

KENTUCKY COUNCIL ON POSTSECONDARY EDUCATION EXECUTIVE COMMITTEE



January 19, 2024 – 8:30 a.m. ET

Virtual meeting: <https://us02web.zoom.us/j/89129396618>

**indicates action item*

- I. **Call to Order and Roll Call**
- II. **Approval of the Minutes***
- III. **Kentucky State University Management Improvement Plan Revision***
- IV. **Information and Updates**
 - A. Council Bylaws
 - B. CPE President Update
- V. **Other Business**
- VI. **Adjournment**

MEETING MINUTES

Draft for Approval by the Executive Committee on January 19, 2024

Who: Kentucky Council on Postsecondary Education
Meeting Type: Executive Committee
Date: November 17, 2023
Time: 8:30 a.m. ET
Location: Kentucky State University, Cooperative Extension Building, Rm 238C

CALL TO ORDER

The Executive Committee of the Kentucky Council on Postsecondary Education met Friday, November 17, 2023, at 8:30 a.m. ET. The meeting occurred in room 238C of the Cooperative Extension Building at Kentucky State University in Frankfort, Kentucky. Chair Madison Silvert presided.

ROLL CALL

Committee Members attendance:

- In Person: Madison Silvert.
- By teleconference: Kellie Ellis, CB Akins, Eric Farris
- Did not attend: Karyn Hoover

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

APPROVAL OF THE MINUTES

The minutes of the September 19, 2023, Committee meeting were approved as distributed.

REMAINING 2024 CPE MEETING DATES

Ms. Heather Faesy, Board Liaison, presented the proposed meeting dates for September and November 2024. Those dates were:

- Sept 9, 2024 – Committee meetings
- Sept 16-17, 2024 – CPE board meetings and Postsecondary Education Trusteeship Conference
- Nov 11, 2024 – Committee meetings
- Nov 21-22, 2024 – CPE board meetings

MOTION: Mr. Farris moved the Executive Committee approve the proposed meeting dates for September and November 2024, and recommend approval by the full Council at its November 17, 2023, meeting. Rev. Akins seconded the motion.

VOTE: The motion passed.

KENTUCKY STATE UNIVERSITY (KSU) MANAGEMENT IMPROVEMENT PLAN REVISION

Mr. Travis Powell, Vice President and General Counsel, presented a revision to KSU's management improvement plan to allow the reallocation of \$100,000 in incentive funding for a mental health related deliverable completed in FY 2023 to be used for interim assistance in financial aid processing. KSU completed the approved deliverable to receive the funding however the remaining costs of the project were covered by Title III grant funds. Instead, KSU has requested to use those funds to provide interim support of its financial aid services due to a significant drop in staff and need to bring in interim staff and advisors to ensure services were not delayed.

MOTION: Dr. Ellis moved the Executive Committee approve \$100,000 in incentive funding for a mental health related deliverable completed in FY 2023 to be used for interim assistance in financial aid processing and recommend final approval by the Council at its November 17, 2023, meeting. Rev. Akins seconded the motion.

VOTE: The motion passed.

KSU MANAGEMENT IMPROVEMENT PLAN EVALUATION PRESENTATION FROM MOSS ADAMS

Mr. Powell introduced the CPE staff members who have been working closely on the work related to the KSU Management Improvement Plan: Clemette Haskins, Senior Fellow; Susan Krauss, Senior Fellow; Greg Rush, Senior Fellow; and Jennifer Hill, Project Manager.

Consultants from Moss Adams, the firm contracted with Kentucky State University to provide an independent monitoring of its progress toward completing its Management Improvement Plan objectives and other requirements of HB 250 (2022), presented on that progress toward the identified objectives, their methodology for review, and their achievements to date. Committee members asked questions of clarification and thanked all those involved for their continuous work in this area.

CPE PRESIDENT UPDATE

President Thompson provided a general update on conversations occurring with legislators and the Governor's office in advance of the 2024 legislative session. To date, no bills have been pre-filed that pertain to postsecondary education.

ADJOURNMENT

The Executive Committee adjourned at 9:35 a.m., ET.

DRAFT

TITLE: Kentucky State University Management Improvement Plan Revision and Approval of Monthly Reporting Template

RECOMMENDATION: Council staff recommend the Executive Committee approve the recommended monthly reporting template and a revision to two management plan objectives and recommend final approval by the Council at their January 19, 2024 meeting.

PRESENTERS: Travis Powell, Vice President and General Counsel

BACKGROUND INFORMATION

House Bill 250 enacted in the 2022 Regular Session directs Kentucky State University to provide “a monthly report of university finances to the council in a format requested by the council.” While the university has provided monthly reports to the council since HB 250 was enacted, the university was given significant latitude in the format of those reports. This was primarily due to issues with their accounting system that made it difficult for the university to consistently report in a standard format.

