

**COUNCIL ON POSTSECONDARY EDUCATION  
FINANCE COMMITTEE MEETING**



September 13, 2022 - 1:00 PM, ET

Virtual Meeting - <https://cpe-ky-gov.zoom.us/j/89129396618>

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<b>I. Call to Order and Roll Call</b>	
<b>II. Approval of Minutes</b> ( <i>from June 14, 2022</i> ).....	2
<b>III. Innovative Scholarship Program</b> .....	7
A. Update on the Pilot Program Supporting Displaced Students and International Exchange Opportunities	
B. Action Item: Resident Rate of Tuition for Scholarship Recipients	
<b>IV. COVID-19 Costs and Forgone Revenue</b> .....	9
<b>V. Workforce Development Trust Fund Distribution</b> .....	17
<b>VI. Strategic Agenda Implementation Projects (Finance Unit)</b> .....	29
<b>VII. Other Business</b>	
<b>VIII. Adjournment</b>	
Next Meeting: November 10, 2022 @ 1pm ET	

**DRAFT MINUTES**  
Council on Postsecondary Education

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Type: Finance Committee Meeting  
Date: June 14, 2022  
Time: 2:00 p.m. ET  
Location: Virtual Meeting by ZOOM Webinar; Public viewing hosted on CPE YouTube Page

**CALL TO ORDER**

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The Finance Committee met Tuesday, June 14, 2022, at 2:00 p.m., ET. The meeting occurred virtually via ZOOM teleconference. Members of the public were invited to view the livestream on the CPE YouTube page.

Chair Lucas Mentzer presided.

**ATTENDANCE**

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Committee members in attendance: Colby Birkes, Eric Farris, Lucas Mentzer, Richard Nelson, Madison Silvert and Elaine Walker.

Committee members not in attendance: Kellie Ellis

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

**APPROVAL OF THE MINUTES**

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The minutes of the April 12, 2022, Finance Committee meeting were approved as distributed.

**2022-23 FINANCE COMMITTEE MEETING DATES**

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Chair Mentzer presented the meeting dates for the Finance Committee for the 2022-23 academic year. Each meeting will take place at 1pm ET on September 13 and November 10 of 2022, and January 24, March 21, and June 6 of 2023.

MOTION: Ms. Walker moved to approve the meeting dates. Mr. Silvert seconded the motion.

VOTE: The motion approved.

### **CAMPUS TUITION AND FEE PROPOSALS FOR ACADEMIC YEAR 2022-23**

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Mr. Shaun McKiernan, Executive Director of Finance and Budget, presented for approval the campus-proposed undergraduate tuition and mandatory fee rates for the University of Kentucky (UK), University of Louisville (UL), Eastern Kentucky University (EKU), Kentucky State University (KSU), Morehead State University (MoSU), Murray State University (MuSU), and Western Kentucky University (WKU). He also presented the proposed graduate rates for Northern Kentucky University (NKU) as their undergraduate rates were approved at the April 15, 2022, Council meeting.

Institution	Proposed base rate increases for 2022-23
UK	\$249 increase or 2.0%
UL	\$150 increase or 1.2%
EKU	\$92 increase or 1.0%
KSU	\$154 increase or 1.8%
MoSU	\$98 increase or 1.1%
MuSU	\$180 increase or 1.9%
WKU	\$120 increase or 1.1%

Staff reviewed the proposed 2022-23 tuition and fee charges for every degree level, residency, and attendance status and determined that they comply with Council approved ceilings approved at the May 13, 2021, meeting. In addition, staff determined that proposed prices for nonresident undergraduate students adhere to provisions of the Council's Policy, or a previously approved Memorandum of Understanding between the Council and an institution.

MOTION: Mr. Farris moved that the Finance Committee approve the proposed tuition and mandatory fee proposals for academic year 2022-23 and recommend final approval by the Council at its June 17, 2022, meeting. Ms. Walker seconded the motion.

VOTE: The motion passed.

## **ASSET PRESERVATION POOL GUIDELINES & DELAGATION OF AUTHORITY REQUEST**

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Dr. Bill Payne, CPE's Vice President for Finance and Administration presented for approval the 2022-24 Asset Preservation Pool Guidelines.

The Postsecondary Education Asset Preservation Pool was developed to provide funding for individual asset preservation, renovation, and maintenance projects at Kentucky public postsecondary institutions. During the 2022 session, the General Assembly authorized \$683.5 million in General Fund supported bond funds, and the guidelines reviewed by the Finance Committee were to provide guidance to the campuses on a number of areas including the matching requirements, uses of funds, eligibility criteria and the reimbursement process.

MOTION: Mr. Birkes moved the Finance Committee approve the Asset Preservation Pool Guidelines and recommend approval by the Council at its June 17, 2022, meeting. Ms. Walker seconded the motion.

VOTE: The motion passed.

Dr. Payne presented for approval a Delegation of Authority for projects being funded by the Asset Preservation Pool. The enacted budget stipulates that capital projects funded from the pool are authorized by the General Assembly and campuses requested that project review be expedited to avoid delays.

