentucky	\$267,089,200	(\$16,057,100)	\$0	(\$16,057,100)	-6.0%
University of Louisville	132,758,000	(8,297,400)	0	(8,297,400)	-6.3%
Eastern Kentucky University	65,045,200	(4,043,500)	(9,714,400)	(13,757,900)	-21.2%
Kentucky State University	26,729,600	(1,670,600)	(1,358,600)	(3,029,200)	-11.3%
Morehead State University	41,642,600	(2,590,200)	(3,283,800)	(5,874,000)	-14.1%
Murray State University	45,802,100	(2,787,600)	(4,777,300)	(7,564,900)	-16.5%
Northern Kentucky University	51,621,100	(3,143,600)	(12,810,700)	(15,954,300)	-30.9%
Western Kentucky University	74,653,800	(4,619,000)	(7,263,300)	(11,882,300)	-15.9%
KCTCS	181,605,000	(11,115,300)	(8,039,400)	(19,154,700)	-10.5%
Total	\$886,946,600	(\$54,324,300)	(\$47,247,500)	(\$101,571,800)	-11.5%

<sup>1</sup> Sum of regular General Fund appropriations for postsecondary institution operations as enacted (HB 303) for fiscal year 2017-18, plus CPE's recommended distribution to the institutions of \$42.9 million from the Postsecondary Education Performance Fund (PEPF) based on funding model calculations.

<sup>2</sup> In the 2018-20 Executive Budget, the recommended level of General Fund appropriations for postsecondary institution operations reflects two key policy decisions that have implications for the 2018-19 tuition setting cycle: (1) it includes an across-the-board reduction in General Fund appropriations of 6.25% for each institution; and (2) it provides no new funding to offset mandated KERS cost increases at Kentucky comprehensive universities and KCTCS institutions. Program specific cuts and eliminations identified in the Executive Budget are not included in this analysis because they do not impact credit hour generating programs.

<sup>3</sup> Figures pertaining to the proposed 6.25% across-the-board cut were derived from the 2018-20 Executive Budget.

<sup>4</sup> Projected increases in KERS employer-paid retirement contributions obtained from the Kentucky Retirement System.

## Council on Postsecondary Education Academic Year 2018-19 Tuition Setting Timeline

- Nov 3, 2017 **CPE Meeting** – Council Chair appoints members of the Tuition Development Work Group (TDWG).
- Dec 11, 2017 TDWG Meeting – Group members designate a chair for the 2018-19 tuition setting process. Council staff presents preliminary Tuition Setting Timeline, draft Tuition and Mandatory Fee Policy, key issues for 2018-19, and other policy relevant data for review and discussion.
- Dec – Jan Council staff obtains feedback from campus officials regarding preliminary Tuition Setting Timeline and draft Tuition and Mandatory Fee Policy and begins collecting and updating policy relevant data related to funding adequacy, shared benefits and responsibility, affordability and access, attracting and importing talent, and productivity.
- Postsecondary institutions begin collecting data related to fixed cost increases, tuition and fee revenue estimates, potential impact of tuition increases, anticipated uses of additional tuition and fee revenue, and budgeted student financial aid expenditures.
- Jan 3, 2018 Presidents' Meeting – Council staff shares preliminary Tuition Setting Timeline and draft Tuition and Mandatory Fee Policy with postsecondary institution presidents for review and discussion. Key issues pertaining to the upcoming tuition cycle are identified and discussed.
- Jan – Feb Council and institutional staffs continue respective data collection efforts.
- Jan 23, 2018 TDWG Meeting – Revised Tuition Setting Timeline, proposed Tuition and Mandatory Fee Policy, and updated policy relevant data are presented for review and discussion. Components of the Governor's proposed budget<sup>1</sup> and implications for the upcoming tuition cycle are discussed.
- Feb 2, 2018 **CPE Meeting** – Staff presents final Tuition Setting Timeline for Council information and recommended Tuition and Mandatory Fee Policy for Council action and provides an update on the 2018-19 tuition setting process.

<sup>1</sup> The deadline for introduction of the 2018-20 Executive Budget is January 16, 2018.

- Feb 2, 2018      Presidents' Meeting – Council staff shares updated policy relevant data for review and discussion.
  
- Feb – Mar      Council and institutional staffs exchange information from respective data collection efforts and begin finalizing for distribution to Council members.
  