REASON FOR REQUESTED REVISION

A standardized monthly reporting format will facilitate staff’s efforts to monitor and evaluate the university’s progress toward meeting financial goals and completing objectives in the management plan.

Reporting in the attached format would begin with the February 2024 report and continue through the November 1, 2025 monitoring period established in HB 250 or until revised by the Council. This report will be included in the Council’s monthly update on KSU’s financial status provided to the Governor and the Legislative Research Commission (LRC) per HB 250.

Staff also recommends a revision to the follow two objectives in the management improvement plan:

5.2.7 Statement of Revenues, Expenses and Changes in Net Position – Change deliverable from monthly to quarterly.

5.2.8 Statement of Net Position – Change deliverable from monthly to quarterly.

This revision will align these deliverables with a more appropriate calendar for financial reporting.

RATIONALE FOR REVISION

Sufficient progress has been made in reconciling accounts and correcting accounting issues that we are now confident that the university can comply with a standard reporting format. The proposed template is designed to provide the information necessary for CPE staff to monitor and evaluate the financial performance of the University. Staff also recommend that the monthly and quarterly financial reporting be aligned with best practices.

KENTUCKY STATE UNIVERSITY
 Education and General Revenues and Expenses/Transfers by Functional Area
 For the Period from XXXXX to XXXXX
 With Comparative Prior Year Data

	2024			2023		
	Budget	Actual	%	Budget	Actual	%
Revenue						
Student Tuition and Fees (Net of Scholarship Allowances of X,XXX,XXX)						
State Appropriations						
Sales and Services						
Other						
Transfers In						
Total Revenue						
Expenses						
Instruction						
Research						
Public Service						
Libraries						
Academic Support						
Student Services						
Insitutional Support						
Operations and Maintenance of Plant						
Transfers						
Mandatory: Debt Service						
Non-Mandatory						
Non-Mandatory Transfer to Reserves						
Total Expenses and Transfers						

KENTUCKY STATE UNIVERSITY
 Education and General Expenses/Transfers by Natural Classification
 For the Period from XXXXX to XXXXX
 With Comparative Prior Year Data

	2024			2023		
	Budget	Actual	%	Budget	Actual	%
Expenses/Transfers						
Salaries and Wages						
Benefits						
Contracted Services						
Operating						
Utilities						
Capital						
Transfers						
Total Expenses and Transfers						

KENTUCKY STATE UNIVERSITY
 Auxiliary Operations Revenues and Expenses/Transfers by Natural Classification
 For the Period from XXXXX to XXXXX
 With Comparative Prior Year Data

	2024			2023		
	Budget	Actual	%	Budget	Actual	%
Revenue						
Housing						
Dining						
Bookstore						
Other						
Transfers In						
Total Revenue						
Expenses						
Salaries and Wages						
Benefits						
Contracted Services						
Operating						
Utilities						
Capital						
Mandatory Transfers: Debt Service						
Non-Mandatory Transfers						
Non-Mandatory Transfers To Reserves						
Total Expenses and Transfers						

KENTUCKY STATE UNIVERSITY
Cash Balance Report
As of XX,XX,XXXX

Bank Accounts

Bank 60 (Fifth Third)

Outstanding Checks

Net Balance Bank 60

Bank 09 (Commonwealth of Kentucky)

Bank 20 (State Appropriations)

Bank 29 (Commonwealth of Kentucky Capital Project Account)

Bank 52 (Perkins Account)

Total Cash Balance

Less cash reserved for specific purposes:

Commonwealth of Kentucky Capital Project Account

Perkins Account

Asset Preservation Accumulated Fees

Land Grant Match Appropriations

CPE Grant Reserved Balances

Other Reserved Grant Balances

Total Reserved Cash Balance

Available Cash Balance

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KENTUCKY STATE UNIVERSITY
Student Accounts Receivable Report
As of XX,XX,XXXX
With Comparative Prior Year Data

XX,XX,2024 XX,XX,2023

Enrolled Students

Balance Owed Current Semester

Balance Owed Prior Semesters

Total Balances Owed Enrolled Students

Non-Enrolled Students

Balance Owed under 365 Days

Balance Owed over 365 Days

Balance Owed Over 730 Days

Total Balances Owed Non-Enrolled Students

Total Outstanding Student Receivables

KENTUCKY STATE UNIVERSITY
 Accounts Payable Aging Report
 As of XX,XX,XXXX

Payables Aging	Balance	
Days		
0-30		
31-60		
61-90		
91-120		
120+		
Total		
No-Purchase Order Invoices Aging		
Days		
0-30		
31-60		
61-90		
91-120		
120+		
Total		
Ousting Credit Card Payments		Over 30 Days (Y/N)
American Express		
5/3 Corporate Card		
Diners Club Card		
Total		



Council Bylaws

Approval Date: June 19, 2020

Effective Date: June 19, 2020

I. Statement of Purpose

The bylaws provide a framework for the deliberations and actions of the Council on Postsecondary Education (CPE) in carrying out statutory duties and responsibilities. The bylaws establish rules for notification and conduct of meetings and the selection of officers.