MOTION: Ms. Walker moved the Finance Committee approve the Committee and the Council delegate to staff the authority to approve capital projects funded from the Asset preservation pool and recommend approval by the Council at its June 17, 2022, meeting. Mr. Birkes seconded the motion.

VOTE: The motion passed.

## **ENDOWMENT MATCH PROGRAM GUIDELINES**

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Dr. Payne presented for approval the 2022-24 Endowment Match Program Guidelines. The Endowment Match Program was authorized by the 2022 Legislative Session and placed \$40 million in state bond funds for Bucks for Brains. Of that amount, \$30 million was appropriated to the Research Challenge Trust Fund (RCTF) and \$10 million was appropriated to the Comprehensive University Excellence Trust

Fund (CUETF). Areas covered in the guidelines include the use of funds requirements, allocation of funds, how to request funds, how to report and matching requirements.

MOTION: Mr. Silvert moved the Finance Committee approve the 2022-24 Endowment Match Program Guidelines and recommend approval by the Council at its June 17, 2022, meeting. Mr. Birkes seconded the motion.

VOTE: The motion passed.

## **WORKFORCE DEVELOPMENT TRUST FUND GUIDELINES**

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Mr. McKiernan for approval the 2022-24 Workforce Development Trust Fund Guidelines. The Workforce Development Trust Fund was authorized by the 2022 Legislative Session and designated \$2.25 million of non-recurring funds for the 2022-23 fiscal year to help KCTCS increase credential production capacity for identified supply gaps and support program offerings in targeted industry sectors. The targeted industry sectors for this initiative are healthcare, advanced manufacturing, transportation and logistics, business services and information technology, and construction and trades. Areas covered in the guidelines include the use of funds requirements, allocation of funds, how to request funds, and how to report.

MOTION: Ms. Walker moved the Finance Committee approve the 2022-24 Workforce Development Trust Fund Guidelines and recommend approval by the Council at its June 17, 2022, meeting. Mr. Birkes seconded the motion.

VOTE: The motion passed.

## **INTERIM CAPITAL PROJECT APPROVAL (ASSET PRESERVATION POOL PROJECTS)**

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Mr. McKiernan presented two interim capital project requests that would be funded by the Asset Preservation Pool.

- 1) Southeast Kentucky Community and Technical College – Mechanical Equipment and Upgrades. It has a \$2,000,000 total scope with \$1,739,200 being paid for with asset preservation pool funds and \$260,800 paid for with campus funds. The project would upgrade and replace boilers, chillers, pumps, and air handlers and provide for heating, ventilation, and air conditioning control upgrades.

2) Madisonville Community College – New Roof for Glema Mahr Arts Center. It has a \$1,500,000 total scope with \$1,304,400 being paid for with asset preservation pool funds and \$195,600 paid for with campus funds.

MOTION: Mr. Silvert moved the Finance Committee approve the two proposed interim capital projects and recommend approval by the Council at its June 17, 2022, meeting. Mr. Nelson seconded the motion.

VOTE: The motion passed.

## **KENTUCKY STATE UNIVERSITY FUNDING DISBURSEMENT REQUEST**

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Mr. Travis Powell, CPE’s Vice President and General Counsel, presented Kentucky State University’s Funding Disbursement Request of \$5.5 million from its \$23 million 2021-22 special appropriation to address the current year budget shortfall. Per the written request, the funds will allow them to meet the payroll and end of year expenses as well as expenses related to the capital projects and provide a cash reserve.

MOTION: Mr. Farris moved the Finance Committee approve KSU’s funding disbursement request and recommend approval by the Council at its June 17, 2022, meeting. Mr. Birkes seconded the motion.

VOTE: The motion passed.

## **ADJOURNMENT**

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The Finance Committee adjourned at 3:20 p.m., ET.

**MINUTES REVIEWED AND APPROVED BY THE COMMITTEE:** \_\_\_\_\_

**TITLE:** Innovative Scholarship Program and Resident Rate of Tuition for Scholarship Recipients

**RECOMMENDATION:** Staff recommends the Finance Committee approve the resident rate of tuition for recipients of the Kentucky Innovative Scholarship.

**PRESENTERS:** Lee Nimocks, Executive Vice President and Chief of Staff  
Jennifer Fraker, Associate Vice President

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## **BACKGROUND INFORMATION**

The Council on Postsecondary Education (CPE) and the Kentucky Higher Education Assistance Authority (KHEAA) have established the Kentucky Innovative Scholarship Pilot Project with funding appropriated by the 2022 General Assembly. The project provides college access and promotes undergraduate student success for displaced students and for students participating in international exchange programs.

The pilot project is being used to support scholarships for displaced students, support scholarships to promote international exchange, and the establishment of a state-level community of practice for representatives of Kentucky postsecondary institutions who are serving or seek to serve Displaced Students.

### Funding Allocation

Funds for each campus are held in reserve by KHEAA and will be allocated based on the scholarship needs of the intended populations. The reserved amounts for Kentucky's public universities and KCTCS are based on the overall percentage of undergraduate students.