- Mar 7, 2018      Presidents' Meeting – Council staff shares updated policy relevant data and initiates discussion of tuition and mandatory fee ceilings.
  
- ➔ Mar 19, 2018      TDWG Meeting – Staff presents finalized policy relevant data and updates work group members regarding discussions to date.
  
- Apr 4, 2018      Presidents' Meeting – Council staff shares draft tuition and fee ceilings with campus presidents for review and discussion.
  
- Apr 16, 2018      Conference call with campus presidents and chief budget officers to discuss components of the enacted 2018-20 budget <sup>2</sup> and implications for the 2018-19 tuition and fee recommendation.
  
- ➔ Apr 19, 2018      TDWG Meeting – Staff presents proposed tuition and mandatory fee ceilings for review, discussion, and work group endorsement.
  
- Apr 27, 2018      **CPE Meeting** – Staff presents recommended tuition and fee ceilings for Council action.
  
- May – Jun      Postsecondary institutions submit proposed tuition and mandatory fee rates to Council staff. The Council president updates Council members regarding the rate proposals.
  
- Jun 22, 2018      **CPE Meeting** – The Council takes action on each institution's proposed tuition and mandatory fee rates.

<sup>2</sup> Assumes budget is enacted during the 2018 regular session or by the 60<sup>th</sup> legislative day (i.e., April 13, 2018).

## Council on Postsecondary Education Tuition & Mandatory Fee Policy

The Council on Postsecondary Education is vested with authority under KRS 164.020 to determine tuition at public postsecondary education institutions in the Commonwealth of Kentucky. Kentucky's goals of increasing educational attainment, promoting research, assuring academic quality, and engaging in regional stewardship must be balanced with current needs, effective use of resources, and prevailing economic conditions. For the purposes of this policy, mandatory fees are included in the definition of tuition. During periods of relative austerity, the proper alignment of the state's limited financial resources requires increased attention to the goals of the *Kentucky Postsecondary Education Improvement Act of 1997* (HB 1) and the Strategic Agenda for Kentucky Postsecondary and Adult Education.

### Fundamental Objectives

- Funding Adequacy

HB 1 states that Kentucky shall have a seamless, integrated system of postsecondary education, strategically planned and adequately funded to enhance economic development and quality of life. In discharging its responsibility to determine tuition, the Council, in collaboration with the institutions, seeks to balance the affordability of postsecondary education for Kentucky's citizens with the institutional funding necessary to accomplish the goals of HB 1 and the Strategic Agenda.

- Shared Benefits and Responsibility

Postsecondary education attainment benefits the public at large in the form of a strong economy and an informed citizenry, and it benefits individuals through elevated quality of life, broadened career opportunities, and increased lifetime earnings. The Council and the institutions believe that funding postsecondary education is a shared responsibility of state and federal governments, students and families, and postsecondary education institutions.

- Affordability and Access

Since broad educational attainment is essential to a vibrant state economy and to intellectual, cultural, and political vitality, the Commonwealth of Kentucky seeks to ensure that postsecondary education is broadly accessible to its citizens. The Council and the institutions are committed to ensuring that college is affordable and accessible to all academically

qualified Kentuckians with particular emphasis on adult learners, part-time students, minority students, and students from low- and moderate-income backgrounds.

The Council believes that no citizen of the Commonwealth who has the drive and ability to succeed should be denied access to postsecondary education in Kentucky because of inability to pay. Access should be provided through a reasonable combination of savings, family contributions, work, and financial aid, including grants and loans.

In developing a tuition and mandatory fees recommendation, the Council and the institutions shall work collaboratively and pay careful attention to balancing the cost of attendance—including tuition and mandatory fees, room and board, books, and other direct and indirect costs—with students' ability to pay by taking into account (1) students' family and individual income; (2) federal, state, and institutional scholarships and grants; (3) students' and parents' reliance on loans; (4) access to all postsecondary education alternatives; and (5) the need to enroll and graduate more students.