II. Statutory Authority

Authority for Council actions comes from KRS Chapter 164 encompassing public, private nonprofit, and proprietary degree-granting postsecondary institutions. The Council bylaws also conform to the requirements of KRS Chapter 61, the Kentucky Open Meetings Law.

III. General Rules

A. Amendment of Bylaws

1. The Council may amend, revoke, or adopt additional bylaws by action of eight of the voting members.
2. Notice shall be given to the members of any proposed changes or additions to the bylaws in the agenda of a regularly scheduled or special meeting of the Council. All changes shall be consistent with state law and administrative regulations.

B. Conduct of Meetings

1. The Council and all Council appointed committees shall follow Robert's Rules of Order concerning motions, recognition of speakers, and order of business.
2. The chair may recognize a non-Council speaker.
3. The Council shall designate a parliamentarian from the membership of the Council or Council staff to assist the chair in interpreting the rules of order.

C. Policy Statements and Administrative Regulations

1. Actions taken by the Council shall constitute the policy of the Council until changed or superseded.
2. The Council may act by adoption of policy or by administrative regulation when permitted by law.
3. The Council shall promulgate administrative regulations when required by state law.

4. The policy statements of the Council including all administrative regulations shall be available to the public on the Council Website.

D. Attendance at Council Meetings

1. Council members shall make a best effort to attend and participate at all regularly scheduled meetings.
2. If a Council member is unable to attend and participate at a regularly scheduled or special meeting of the Council, the member shall notify the chair and president of the Council at least 7 days in advance of the meeting, or as soon as possible after learning of his or her unavailability.
3. If a Council member fails to attend three regularly scheduled Council meetings during a calendar year, the chair: shall consult with the member about the reason for the absences; and may discuss the matter with the executive committee.

IV. Selection and Terms of Officers

A. Nominating Committee

1. A nominating committee shall be appointed annually by the chair at the last scheduled meeting of the calendar year for the purpose of nominating a new chair and vice chair for the next calendar year.
2. A Council member seeking Council office shall not be a member of the nominating committee.
3. The recommendations of the nominating committee shall be presented to the Council at the first scheduled meeting of the calendar year.

B. Selection of Officers

1. A chair and vice chair shall be elected annually at a regularly scheduled or special meeting and shall each serve a one-year term.
2. In the absence of the chair, or in the event the chair is unable to perform, the vice chair shall perform the duties of the chair. In the absence of both the chair and vice chair or in the event the vice chair is unable to perform the duties of the chair, the Council shall appoint a temporary chair.
3. In the event the chair resigns and the vice chair assumes the duties of the chair, the Council may select a vice chair to complete the unexpired term of the vice chair.

4. The president shall serve as the secretary to the Council and shall cause the minutes of the meetings of the Council to be recorded and presented to the Council.
5. The chair and vice chair are limited to three consecutive one-year terms.

V. Meetings of the Council on Postsecondary Education

A. Regular Meeting Schedule

1. The Council shall approve the regular meeting schedule for the next year prior to the last regularly scheduled meeting of the calendar year.
2. The regular meeting schedule shall provide that the Council meet no less than quarterly but may provide for more than quarterly meetings. KRS 164.011(9)
3. The schedule of regular meetings shall be made available to the public through release to the press by written or electronic means. KRS 61.820
4. The Council shall meet with the Advisory Conference of Presidents and the Board of Student Body Presidents at least once each year. KRS 164.0211

B. Special Meetings and Emergency Special Meetings

1. A special meeting or emergency special meeting is a meeting that is not part of the regular schedule of meetings established by the Council pursuant to Section V.A.1. above.
2. The chair may call a special meeting of the Council when, in the view of the chair, such a meeting is necessary. KRS 164.011(9) and KRS 61.823
3. The chair shall call a special meeting upon receipt of a written request from a majority of the Council stating the reason for the meeting. KRS 164.011(9) and KRS 61.823
4. The following items are required in calling a special meeting and in the conduct of the special meeting:
 - a. The agenda of a special meeting shall be stated in the notification of the meeting.
 - b. Discussions and action at a special meeting shall be limited to items listed on the agenda in the notice. KRS 61.823(3)
 - c. Notice shall be provided to every member of the Council and to each media organization filing a written request to be notified. The

notice shall be provided as soon as possible but shall be calculated to be received at least twenty-four hours before the special meeting. KRS 61.823(4)