- Public Universities: \$5,877,000
- KCTCS Campuses: \$2,823,000
- Private, Non-Profit Campuses: \$1 million

### Program Requirements

Campuses are required to provide a 25% match to receive Innovative Scholarship Pilot Project grants. Institutional funds, private or local funds, and/or in-kind services can be

used to meet the match amount. In-kind services may include targeted career and academic counseling for students from Displaced Students and international exchange populations, language training and other services supporting these populations. If a campus opts to not participate in the Innovative Scholarship Pilot Project program, those funds will be reallocated to other campuses participating in the program. No portion of the Innovative Scholarship Pilot Project campus grants may be used for administrative overhead costs. Campuses are encouraged to leverage grant funds and improve student experiences and pathways through collaboration with other institutions.

Campuses receiving Innovative Scholarship Pilot funding are required to participate in the state Community of Practice and are encouraged to work with Kentucky-based or national organizations that support and/or resettle displaced populations to help identify and recruit eligible scholars.

### **ACTION REQUESTED: RESIDENT RATE TUITION FOR SCHOLARSHIP RECIPIENTS**

Scholarships awarded are designed to cover the total cost of attendance for displaced students, which includes tuition, fees, books, supplies, and living expenses such as room and board.

Displaced students may or may not be considered Kentucky residents for purposes of tuition pursuant to 13 KAR 2:045. Total cost of attendance for non-resident students is higher than the cost for resident students due to the higher tuition rate charged to non-resident students.

By establishing and approving the resident rate of tuition for the Kentucky Innovative Scholarship recipients, campuses will be able to apply this lower rate, making each scholarship cost less and allowing the appropriated funds to support the maximum number of students.



**TITLE:** COVID-19 Related Costs and Foregone Revenue

**DESCRIPTION:** Below is a summary of campus COVID-19 related awards, costs, and foregone revenue as of June 30, 2022.

**PRESENTERS:** Ryan Kaffenberger, Senior Associate, Finance and Workforce Development, CPE  
Shaun McKiernan, Executive Director, Finance and Budget, CPE

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### **SUPPORTING INFORMATION**

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES) was signed into law as the first of three rounds of federal stimulus provided in response to the economic impacts of the COVID-19 pandemic. The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARP) were subsequently signed in to law on December 27, 2020, and March 11, 2021, respectively. Each of the three acts provides funding to higher education, elementary and secondary education, and other areas of state and local government. The Coronavirus Relief Funds (CRF) and State and Local Fiscal Recovery Funds (SLFRF) are components of CARES and ARP that provide funding that is not limited to use by postsecondary institutions but can be appropriated for that purpose.

The 2021-2022 Budget of the Commonwealth (21 RS, HB 192), which was enacted on March 30, 2021, incorporated the Governor's plan to use \$40 million in CRF in fiscal year 2020-21 for the public postsecondary institutions, while at the same time reducing state General Fund appropriations at the institutions in the aggregate by \$20 million that year, or 2.13% of each institution's net General Fund (i.e., a fund swap).

The 2022-2024 state budget, which passed on March 30, 2022, allocated SLFRF to specific public postsecondary institutions for the followings programs: the University of Kentucky Healthcare Worker Loan Relief Program, Western Kentucky University LifeWorks, and the Kentucky Community and Technical College System Commonwealth West Healthcare Workforce Innovation Center.

The CARES Act, CRRSAA, and ARP use two primary funds for providing relief to higher education: (a) the Higher Education Emergency Relief Fund (HEERF); and (b) the Governor's Emergency Education Relief Fund (GEER Fund), though ARP did not authorize any GEER funds. The federal government distributed HEERF awards directly to the institutions. A portion of HEERF awards were required to be used for financial aid grants to students, while the remaining funds could be used to help cover eligible costs and foregone revenue at the institutions. GEER funds directed to public postsecondary institutions by the Governor are administered by CPE staff. CRF, part of the CARES Act, is administered by the Office of State Budget Director.