- Effective Use of Resources

Kentucky's postsecondary education system is committed to using the financial resources invested in it as effectively and productively as possible to advance the goals of HB 1 and the Strategic Agenda, including undergraduate and graduate education, engagement and outreach, research, and economic development initiatives. The colleges and universities seek to ensure that every dollar available to them is invested in areas that maximize results and outcomes most beneficial to the Commonwealth and its regions. It is anticipated that enactment of Senate Bill 153, the *Postsecondary Education Performance Funding Bill*, ~~adoption of an outcomes-based funding model~~ during the 2017 legislative session will provide ongoing incentives for increased efficiency and productivity within Kentucky's public postsecondary system. The Council's Strategic Agenda and funding model metrics will be used to monitor progress toward attainment of both statewide and institutional HB 1 and Strategic Agenda goals.

- Attracting and Importing Talent to Kentucky

It is unlikely that Kentucky can reach its ~~2025~~ 2030 postsecondary education attainment goal by focusing on Kentucky residents alone. The Council and the institutions are committed to making Kentucky institutions financially attractive to nonresident students, while recognizing that nonresident undergraduate students should pay a significantly larger proportion of the cost of their education than do resident students. Tuition reciprocity agreements, which provide low-cost access to out-of-state institutions for Kentucky students that live near the borders of other states, also serve to attract students from surrounding states to Kentucky's colleges and universities.

A copy of the Council's nonresident student tuition and mandatory fee policy is contained in the paragraphs below. Going forward, Council staff will periodically review and evaluate the policy to determine its impact on attracting and retaining students that enhance diversity and the state's competitiveness.

## Nonresident Student Tuition and Fees

The Council and the institutions believe that nonresident students should pay a larger share of their educational costs than do resident students. As such, published tuition and fee levels adopted for nonresident students shall be higher than the prices for resident students enrolled in comparable programs of study.

In addition, every institution shall manage its tuition and fee rate structures, price discounting, and scholarship aid for out-of-state students, such that the average net tuition and fee revenue generated per nonresident student equals or exceeds 100% of direct instructional and student services costs per student. As part of the tuition and fee setting process, staff shall monitor and report annually to the Council regarding compliance with this requirement.

Given the substantial costs associated with health-sciences professional programs, and to ensure comparability of policy data and analysis across institutions, direct costs and revenues for dentistry, medicine, and pharmacy students shall be excluded from calculations of policy assessment parameters for the research institutions.

## Special Use Fee Exception Policy

During the 2010-11 tuition setting process, campus officials requested that the Council consider excluding student-endorsed fees from its mandatory fee definition, thus omitting consideration of such fees when assessing institutional compliance with Council approved tuition and fee rate ceilings. Based on feedback received from institutional Chief Budget Officers (CBOs) at their December 2010 meeting, it was determined that there was general interest in treating student-endorsed fees differently from other mandatory fees.

In January and February 2011, Council staff collaborated with institutional presidents, CBOs, and their staffs in developing the following Special Use Fee Exception Policy:

- To the extent that students attending a Kentucky public college or university have deliberated, voted on, and requested that their institution's governing board implement a special use fee for the purposes of constructing and operating and maintaining a new facility, or renovating an existing facility, that supports student activities and services;

- And recognizing that absent any exemption, such student-endorsed fees, when implemented in the same year that the Council adopts tuition and fee rate ceilings, would reduce the amount of additional unrestricted tuition and fee revenue available for an institution to support its E&G operation;
- The Council may elect to award an exemption to its tuition and fee rate ceiling equivalent to all or a portion of the percentage increase resulting from imposition of the student-endorsed fee, provided said fee meets certain eligibility requirements.

## **Definitions**

A student-endorsed fee is a mandatory flat-rate fee that has been broadly discussed, voted on, and requested by students and adopted by an institution's governing board, the revenue from which may be used to pay debt service and operations and maintenance expenses on new facilities, or capital renewal and replacement costs on existing facilities and equipment that support student activities and services, such as student unions, fitness centers, recreation complexes, health clinics, and/or tutoring centers.

Maintenance and Operations (M&O) expenses are costs incurred for the administration, supervision, operation, maintenance, preservation, and protection of a facility. Examples of M&O expenses include janitorial services, utilities, care of grounds, security, environmental safety, routine repair, maintenance, replacement of furniture and equipment, and property and facility planning and management.