5. Emergency special meetings may be called by the chair subject to the following requirements:
 - a. The agency makes reasonable efforts to inform members of the Council, the public, and the media of the date, time, and place of the meeting. KRS 61.823(5)
 - b. The chair shall, at the commencement of the meeting, state the reason for the emergency: the statement shall subsequently appear in the minutes of the special meeting. KRS 61.823(5)
 - c. Discussion and action by the Council is limited to the emergency for which the meeting was called. KRS 61.823(5)

C. Place of the Meeting

1. The Council shall fix the place of meetings at the time they are scheduled. KRS 164.070
2. The Council may hold meetings, regularly scheduled or special, by video teleconference. Meetings held by video teleconference shall conform to the notice requirements of the Open Meetings Law and Section V.A. and B. of these bylaws. Meetings held by video teleconference also shall conform to the following:
 - a. The notice of the meeting shall clearly state that the meeting is a video teleconference. KRS 61.826(2)(a)
 - b. All members must be able to both see and hear each other. KRS 61.805(5).
 - c. The primary location of the meeting shall be identified in the notice where all members can be seen and heard and the public may attend in accordance with KRS 61.840. KRS 61.826(2)(b)
 - d. Rules concerning participation, distribution of materials, and other matters that apply at the primary location shall apply to all video teleconference locations. KRS 61.826(3)
 - e. If the video or audio broadcast is interrupted, the meeting shall be suspended until the broadcast is restored. KRS 61.826(3)

D. Notice of and Agenda for Meetings

1. Notice of all meetings, regularly scheduled and special, shall be given to members at least ten (10) days prior to the time of the meeting unless all members of the Council waive notice. Waiver may be given orally or in writing. KRS 164.080

2. The agenda and supporting materials for a regularly scheduled meeting shall, to the extent possible, be available to the members at least seven (7) days prior to the meeting
3. Notice to members shall be by mail or e-mail.
4. Notice of and the agenda for all meetings shall be given to the Advisory Conference of Presidents. KRS 164.021
5. Special information to be presented to the Council by interested parties shall be provided to the president or chair of the Council seven (7) days in advance of the scheduled meeting. The chair may waive this requirement.

E. Minutes of Meetings

1. The minutes of all meetings, regular and special, shall accurately record the deliberations of the Council and all actions taken.
2. All business meetings shall be recorded in audio or video format. The recording may be destroyed thirty (30) days after the minutes have been transcribed and approved, unless challenged. If the minutes are challenged, recordings shall be retained until final resolution. (State Agency Records Retention Schedule – Series M0049).
3. The minutes shall be open to public inspection immediately following the next regularly scheduled meeting of the Council. KRS 61.835

F. Quorum and Council Actions

1. A quorum shall be a majority of the appointive membership of the Council. KRS 164.011(10)
2. A quorum shall be required to organize and conduct business. KRS 164.011(11)
3. An affirmative vote of eight (8) of the appointive members shall be required to carry all propositions. KRS 164.090 and KRS 164.011(11)
4. The Council may consolidate multiple agenda items of a similar nature for the purpose of voting if there is no objection from a Council member.
 - a. Before a vote is taken, the chair shall ask if any member objects to the consolidation of the items and shall specify the items to be voted upon.
 - b. The objection of a single member of the Council shall be sufficient to require a separate vote on each item.
5. The Council may, at regularly scheduled meetings, act on any subject within the powers of the Council. The Council may, by an affirmative

vote of eight members, add items to the agenda of a regularly scheduled meeting.

G. Closed Sessions

1. It is the policy of the Council that all meetings, regularly scheduled or special, be open to the public unless the matter under discussion meets the exceptions contained in KRS 61.810.
2. The following requirements, consistent with KRS 61.815, shall be met as a condition for conducting closed sessions:
 - a. The chair shall give notice in the open meeting of the general nature of the business to be discussed in a closed session.
 - b. The chair shall state the reason for the closed session citing a specific KRS 61.810 provision authorizing a closed session.
 - c. The session may be closed only upon a motion made and approved by a majority of the appointive membership of the Council present at the meeting.
 - d. No formal action may be taken at a closed session.
 - e. No matters may be discussed at a closed session other than those publicly announced prior to convening a closed session.
3. The requirements of the Council for the conduct of closed sessions shall at all times meet the requirements of KRS 61.815.