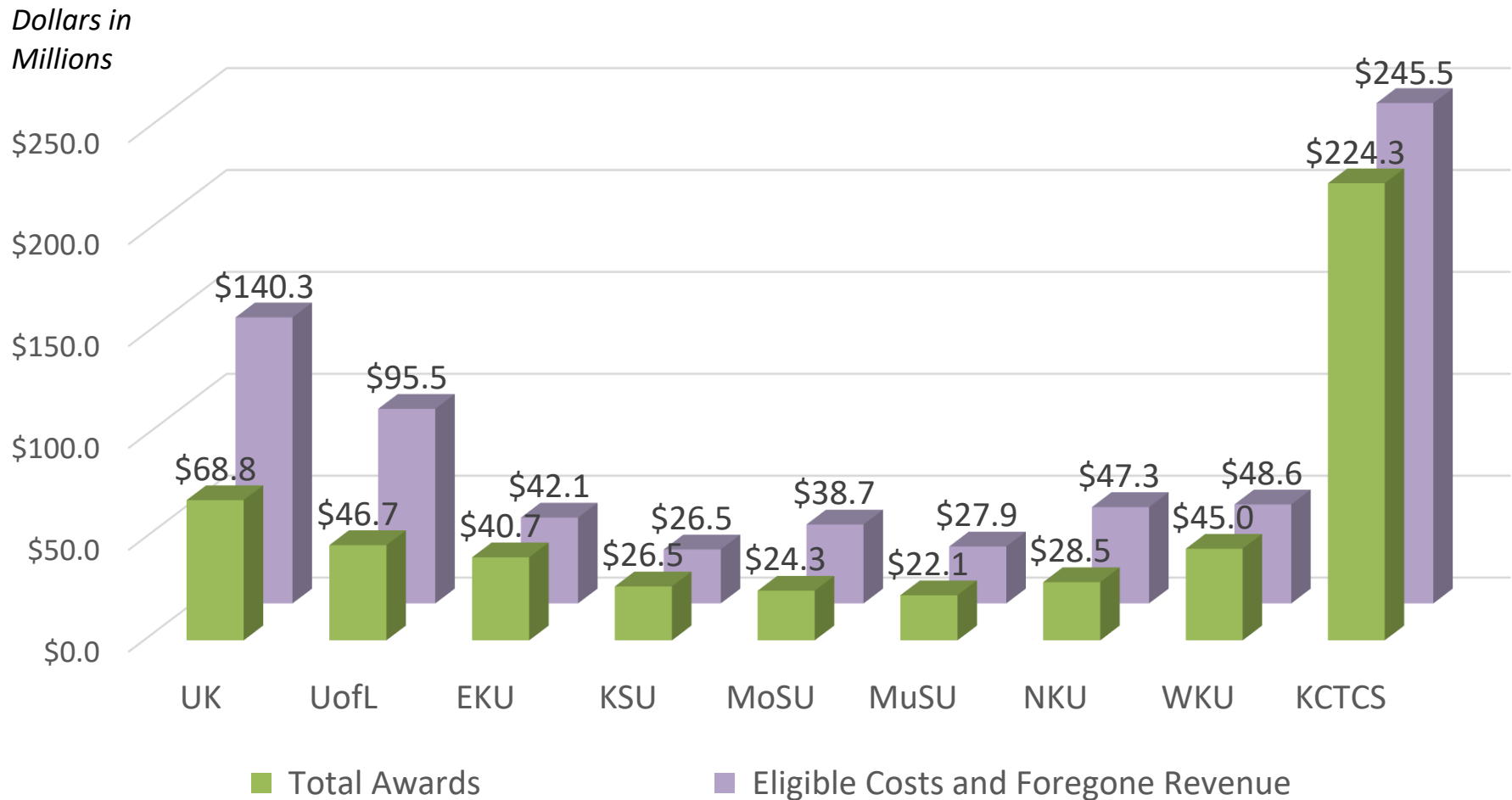
CPE staff has been working with campus officials to track federal award amounts for higher education and the costs and foregone revenue associated with those awards. Awards to Kentucky's public postsecondary institutions for institutional purposes under CARES, CRRSAA, and ARP total \$527 million. Funds appropriated to Kentucky public postsecondary institutions that are required to be used for emergency financial aid grants to students total \$300 million.

Institutions access their available awards by incurring eligible, COVID-19 related costs and foregone revenue and submitting them for reimbursement to the appropriate entity. Each fund has unique requirements governing the costs and lost revenue that are eligible for reimbursement. Although eligibility requirements are different for each fund, reimbursement forms generally follow the same format. The Department of Education has extended the performance period for all open HEERF grants with a balance greater than \$1,000 through June 30, 2023.

In terms of tracking federal awards for Kentucky public higher education, CPE staff has focused on use of the institutional portion of the federal awards and the degree to which those funds address COVID-19 related costs and forgone revenue experienced by the institutions. Attachment A shows federal awards and associated costs and lost revenues by institution and sector. Actual and projected eligible COVID-19 related costs and lost revenue for fiscal years 2019-20 through 2023-24, total \$712.4 million. The state's public postsecondary system is projected to have \$185.4 million more in eligible expenses and lost revenue than it received in federal funds awarded. In addition, institutions have identified \$33.3 million in costs and lost revenue that are COVID-19 related but are not eligible for reimbursement under current grant guidelines.

CPE staff collects award, cost, and lost revenue data from the institutions on a quarterly basis. All parties expect these figures to change as more awards become available, more costs are incurred, more revenue is lost, and as additional guidance on eligible uses of funds becomes available.

## Federal Higher Education Relief Funds and COVID-19 Related Costs and Foregone Revenue Fiscal Years 2019-20 to 2023-24



Sources: Department of Education, Higher Education Relief Fund Allocations; Campus Chief Budget Officers, COVID-19 Costs and Foregone Revenue.