## **Eligibility Criteria**

A student-endorsed fee will continue to be a mandatory fee within the context of the Council's current mandatory fee definition and may qualify for an exemption from Council approved tuition and fee rate ceilings. Campus officials and students requesting an exemption under this policy must be able to demonstrate that:

- All enrolled students have been afforded ample opportunity to be informed, voice their opinions, and participate in the decision to endorse a proposed fee. Specifically, it must be shown that fee details have been widely disseminated, broadly discussed, voted on while school is in session, and requested by students.
- For purposes of this policy, voted on means attaining:
  - a) A simple majority vote via campus-wide referendum, with a minimum of one-quarter of currently enrolled students casting ballots;
  - b) A three-quarters vote of elected student government representatives; or



- c) A simple majority vote via campus-wide referendum, conducted in conjunction and coinciding with the general election of a student government president or student representative to a campus board of regents or board of trustees.
- The proposed fee and intended exemption request have been presented to, and adopted by, the requesting institution's governing board. It is anticipated that elected student government representatives will actively participate in board presentations.
  - Revenue from such fees will be used to pay debt service and M&O expenses on new facilities, or capital renewal and replacement costs on existing facilities and equipment that support student activities and services, such as student unions, fitness centers, recreation complexes, health clinics, and/or tutoring centers. The Council expects these uses to be fully explained to students prior to any votes endorsing a fee.
  - In any given year, the impact of a student-endorsed fee on the overall increase in tuition and mandatory fees for students and their families will be reasonable. It may be appropriate to phase in the exemption over multiple years to maintain affordability and access.
  - Requests for student-endorsed exemptions are infrequent events. The Council does not expect requests for exemptions under this policy to occur with undue frequency from any single institution and reserves the right to deny requests that by their sheer number are deemed excessive.
  - A plan is in place for the eventual reduction or elimination of the fee upon debt retirement, and details of that plan have been shared with students. The Council does not expect a fee that qualifies for an exemption under this policy to be assessed at full rate in perpetuity. Such fees should either terminate upon completion of the debt or, in the case of new facilities, may continue at a reduced rate to defray ongoing M&O costs. In either case, to qualify for an exemption, students should be fully aware of the extent of their obligation prior to any votes endorsing a fee.

### **Exemption Process**

Requests for an exemption under this policy will be evaluated on a case-by-case basis. To initiate the process:

- The requesting institution will notify Council staff of any pending discussions, open forums, referendums, or student government actions pertaining to a proposed special use fee and discuss fee details with Council staff as needed.

- After a fee has been endorsed by student referendum or through student government action and approved by the institution's governing board, campus officials and students will submit a written exemption request to the Council for its consideration.
- Council staff will review the request, assess whether or not the proposed fee qualifies for an exemption, and make a recommendation to the Council.

To facilitate the exemption request process, requesting institutions and students are required to provide the Council with the following information:

- Documents certifying that the specific project and proposed fee details have been widely disseminated, broadly discussed, voted on, and requested by students, as well as adopted by the institution's governing board.
- Documents specifying the fee amount, revenue estimates, uses of revenue, impact on tuition and fees during the year imposed (i.e., percentage points above the ceiling), and number of years the fee will be in place.
- Documents identifying the project's scope, time frame for completion, debt payment schedule, and plan for the eventual reduction or elimination of the fee upon debt retirement.

## Asset Preservation Fee Exception Policy

During the 2017-18 tuition setting process, officials from **one of the comprehensive universities Eastern Kentucky University** asked if the Council would consider allowing their institution to assess a new student fee dedicated to supporting expenditures for asset preservation and renovation projects that would be treated as being outside the tuition and fee caps set annually by the Council. Staff responded that it was too late in the process to allow for a full vetting of a proposed change in the Council's Tuition and Mandatory Fee Policy prior to the Council adopting tuition ceilings at the March 31, 2017 meeting. In addition, staff wanted to explore the possibility of adopting a system-wide asset preservation fee that would benefit and address asset preservation needs at every public postsecondary institution.

In August 2017, staff determined that there was general interest among campus officials to pursue a change in tuition policy that would allow each institution the option to implement a student fee for asset preservation, if its administrators and governing board chose to do so, that would be exempted from Council approved tuition and fee ceilings. In September and October, Council staff worked with campus presidents, chief budget officers, and Budget Development Work Group members to develop the Asset Preservation Fee Exception Policy described below.