VI. Committees

A. Committees--General

1. The Council may create, modify, or abolish any committee, unless the committee is established by statute, upon action taken by a majority of the appointive membership.
2. The chair of the Council shall appoint the members to all committees unless membership is directed by statute or Council policy.
3. The chair of the Council shall assign specific tasks and subject matter to all committees unless action of the Council directs the assignment of a task or subject.
4. The president shall assign staff, as appropriate, to assist committees.
5. The chair of the Council shall be an ex officio, voting member of all committees.
6. All committees shall conform to the requirements of the Open Meetings Act.
7. Committees may take final action on items as directed by the Council.

B. Executive Committee

1. Membership: The Executive Committee shall consist of the chair, vice chair, and three other Council members appointed by the chair.
2. Purpose: Review all agency budget and personnel matters, provide for an annual audit of the agency, evaluate the president, and recommend annual compensation for the president.
3. Terms: The three appointed members shall serve one-year terms.

C. Finance Committee

1. Membership: The Finance Committee shall consist of at least five members appointed by the chair.
2. Purpose: Review all applicable data and provide recommendations to the full Council in the following areas: biennial budget requests; tuition and mandatory fees; performance funding; and capital projects; college costs; and other college and university finance-related matters.
3. Terms: Each members shall serve two-year terms, and may serve up to three consecutive terms.

D. Academic and Strategic Initiatives Committee

1. Membership: The Academic and Strategic Initiatives Committee shall consist of at least five members appointed by the chair.
2. Purpose: Review and oversee the progress toward the objectives of the statewide Strategic Agenda and efforts to achieve the state's 2030 educational attainment goal. The committee also would be responsible for the review and recommendation to the full Council in the following areas: new academic programs, academic program reviews, and development of statewide academic-related initiatives such as dual credit and transfer.
3. Terms: Each members shall serve two-year terms, and may serve up to three consecutive terms.

VII. Compensation and Expenses of Members

A. General

1. For the purpose of compensation and payment of expenses to members of the Council, meetings shall include all regularly scheduled and special meetings of the Council; meetings of Council committees; hearings; and special events where a member represents the Council at the request of the chair.

2. Members of the Council who reside out of state shall not be reimbursed for out-of-state travel to Council meetings. KRS 164.050

B. Compensation of Members

1. Members of the Council shall receive compensation for each meeting attended in the amount specified by KRS 164.050.

C. Expenses of Members

1. Council members shall receive reimbursement for actual expenses incurred traveling to and attending meetings of the Council as defined in Section VII.A.1.
2. The commissioner of education shall receive reimbursement of expenses in the same manner as other expenses reimbursed through the Department of Education.

VIII. President and Staff

A. President

1. The Council shall set the qualifications for the position of president in accordance with KRS 164.013(1) and (3).
2. The Council may, when selecting a president, employ a search firm and conduct a national search. KRS 164.013(1)
3. The president is the chief executive officer of the Council and as such makes proposals to the Council for consideration, develops and directs the programs and plans established by the Council, ensures compliance with federal and state law, and represents the Council on numerous state, regional, and national education and planning organizations. Specific duties of the president are contained in the statutes. KRS 164.013.
4. The president is responsible for the day-to-day operations of the Council. KRS 164.013(9).
5. The president shall make periodic reports to the Council on the operation of the agency as the Council shall so direct.
6. The Council shall perform an evaluation of the president and shall fix the compensation and terms of the contract annually.
7. The president's annual base salary shall not be in excess of \$360,000. KRS 164.013(6).
8. The president shall have a contract for a term not to exceed five years, renewable at the pleasure of the Council. KRS 164.013(7).

9. The president has a statutory role in the licensing of private colleges and universities and shall exercise those duties consistent with the requirements of the statutes and the direction of the Council. KRS 164.945-947 and KRS 164.992.

B. Staff

1. Staff of the Council shall serve at the pleasure of the president, subject to the provisions, rules, and regulations approved by the Council. The president shall develop and maintain rules and policies regulating the rights, duties, and responsibilities of employees. KRS 164.013(8)
2. The president shall develop and maintain an organization chart for the organization and shall ensure that all positions have written descriptions of duties and responsibilities. KRS 164.013(8)
3. The president shall develop and maintain a performance evaluation system for all employees.

Previous Actions

Original Approval: August 27, 1997

Amended: January 12, 1998

Amended: September 17, 2001

Amended: February 3, 2003

Amended: March 24, 2003

Amended: January 31, 2005

Amended: September 21, 2018