Kentucky Public Postsecondary Institution  
 Federal Higher Education Relief Funds and COVID-19 Related Costs and Foregone Revenue  
 Fiscal Years 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24

→ as of June 30, 2022  
 KSU estimates are as of March 30, 2022

Institution	Federal Higher Education Funds					Total Awards	COVID-19 Related Costs and Foregone Revenue			Federal Awards Residual (Deficit)	Ineligible Costs and Foregone Revenue
	CARES Act	CRRSAA	Coronavirus Relief Funds	ARP Act	State & Local Fiscal Recovery		Related Costs	Foregone Revenue	Eligible Costs and Foregone Revenue		
UK	\$11,186,629	\$17,823,891	\$12,260,000	\$23,524,613	\$4,000,000	\$68,795,133	(\$75,885,359)	(\$64,451,579)	(\$140,336,937)	(\$71,541,804)	(\$14,448,000)
UofL	7,935,295	14,194,890	5,873,000	18,714,729	0	46,717,914	(36,609,159)	(58,857,097)	(95,466,256)	(48,748,342)	(5,084,500)
EKU	6,873,756	14,010,248	2,902,229	16,953,857	0	40,740,090	(10,853,072)	(31,262,019)	(42,115,091)	(1,375,001)	(3,083,981)
KSU	3,652,650	8,639,043	1,173,400	13,004,656	0	26,469,749	(24,195,396)	(2,274,353)	(26,469,749)	0	(586,700)
MoSU	4,136,031	8,666,180	1,771,800	9,762,043	0	24,336,054	(8,864,512)	(29,863,103)	(38,727,615)	(14,391,561)	(1,807,900)
MuSU	4,019,784	7,232,285	2,022,400	8,850,253	0	22,124,722	(9,627,635)	(18,302,456)	(27,930,091)	(5,805,369)	(2,466,065)
NKU	4,975,681	9,757,103	2,415,000	11,400,319	0	28,548,103	(11,056,451)	(36,229,445)	(47,285,896)	(18,737,793)	(3,209,500)
WKU	6,905,902	14,224,751	3,390,800	17,642,480	2,800,000	44,963,933	(24,500,520)	(24,063,617)	(48,564,137)	(3,600,204)	(1,695,400)
KCTCS	22,391,390	78,282,904	8,069,800	77,560,640	38,000,000	224,304,734	(141,000,612)	(104,535,083)	(245,535,695)	(21,230,961)	(960,436)
System Total	\$72,077,118	\$172,831,295	\$39,878,429	\$197,413,590	\$44,800,000	\$527,000,432	(\$342,592,715)	(\$369,838,752)	(\$712,431,467)	(\$185,431,035)	(\$33,342,482)
Research	\$19,121,924	\$32,018,781	\$18,133,000	\$42,239,342	\$4,000,000	\$115,513,047	(\$112,494,518)	(\$123,308,676)	(\$235,803,193)	(\$120,290,146)	(\$19,532,500)
Comprehensive	\$30,563,804	\$62,529,610	\$13,675,629	\$77,613,608	\$2,800,000	\$187,182,651	(89,097,585)	(141,994,993)	(231,092,579)	(43,909,927)	(12,849,546)
Two-Year	\$22,391,390	\$78,282,904	\$8,069,800	\$77,560,640	\$38,000,000	\$224,304,734	(\$141,000,612)	(\$104,535,083)	(\$245,535,695)	(\$21,230,961)	(\$960,436)

Sources: Department of Education, Higher Education Relief Fund Allocations; Campus Chief Budget Officers, COVID-19 Costs and Foregone Revenue.