- Given that in 2007, Council and postsecondary institution staffs contracted with Vanderweil Facilities Advisors, Inc. (VFA) and Paulien and Associates to conduct a comprehensive assessment of Kentucky's public postsecondary education facilities to determine both system and individual campus needs for new and expanded space, asset preservation and renovation, and fit-for-use capital projects;
- Given that in 2013, VFA adjusted the data from its 2007 study to account for continuing aging of postsecondary facilities and rising construction costs, and projected that the cumulative need for asset preservation and fit-for-use expenditure would grow to \$7.3 billion within the 2017 to 2021 timeframe;
- Given that over the past five biennia, 2008-10 through 2016-18, the Commonwealth of Kentucky has appropriated a total of \$262.0 million for its public colleges and universities to address asset preservation and renovation and fit-for-use projects, representing about 3.6% of the total cumulative need identified by VFA;
- Given that in late summer 2017, the Council and postsecondary institutions concluded that **the only one** reasonable course of action to begin to address the overwhelming asset preservation and renovation and fit-for-use needs was through sizable and sustained investment in existing postsecondary facilities, which **can only could** be accomplished through a cost sharing arrangement involving the state, postsecondary institutions, and students and families;

- Given that the best way to ensure the ongoing commitment and participation of students and families in a cost-sharing partnership to address asset preservation and renovation needs is through the implementation of an optional dedicated student fee;
- Given that such an asset preservation fee, when implemented in the same year that the Council adopts a tuition and fee rate ceiling, would reduce the amount of additional unrestricted tuition and fee revenue available for an institution to support its E&G operation;
- The Council may elect to award an exemption to its tuition and fee rate ceiling of up to \$10.<sup>00</sup> per credit hour at the public universities, capped at 15 credit hours per semester for undergraduate students, for a dedicated student fee that supports asset preservation and renovation projects related to the instructional mission of the institution;
- The Council may elect to award an exemption to its tuition and fee rate ceiling of up to \$5.00 per credit hour at KCTCS institutions, capped at 15 credit hours per semester, for a dedicated student fee that supports asset preservation and renovation projects related to the instructional mission of the institution.

### Definition

An asset preservation fee is a mandatory, flat-rate fee that has been approved by an institution's governing board, the revenue from which **is shall** either expended upon collection on asset preservation and renovation and fit-for-use capital projects, or used to pay debt service on agency bonds issued to finance such projects, that support the instructional mission of the institution. **Thus, by definition, fee revenue and bond proceeds derived from such fees will be restricted funds for the purposes of financing Council approved asset preservation and renovation projects. As a mandatory fee, an asset preservation fee can be assessed to students regardless of degree level or program or full-time or part-time status.**

### Eligibility Criteria

An asset preservation fee may qualify for an exemption from Council approved tuition and fee rate ceilings, provided the following criteria are met:

- The proposed asset preservation project(s) and related fee shall be approved by the requesting institution's governing board.
- The cost of a given asset preservation and renovation or fit-for-use project shall equal or exceed \$1.0 million; however, several smaller asset preservation projects may be bundled to meet the threshold requirement.
- Revenue from the fee may either be expended upon collection on asset preservation and renovation or fit-for-use projects, or used to pay debt service on agency bonds issued to finance such projects.

- Both the direct expenditure of fee revenue and the expenditure of agency bond funds generated by the fee may be used to meet matching requirements on state bond funds issued for asset preservation projects. In previous biennia, state leaders have required a dollar-for-dollar institutional match on state-funded asset preservation pools.
- In any given academic year, the impact of implementing an asset preservation fee, when combined with tuition and fee increases supporting campus operations, will be reasonable for Kentucky students and families.

[Should the exemption policy include verbiage here that identifies a maximum percent increase threshold, representing the sum of tuition ceiling increase and asset preservation fee increase in a given academic year, beyond which an institution would be required to phase in a proposed asset preservation fee?]

- It may be appropriate to phase in an exemption over multiple years to maintain affordability and access.
- The Council does not expect a fee that qualifies for an exemption under this policy to remain in effect in perpetuity. To be eligible for an exemption, the requesting institution must have a plan in place for the eventual elimination of a proposed asset preservation fee within 25 years of its initial implementation date.

