

MEETING MINUTES

Approved by the Executive Committee on November 17, 2023

Who: Kentucky Council on Postsecondary Education
Meeting Type: Executive Committee
Date: September 19, 2023
Time: 8:30 a.m. ET
Location: CPE Offices, 100 Airport Road, Frankfort – 2nd floor Boardroom

CALL TO ORDER

The Executive Committee of the Kentucky Council on Postsecondary Education met Friday, September 19, 2023, at 8:30 a.m., ET. The meeting occurred in the second-floor boardroom at the Council offices in Frankfort, Kentucky. Chair Madison Silvert presided.

ROLL CALL

All members were in attendance: CB Akins, Kellie Ellis, Eric Farris (joined at 8:40), Karyn Hoover, and Madison Silvert.

Heather Faesy, CPE's senior associate for Board Relations, served as recorder of the meeting minutes.

APPROVAL OF THE MINUTES

The minutes of the June 7, 2023 and June 28, 2023, Committee meetings were approved as distributed.

REVISED MEETING SCHEDULE

Ms. Heather Faesy, Board Liaison, presented the revised meeting date of November 17, 2023, for approval. Since the Council originally approved the 2023-24 meeting dates, additional legislative requirements were tasked to CPE and the original meeting date of October 27 needed to be postponed.

MOTION: Ms. Hoover moved the Executive Committee approve the revised meeting schedule and recommend final approval by the Council at its September 19, 2023, meeting. Dr. Ellis seconded the motion.

VOTE: The motion passed.

REVISIONS TO THE POLICY FOR NEW BOARD MEMBER ORIENTATION AND EDUCATION PROGRAM

Ms. Lee Nimocks, Sr. Vice President and Chief of Staff, and Ms. Faesy, presented the proposed revisions to the policy for new board member orientation and education program. Staff regularly review the policy to ensure all statutory requirements are met as well as current practices are documented. The following revisions were proposed to clarify program delivery and updated timelines, and a copy of the proposed revisions was included in materials.

- Section 2 - Updated language to reflect current practices regarding in-person versus online delivery of the program.
- Section 4 - Updated submission dates
- Section 5 - Updated to reflect current continuing education opportunities.

MOTION: Rev. Akins moved the Executive Committee approve the proposed revisions to the policy for new board member orientation and education program and recommend final approval by the Council at its September 19, 2023, meeting. Ms. Hoover seconded the motion.

VOTE: The motion passed.

MODIFICATIONS TO THE KENTUCKY STATE UNIVERSITY (KSU) MANAGEMENT IMPROVEMENT PLAN

Mr. Travis Powell, Vice President and General Counsel, presented the proposed modifications to the KSU Management Improvement Plan. In the process of completing the first two quarterly reports for the KSU Management Improvement Plan, reviewing of the Examination of Financial Operations and Internal Policies and Controls of KSU issued by the Kentucky Auditor of Public Accounts, and engaging with new KSU President Dr. Koffi Akakpo on his vision for the university, CPE staff identified proposed modifications to the Plan, including but not limited to the allocation of \$10 million in incentive funding for completion of Objectives and Deliverables.

The following new objectives were recommended, and each included corresponding deliverables, deadlines for completion, and funding allocations:

- Develop a plan for a new college of business, engineering, and technology.
- Create a center for Global Learning and International Student Services.
- Digitization of Student Records.
- Completion of a 5-year budget for the university.
- Implement training program for business procedures related to the incorporation of National Association of College and University Business Officers (NACUBO) Financial Accounting and Reporting Manual for Higher Education (FARM) as a guiding document for all business procedures.

- Create a tracking system for the Board of Regents for resolutions passed with regular updates on implementation.
- Provide annual training to all staff, with a focus on select KSU policies, which should include, at a minimum, ethics, conflicts of interest, conflicts of commitment (as applicable).

Additionally, the following objectives and deliverables were identified for release of incentive funding, and a rationale was provided for each:

- Determine an operating structure for a distinct KSU online subsidiary.
- Complete the Banner accounting system optimization project and ADP payroll system transition to Banner.
- Develop a campus master plan and a three to five-year capital project plan focused on asset preservation.
- Completed business procedures document in relation to incorporating National Association of College and University Business Officers (NACUBO) Financial Accounting and Reporting Manual for Higher Education (FARM) as a guiding document for all business procedures.
- Improve the accounting and reporting system, as well as internal controls over financial reporting, and provide quarterly Generally Accepted Accounting Principles (GAAP) statements and other financial information to the Board of Regents.
- Implement a formal accounting and reporting framework for endowment distributions.
- Develop a system to manage institution-wide and program/departmental student cohorts to improve completion rates.
- Evaluate and revise internal budgetary controls and provide a quarterly budget to actual report to the Board of Regents.
- Improve the accounting and reporting system, as well as internal controls over financial reporting, and provide quarterly Generally Accepted Accounting Principles (GAAP) statements and other financial information to the Board of Regents.

Discussion among the committee members centered on KSU's current left of deferred maintenance as well as their ability to produce monthly updates in a timely manner as requested by the Council.

MOTION: Dr. Ellis moved the Executive Committee approve the proposed modifications to the Kentucky State University Management Improvement Plan in accordance with HB 250 (2022) and recommend final approval by the Council at its September 19, 2023, meeting. Rev. Akins seconded the motion.

VOTE: The motion passed.

CPE PRESIDENT UPDATE

No business was discussed.

OTHER BUSINESS

The Committee discussed the increased fire and tornado insurance rates anticipated during the next biennium and how that's impacting the 2024-26 biennial budget request.

ADJOURNMENT

The Executive Committee adjourned at 9:30 a.m., ET.