



The 2026 biennial budget request for higher education is strategically designed to drive workforce readiness and economic growth across the Commonwealth. Each component of this request supports Kentucky's long-term goal of building a stronger talent pipeline, improving access to career-aligned postsecondary opportunities, and addressing urgent workforce shortages in high-need sectors.

CPE Agency Request

Total Additional Agency Request: FY27: \$2M | FY28: \$2M

Aligning Investment with Workforce and Economic Development Priorities

Together, these initiatives represent a comprehensive and coordinated investment in Kentucky's workforce future. The total additional request directly supports the Council's statutory responsibility to strengthen postsecondary education's role in driving economic prosperity for all Kentuckians.

Futuriti – Request: \$250K/year

Launched in February 2025, [Futuriti.org](https://www.futuriti.org) is a statewide digital platform developed by CPE in collaboration with KDE and KYSTATS. This tool provides more than 700 Kentucky-specific career profiles, cost and outcomes data for all postsecondary institutions, and support for both high school and adult learners, including those emphasized in SB 191.

This investment would support the continued development of tools like the cost-of-living calculator, employer benefit database, apprenticeship hub, site maintenance, and targeted outreach to re-engage adults without a postsecondary credential. The return on investment will be thousands of Kentuckians having access to actionable information about high-demand careers and what they need to do to get there.

Workforce and Economic Development Expansion – Request: \$1M/year

CPE requests **\$500,000** in each fiscal year to build on the success of the Healthcare Workforce Collaborative, and expand efforts to other high-need sectors through new education-industry partnerships. Funding will support CPE staffing and competitive grants to postsecondary institutions to enhance workforce-aligned curricula, support student job placement during training, and increase coordination of advanced technology and employer partnerships, reinforcing CPE's mission to meet regional workforce demands and unlock economic mobility for Kentuckians.

CPE requests **\$500,000** in each fiscal year to fund two statewide strategies that support full implementation of the Kentucky Graduate Profile, which defines 10 Essential Skills aligned with workforce needs—such as communication, adaptability, professionalism, and applied academics. This investment will support a Faculty Development Center that offers training modules, curriculum tools, and resources, as well as a Graduate Profile Fellows program in which faculty and staff collaborate with employers to embed essential skills and work-based learning into at least 10 academic programs per campus. All public postsecondary institutions now participate in the Graduate Profile Academy, where campus teams identify learning outcomes, develop performance indicators, and partner with employers to ensure graduates are workforce ready. This initiative strengthens the workforce value of postsecondary credentials by ensuring graduates are equipped with the skills Kentucky's employers demand.

Summer Bridge Programs – Request: \$750K/year

Summer bridge programs are a proven strategy to support the transition from high school to college, especially for students from low-income and underrepresented backgrounds. Evaluations of prior CPE-sponsored programs show increased college persistence and enrollment, with measurable gains in tuition revenue and workforce readiness. This request would provide annual support for competitive grants and independent evaluation, with institutional match requirements and an emphasis on partnerships with employers and communities.

This initiative directly supports KRS 164.0202 and 164.0203, advancing the state’s 60x30 goal by increasing postsecondary enrollment, retention, and readiness for career pathways.

Request for Public Postsecondary Institutions

Investing in Postsecondary Education for a Stronger Workforce

These budget recommendations represent a strategic investment in Kentucky’s future workforce by expanding educational opportunities, aligning with employer needs, and supporting long-term economic growth.

Operating Funds for Postsecondary Institutions – Request: +\$43.5M (FY27) | +\$86.6M (FY28)

CPE recommends inflationary increases of 4.5% in FY27 and 9% in FY28 to help institutions manage significant cost increases while maintaining affordability and access. This funding will help campuses preserve quality programs and expand supports to enable continued progress toward state attainment goals.

Operating Funds for Performance Funding – Request: +\$30M/year (FY27) | + \$45M/year (FY28)

To strengthen Kentucky’s performance-based funding model, CPE recommends allocating an additional \$30 million in FY27 and \$45 million in FY28, thereby increasing the total Performance Fund to \$145 million and then to \$160 million per year, respectively. Additionally, CPE recommends that the General Assembly allocate \$20 million to a Minimum Distribution Pool from any additional funding appropriated to the Performance Fund in fiscal year 2026-27. The purpose of the pool will be to create and provide a level-dollar minimum distribution for each university, as well as allocate funds for KCTCS to distribute among two-year institutions, ensuring that every institution receives at least a minimal level of funding from the pool.

Asset Preservation – Request: \$350M/year

CPE recommends additional bond funding to address urgent facility needs across campuses. This is the third installment in a long-term strategy to renew campus infrastructure, with no institutional match required. Targeted investments will focus on the modernization of academic spaces, deferred maintenance, and safety upgrades.

New Capital Construction – Request: \$1.76 billion

CPE worked with the postsecondary institutions to identify the highest priority new capital construction project at each public university and the top ten (10) new capital construction projects at KCTCS. This recommendation considers the level of state investment required to address public postsecondary institutions for new construction, information technology, and equipment projects. It identifies the most pressing campus needs related to the construction of new buildings to support programs and operations integral to the institutions’ continued improvement of academic programs, research, and operations.

Trust Funds for Tuition Waiver Reimbursement - Request: \$30M/year

In aggregate for the public postsecondary system, the total cost (i.e., forgone revenue) of providing state-mandated tuition waivers is approximately \$30 million per year. CPE recommends establishing a new trust fund to reimburse postsecondary institutions for the forgone tuition revenue resulting from providing state-mandated tuition waivers and discounts.