### Exemption Process

The Council will evaluate requests for a fee exemption under this policy on a case-by-case basis. To initiate the process:

- An institution's governing board must approve the proposed asset preservation project(s) and related student fee.
- Campus officials must submit to the Council a copy of that board approval, along with a written request to exempt the asset preservation fee from Council tuition and fee ceilings.
- Council staff will review the request, assess whether or not the proposed project(s) and related fee qualify for an exemption, and make a recommendation to the Council.

To facilitate the exemption-request review process, a requesting institution shall provide the Council with the following information:

- Documents certifying that the specific asset preservation project(s) financed and proposed fee details have been approved by the institution's governing board.
- Documents specifying the fee amount, anticipated implementation date, revenue projections, uses of revenue, number of years the fee will be in place, and impact on tuition and fees in the year imposed (i.e., percentage points above the ceiling).

- Documents identifying the project’s scope, its timeframe for completion, debt payment schedule, and plan for the eventual elimination of the fee upon debt retirement.

**Periodic Reporting**

- Upon request by the Council, the postsecondary institutions will provide documentation certifying the date an asset preservation fee was implemented, annual amounts of fee revenue generated to date, uses of fee revenue, the amount of fee revenue or agency bond funds used to meet state matching requirements on asset preservation project appropriations, and the number of years the fee will remain in place.

Kentucky Public Postsecondary Institutions  
 Tuition and Fee Ceilings for Resident Undergraduate Students  
 Maximum Approved 2017-18 Base Rates

Institution	Actual 2016-17 Base Rates	A Approved 2017-18 Max Base Rates	Dollar Change	Percent Change
UK <sub>(Lower)</sub>	\$11,320	\$11,773	\$453	4.0%
UK <sub>(Upper)</sub>	11,646	12,112	466	4.0%
UofL	11,068	11,068	0	0.0%
EKU	8,568	8,996	428	5.0%
KSU	7,796	8,186	390	5.0%
MoSU	8,398	8,818	420	5.0%
MuSU <sub>(New)</sub>	8,400	8,820	420	5.0%
MuSU <sub>(Returning)</sub>	7,944	8,341	397	5.0%
NKU	9,000	9,360	360	4.0%
WKU	9,712	10,003	291	3.0%
KCTCS	\$4,620	\$4,800	\$180	3.9%

Percent Increase Impact of Asset Preservation Fee

B	C	(B X C) D	(D ÷ A) E
Maximum Per Credit Hour Fee	Maximum Credit Hours Assessed	Maximum Annual Fee Charge	Percent of 2017-18 Max Base Rates
\$10.00	30	\$300.00	2.5%
\$10.00	30	\$300.00	2.5%
\$10.00	30	\$300.00	2.7%
\$10.00	30	\$300.00	3.3%
\$10.00	30	\$300.00	3.7%
\$10.00	30	\$300.00	3.4%
\$10.00	30	\$300.00	3.4%
\$10.00	30	\$300.00	3.6%
\$10.00	30	\$300.00	3.2%
\$10.00	30	\$300.00	3.0%
\$5.00	30	\$150.00	3.1%

- Annual full-time comparison rates, assuming 15 credit hours per semester for two semesters or a total of 30 credit hours during the academic year.
- Base rates are defined as total tuition and fees minus Special Use Fees at UofL, EKU, MoSU, NKU, and WKU, and Agency Bond and Security fees at KCTCS.

Kentucky Public Postsecondary Institutions  
Filled and Vacant Positions by Institution

Draft - For Discussion Only  
January 23, 2018

Institution Position Type	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Budgeted
University of Kentucky					
Filled	13,440	13,901	14,833	15,541	15,584
Vacant	0	0	0	0	881
	13,440	13,901	14,833	15,541	16,465
University of Louisville					
Filled	7,163	7,304	7,304	7,323	7,305
Vacant	0	0	1,001	1,225	1,258
	7,163	7,304	8,305	8,548	8,563
<b>Research Universities</b>					
Filled	20,603	21,205	22,137	22,864	22,889
Vacant	0	0	1,001	1,225	2,139
	20,603	21,205	23,138	24,089	25,028
Eastern Kentucky University					
Filled	3,254	3,296	3,243	3,171	2,979
Vacant	0	0	130	130	76
	3,254	3,296	3,373	3,301	3,055
Kentucky State University					
Filled	586	556	493	465	448
Vacant	0	0	0	0	0
	586	556	493	465	448
Morehead State University					
Filled	2,360	2,310	2,260	2,181	2,159
Vacant	0	0	0	0	88
	2,360	2,310	2,260	2,181	2,247
Murray State University					
Filled	1,702	1,720	1,706	1,832	1,678
Vacant	0	0	0	0	0
	1,702	1,720	1,706	1,832	1,678
Northern Kentucky University					
Filled	2,174	2,097	2,095	2,025	2,007
Vacant	0	0	0	0	0
	2,174	2,097	2,095	2,025	2,007
Western Kentucky University					
Filled	3,158	3,146	3,005	2,813	2,536
Vacant	0	0	0	0	0
	3,158	3,146	3,005	2,813	2,536



