

MEETING MINUTES

Approved by the Finance Committee, March 25, 2024

Who: Kentucky Council on Postsecondary Education
Meeting Type: Finance Committee
Date: January 16, 2024
Time: 1:00 p.m. ET
Location: Virtual Meeting via ZOOM Webinar

CALL TO ORDER

The Finance Committee met Tuesday, January 16, 2024, at 1:00 p.m., ET. The meeting occurred virtually via ZOOM webinar. Committee Chair Eric Farris presided.

ATTENDANCE

Committee members in attendance: Jacob Brown, Jennifer Collins, Eric Farris, and Elaine Walker.

Committee members not in attendance: Kellie Ellis, Chloe Marstiller, 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 October 23, 2023, Finance Committee meeting were approved as presented.

INTERIM CAPITAL PROJECT REQUEST – ECTC

Mr. Shaun McKiernan, Executive Director of Finance and Budget, presented a \$3,500,000 interim capital project at Elizabethtown Community and Technical College. The project will expand the existing science building on the main campus by 7,000 square feet and will be funded with institutional resources (i.e., agency restricted funds). KCTCS representative, Andy Casebier, answered questions of clarification from the Council on the project.

MOTION: Ms. Walker moved the Finance Committee approve the proposed interim capital project request from Elizabethtown Community and Technical College and recommend final approval by the Council at its January 19, 2024, meeting. Mr. Brown seconded the motion.

VOTE: The motion passed.

INTERIM CAPITAL PROJECT REQUEST – KENTUCKY STATE UNIVERSITY

Mr. McKiernan presented two interim capital projects at Kentucky State University. The first is a \$1.7 million project to replace windows, repair exterior deterioration, replace flooring, and update finishes at Blazer Library. The second is a \$2.7 million project at Carver Hall to replace outdated building systems and renovate all spaces to meet the needs of its engineering program. KSU representative, Jennifer Linton, answered questions of clarification from the Council on the project.

MOTION: Mr. Brown moved the Finance Committee approve the two proposed interim capital project requests from Kentucky State University and recommend final approval by the Council at its January 19, 2024, meeting. Ms. Collins seconded the motion.

VOTE: The motion passed.

2024-26 BIENNIAL BUDGET UPDATE

Mr. McKiernan provided an update on the legislature's development of the 2024-26 biennial budget. He discussed the components of the Governor's budget proposal and how they compared to the request approved by the Council and submitted in the fall of 2023.

HIGHER EDUCATION INSTITUTION FINANCE REPORTING AND OVERSIGHT

Mr. Ryan Kaffenberger, CPE Senior Associate of Finance and Workforce Development, briefed the committee members on the SHEEO report on assessing financial health and risk and stated how the Council is taking those recommendations to develop tools to assess institutional financial health and risk from market pressures. Additional funds from the Governor and General Assembly have been requested in the 2024-26 biennial budget request to build capacity for this work. In the coming months, the Finance Unit will be conducting a review of financial oversight policies in a sample of other states.

Representatives from the Ohio Department of Education joined the meeting to discuss the impact Ohio has experienced through its agency's financial monitoring and oversight policies and procedures. (David Cummins, Associate Vice Chancellor of Financial Planning and Oversight, and Fred Church, Vice Chancellor and Finance and Chief Data Officer.)

ADJOURNMENT

The Finance Committee adjourned at 3:00 p.m., ET.