# COVID-19 Costs and Foregone Revenue

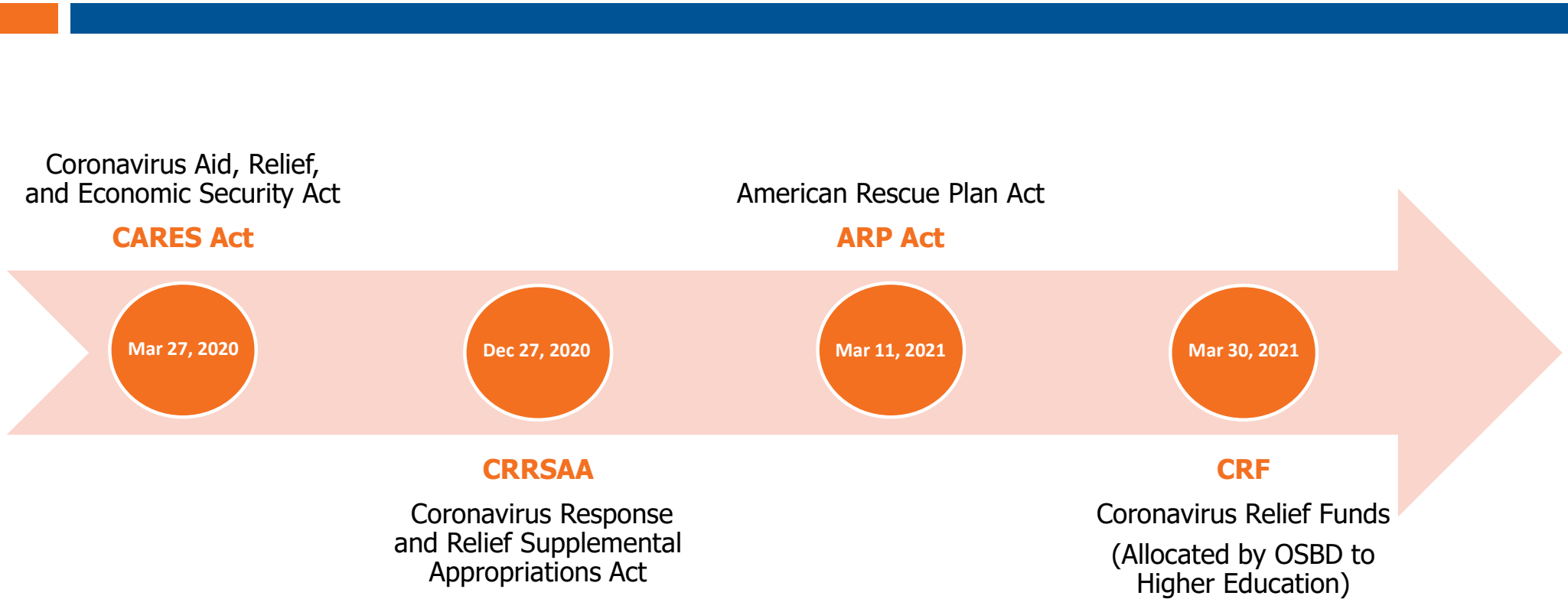
# COVID-19 Costs and Foregone Revenue

## *Background Information*

- Since March 2020, federal funds have been available to postsecondary institutions to help address COVID-19 related costs
- Three pieces of federal legislation have provided funding to Kentucky colleges and universities:
  - Coronavirus Aid, Relief, and Economic Security Act (CARES)
  - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)
  - American Rescue Plan Act (ARP)
- Institutions received COVID-related federal funds directly from the federal government and appropriations and distributions from state leaders
- \$300 M in federal funds was designated for student grants; \$527 M was available to cover eligible costs and lost revenues at the institutions

# COVID-19 Costs and Foregone Revenue

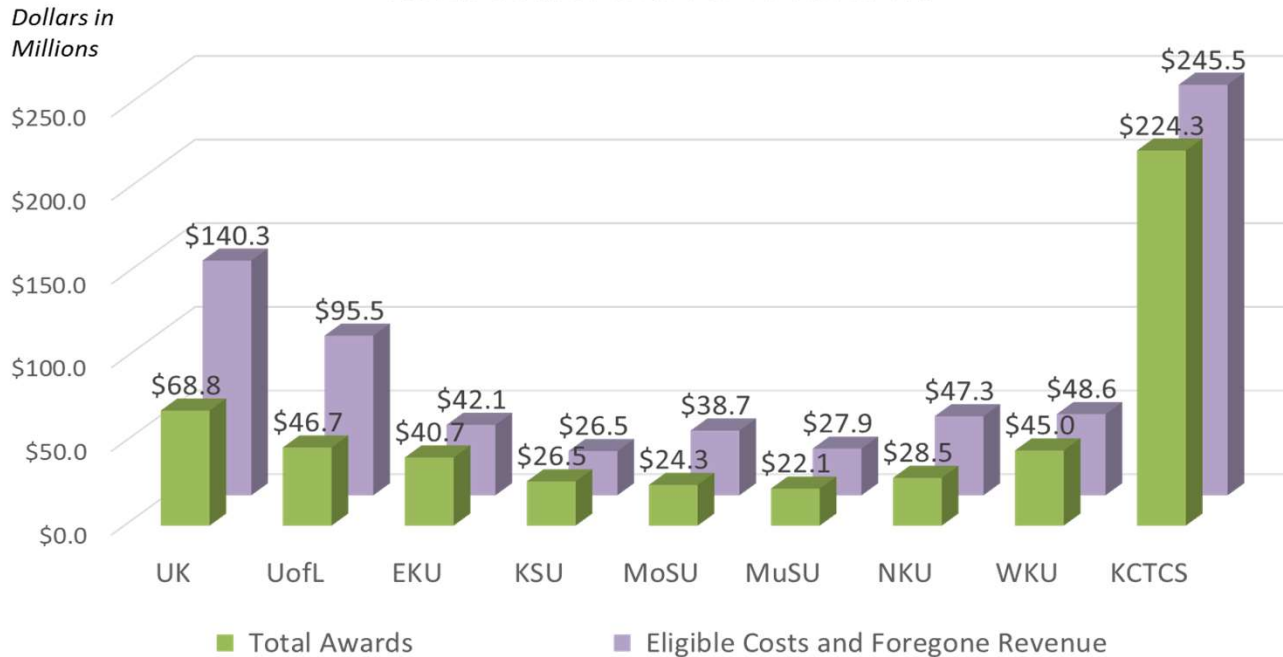
## *Federal Funds Timeline*



# COVID-19 Costs and Foregone Revenue

## Budgetary Impact

Federal Higher Education Relief Funds and COVID-19 Related Costs and Foregone Revenue  
Fiscal Years 2019-20 to 2023-24



- Projected eligible costs and lost revenue for KY public total **\$712.4 M**
- This amount exceeds funds available to the institutions by **\$185.4 M**
- Institutions have identified **\$33.3 M** in costs that are pandemic related but not eligible for reimbursement

Sources: Department of Education, Higher Education Relief Fund Allocations; Campus Chief Budget Officers, COVID-19 Costs and Foregone Revenue.