Kentucky Public Postsecondary Institutions  
Filled and Vacant Positions by Institution

Draft - For Discussion Only  
January 23, 2018

Institution Position Type	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Budgeted
<b>Comprehensive Universities</b>					
Filled	13,234	13,125	12,802	12,487	11,807
Vacant	<u>0</u>	<u>0</u>	<u>130</u>	<u>130</u>	<u>164</u>
	13,234	13,125	12,932	12,617	11,971
<b>KCTCS</b>					
Filled	9,075	9,575	8,467	8,302	8,220
Vacant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	9,075	9,575	8,467	8,302	8,220
<b>Postsecondary System</b>					
Filled	42,912	43,905	43,406	43,653	42,916
Vacant	<u>0</u>	<u>0</u>	<u>1,131</u>	<u>1,355</u>	<u>2,303</u>
	42,912	43,905	44,537	45,008	45,219

Source: Reported by Postsecondary Institutions, 2016-18 and 2018-20 Biennial Budget Requests.

Kentucky Public Postsecondary Institutions  
Full-Time and Part-Time Positions by Institution

Draft - For Discussion Only  
January 23, 2018

Institution Position Type	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Budgeted
<b>University of Kentucky</b>					
Full-Time	10,894	11,066	11,737	12,281	12,647
Part-Time	2,546	2,835	3,096	3,260	2,937
Other	0	0	0	0	0
	<u>13,440</u>	<u>13,901</u>	<u>14,833</u>	<u>15,541</u>	<u>15,584</u>
<b>University of Louisville</b>					
Full-Time	5,185	5,283	5,283	5,378	5,370
Part-Time	1,694	1,719	1,719	1,727	1,720
Other	284	302	302	218	215
	<u>7,163</u>	<u>7,304</u>	<u>7,304</u>	<u>7,323</u>	<u>7,305</u>
<b>Research Universities</b>					
Full-Time	16,079	16,349	17,020	17,659	18,017
Part-Time	4,240	4,554	4,815	4,987	4,657
Other	284	302	302	218	215
	<u>20,603</u>	<u>21,205</u>	<u>22,137</u>	<u>22,864</u>	<u>22,889</u>
<b>Eastern Kentucky University</b>					
Full-Time	2,134	2,233	2,243	2,265	2,079
Part-Time	1,120	1,063	1,000	906	900
Other	0	0	0	0	0
	<u>3,254</u>	<u>3,296</u>	<u>3,243</u>	<u>3,171</u>	<u>2,979</u>
<b>Kentucky State University</b>					
Full-Time	535	513	465	429	433
Part-Time	51	43	28	36	15
Other	0	0	0	0	0
	<u>586</u>	<u>556</u>	<u>493</u>	<u>465</u>	<u>448</u>
<b>Morehead State University</b>					
Full-Time	1,061	1,037	1,012	977	924
Part-Time	169	143	152	122	177
Other	1,130	1,130	1,096	1,082	1,058
	<u>2,360</u>	<u>2,310</u>	<u>2,260</u>	<u>2,181</u>	<u>2,159</u>
<b>Murray State University</b>					
Full-Time	1,589	1,607	1,568	1,670	1,538
Part-Time	101	99	111	123	107
Other	12	14	27	39	33
	<u>1,702</u>	<u>1,720</u>	<u>1,706</u>	<u>1,832</u>	<u>1,678</u>

Kentucky Public Postsecondary Institutions  
Full-Time and Part-Time Positions by Institution

Draft - For Discussion Only  
January 23, 2018

Institution Position Type	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Budgeted
<b>Northern Kentucky University</b>					
Full-Time	1,608	1,578	1,578	1,525	1,480
Part-Time	525	478	478	474	501
Other	41	41	39	26	26
	<u>2,174</u>	<u>2,097</u>	<u>2,095</u>	<u>2,025</u>	<u>2,007</u>
<b>Western Kentucky University</b>					
Full-Time	2,557	2,610	2,566	2,391	2,534
Part-Time	601	536	439	422	2
Other	0	0	0	0	0
	<u>3,158</u>	<u>3,146</u>	<u>3,005</u>	<u>2,813</u>	<u>2,536</u>
<b>Comprehensive Universities</b>					
Full-Time	9,484	9,578	9,432	9,257	8,988
Part-Time	2,567	2,362	2,208	2,083	1,702
Other	1,183	1,185	1,162	1,147	1,117
	<u>13,234</u>	<u>13,125</u>	<u>12,802</u>	<u>12,487</u>	<u>11,807</u>
<b>KCTCS</b>					
Full-Time	4,174	4,404	4,038	3,959	3,920
Part-Time	4,901	5,171	4,429	4,343	4,300
Other	0	0	0	0	0
	<u>9,075</u>	<u>9,575</u>	<u>8,467</u>	<u>8,302</u>	<u>8,220</u>
<b>Postsecondary System</b>					
Full-Time	29,737	30,331	30,490	30,875	30,925
Part-Time	11,708	12,087	11,452	11,413	10,659
Other	1,467	1,487	1,464	1,365	1,332
	<u>42,912</u>	<u>43,905</u>	<u>43,406</u>	<u>43,653</u>	<u>42,916</u>

Source: Reported by Postsecondary Institutions, 2016-18 and 2018-20 Biennial Budget Requests.

Kentucky Public Postsecondary Institutions  
 Estimated Annual Fee Revenue and Agency Bond Yield  
 Generated by a Hypothetical Asset Preservation Fee

Draft - For Discussion Purposes  
 January 23, 2018

Sector/Institution	Assumed Per Credit Hour Fee	Est. Annual Fee Revenue	Est. Agency Bond Yield	Required <sup>(3)</sup> Campus Match	Match Surplus (Deficit)	Bond Yield Match %
<b>Research Universities</b>						
University of Kentucky	\$10.00	\$6,000,000	\$66,666,700	\$138,154,200	(\$71,487,500)	48%
University of Louisville	\$10.00	5,100,000	56,666,700	63,587,500	(6,920,800)	89%
Subtotal		\$11,100,000	\$123,333,400	\$201,741,700	(\$78,408,300)	
<b>Comprehensive Universities</b>						
Eastern Kentucky University	\$10.00	\$3,000,000	\$33,333,300	\$27,043,500	\$6,289,800	123%
Kentucky State University	\$10.00	212,800	2,364,400	7,009,800	(4,645,400)	34%
Morehead State University	\$10.00	1,595,000	17,722,200	19,812,000	(2,089,800)	89%
Murray State University	\$10.00	1,890,000	21,000,000	21,413,500	(413,500)	98%
Northern Kentucky University	\$10.00	2,970,500 <sup>(2)</sup>	33,005,600	18,114,500	14,891,100	182%
Western Kentucky University	\$10.00	3,600,000	40,000,000	33,129,700	6,870,300	121%
Subtotal		\$13,268,300	\$147,425,500	\$126,523,000	\$20,902,500	
<b>Two-Year Colleges</b>						
KCTCS	\$5.00 <sup>(1)</sup>	\$5,500,000	\$61,111,100	\$46,735,300	\$14,375,800	131%
<b>Postsecondary System</b>						
		\$29,868,300	\$331,870,000	\$375,000,000	(\$43,130,000)	

<sup>(1)</sup> KCTCS officials indicated that they would more than likely assess a \$2.00 per-credit-hour fee, if the Council were to approve the proposed Asset Preservation Fee Exception Policy.

<sup>(2)</sup> NKU's Special Use Fee is assessed up to a maximum of 12 credit hours per semester, but the estimated annual fee revenue figure shown for NKU assumes a maximum assessment of 15 credit hours per semester.

<sup>(3)</sup> Required campus match if the 2018-20 Executive Budget is enacted as proposed.

Source: Kentucky Public Postsecondary Institution, Chief Budget Officers.