**TITLE:** Workforce Development Trust Fund Distribution

**DESCRIPTION:** CPE staff will provide an update on the activities since the approval of the guidelines governing the distribution of the Workforce Development Trust Funds.

**PRESENTERS:** Shaun McKiernan, Executive Director of Finance and Budget, CPE  
Bill Payne, Vice President for Finance and Administration, CPE

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### **SUPPORTING INFORMATION**

At the June 14 meeting of the Finance Committee, members endorsed guidelines governing the distribution among KCTCS institutions of \$2,225,000 appropriated to the Workforce Development Trust Fund (WDTF) in fiscal year 2022-23 (22 RS, HB 1). The full Council approved the guidelines with no changes on June 16.

The guidelines outline the process for allocating workforce development funds among KCTCS institutions and specify that the funds will be used to increase credential production capacity and address identified supply gaps and support program offerings in targeted industry sectors, including healthcare, transportation and logistics, advanced manufacturing, business services and information technology, and construction and trades. Based on Kentucky Center for Statistics (KYSTATS) data, these sectors are projected to have increases in annual job demand that exceed the number of KCTCS graduates in related fields, creating supply gaps.

As required in the guidelines, the KCTCS system office requested an application from each community and technical college, and a selection committee, comprised of five Chief Academic Officers, two system office staff, and the Chancellor, reviewed the applications and made a funding recommendation to the KCTCS president. KCTCS officials instructed the institutions to limit the scope of proposed projects to \$200,000 or less.

A list of proposed projects and award amounts by institution is provided.

Kentucky Community and Technical College System  
2022-24 Workforce Development Trust Fund Awards

<u>College</u>	<u>Project Name</u>	<u>Award Amount</u>
Ashland	Short-Term Healthcare Programs	\$103,651
Big Sandy	Commercial Truck Driving	168,612
Bluegrass	Commercial Drivers License (CDLA I)	184,612
Elizabethtown	Gear-Up Pilot Program	176,612
Gateway	Utility Lineworker Program Expansion	100,000
Hazard	High-Demand / Short-Term Certificates	176,612
Henderson	Housing Authority Partnership	152,612
Hopkinsville	AC & Diesel Technology	140,609
Jefferson	Capacity Building in Technical Trades	162,276
Madisonville	CDL & Lineworker Expansion	164,952
Maysville	Computerized Manufacturing & Machining	136,612
Owensboro	Competency-Based Education	152,612
Somerset	Logistics & CDLA I	160,612
Southcentral KY	Medical Laboratory Technology	100,000
Southeast KY	Certified Nursing Ass't to KY Medication Aide	144,612
	Total Awarded	\$2,225,000

As can be seen in the table, 15 out of 16 KCTCS institutions submitted an application. West Kentucky Community and Technical College was the only two-year college that did not submit an application.

On July 11, 2022, system office staff sent a funding request, along with supporting documentation, to CPE for review and approval. Those proposals included information such as planned program expenditures, the anticipated impact of program funding on student enrollment and credential production, and workforce shortage areas addressed. CPE staff reviewed the proposals from each institution, determined that they complied with Council guidelines, and notified KCTCS that their funding request was approved.

Institutions proposed a variety of uses for the workforce development fund.

- Existing programs – Six projects will address personnel and equipment needs, allowing existing programs to offer more courses and serve more students (e.g., the purchase of an additional truck or trailer to offer more commercial driver's license courses).
- Additional locations – Three projects will allow a new program to be offered in an existing location or move an existing program to a new location.
- New programs – Three projects will support equipment and other needs to establish new, high-priority programs at KCTCS institutions.

- Student recruiting and success – Two projects will allow KCTCS staff to work with community partners to serve more students. One of these projects will entail collaboration with the local housing authority to better serve students who live in public housing.
- Competency-based education – One project will leverage federal funds to implement accelerated, competency-based and credit-for-prior-learning instructional models.

KCTCS anticipates that funding for these workforce development initiatives will lead to significant additional credentials in the years ahead. KCTCS staff are in the process of identifying baselines and estimating the impact this funding will have on Kentucky's workforce. Attached is a table that provides preliminary summary information on each of these KCTCS projects.

Kentucky Community and Technical College System  
2022-24 Workforce Development Trust Fund Awards to KCTCS Institutions

**DRAFT**

Baseline and credential increase figures to be finalized

College	Project Name	Award Amount	Early Estimates of Additional Credentials	Project Code	Project Description	Targeted Industry Sector/s
Ashland	Short-Term Healthcare Programs	\$103,651	285	EP	Expansion of existing programs (instructor and equipment)	Healthcare
Big Sandy	Commercial Truck Driving	168,612	128	EP	Expansion of existing program (instructor and equipment)	Transportation
Bluegrass	Commercial Drivers License (CDLA I)	184,612	81	EP	Expansion of existing program (instructor and equipment)	Transportation
Elizabethtown	Gear-Up Pilot Program	176,612	226	IE	Promote enrollment with community engagement (director, marketing)	ALL
Gateway	Utility Lineworker Program Expansion	100,000	32	NS	Additional practice site (instructor and equipment)	Skilled Trades
Hazard	High-Demand / Short-Term Certificates	176,612	TBD	EP	Expansion of 8 certificates across 4 programs (personnel, equipment, materials, marketing)	ALL
Henderson	Housing Authority Partnership	152,612	82	IE	Instructors, wraparound services for housing authority students in welding, healthcare	Skilled Trades, Healthcare
Hopkinsville	AC & Diesel Technology	140,609	34	SNP	New AC certificate, re-start Diesel assoc. (equipment, materials, some personnel)	Skilled Trades
Jefferson	Capacity Building in Technical Trades	162,276	TBD	EP	Additional cohorts for welding, CDL and KMA/CNA (instructors, equipment, materials)	Skilled Trades, Transportation, Healthcare
Madisonville	CDL & Lineworker Expansion	164,952	207	EP	Expansion of existing programs (instructors and equipment)	Skilled Trades, Transportation, Health
Maysville	Computerized Manufacturing & Machining	136,612	30	NS	Relocation and expansion of existing program (equipment)	Advanced Manufacturing, Skilled Trades
Owensboro	Competency-Based Education	152,612	114	INM	Implement accelerated competency-based model (personnel, equipment, other)	Advanced Manufacturing, Skilled Trades
Somerset	Logistics & CDLA I	160,612	60	SNP	New business logistics program, expansion of CDLA 1 certificate program (personnel, equipment, marketing)	Transportation and Logistics
Southcentral KY	Medical Laboratory Technology	100,000	10	SNP	New program (equipment, personnel)	Healthcare
Southeast KY	Certified Nursing Ass't to KY Medication Aide	144,612	TBD	NS	Expansion of existing programs to new Knox County campus (instructor, equipment, marketing)	Healthcare
Total Awarded/ Estimate of Add'l Credentials		<u>\$2,225,000</u>	<u>TBD</u>			

Project Code	
EP	Expand Existing Program
IE	Increase Enrollment
NS	New Site
SNP	Support New Program
INM	Implement New Model



# Workforce Development Trust Fund

# Workforce Development Trust Fund

## *Program Funds*

- The enacted state budget (HB 1) appropriated **\$2,225,000** in fiscal year 2022-23 to the Workforce Development Trust Fund
- The bill requires funds to be used to “increase credential production capacity for identified supply gaps and support program offerings in targeted industry sectors” (p. 124, HB 1).
- CPE staff worked with KCTCS to develop program guidelines
- The Council approved the guidelines at their June 17 meeting

# Workforce Development Trust Fund

## *Uses of Funds*

- Workforce funds must be used to establish new programs or expand existing programs in the following industry sectors:
  - 1) healthcare
  - 2) advanced manufacturing
  - 3) transportation and logistics
  - 4) business services and information technology
  - 5) construction and trades
- Funds may be used to support faculty positions, purchase equipment and supplies, develop or evaluate curriculum, or defray marketing expenses

# Workforce Development Trust Fund

## *Proposed Projects*

**Ashland** – Program Expansion: Electrocardiogram Technician, Medicaid Nurse Aide, Phlebotomy for the Healthcare Worker, Ky Medication Aide, and Certified Medical Technician. Uses of funding include hiring an additional healthcare instructor, equipment purchase, and marketing.

**Big Sandy** – Program Expansion: Allows institution to double Commercial Driver License (CDL) capacity from 40 to 80 graduates per year. Uses of funds include hiring an additional instructor and purchasing a semi-trailer truck.

**Bluegrass** – New Program: Helps establish new CDL program at Bluegrass. Uses of funding include purchasing equipment and supplies and hiring an additional instructor.

**Elizabethtown** – Student Recruitment: Supports Gear Up pilot, which uses interactive approach to recruit students into advanced manufacturing. Local school district and employer support. Uses of funding include hiring a program director/recruiter and part-time instructors, marketing, and providing externship stipends.

**Gateway** – Program Expansion: Grow Utility Line program capacity from 15 to 24 students per semester by adding a practice site and making more courses available. Uses of funding include the purchase of lab equipment and salaries.



# Workforce Development Trust Fund

## *Proposed Projects (Cont'd)*

**Hazard** – Program Expansion: Expand High Demand Short Term Certificate programs: Utility Worker, Machine Operator, KY Medicaid Nurse Aide, and Computer Technician. Uses of funding includes hiring additional instructors, purchasing equipment and materials, and marketing.

**Henderson** – Student Access & Success: Housing Authority partnership will provide students living in public housing greater access to welding and certified nurse aide certificates. Uses of funding includes personnel costs related to advising, transportation, career services, and translation services.

**Hopkinsville** – New Programs: Funding will support the new AC Technology and restarting Diesel Technology programs. Uses of funding includes equipment, materials, and personnel.

**Jefferson** – Program Expansion: Technical trades project will expand CDL, welding, and Certified Nurse Assistant/Ky Medication Aid. Partners with local employers. Uses of funding includes personnel, equipment, and materials.

**Madisonville** – Program Expansion: Allows increased capacity for CDL and Utility Lineman programs. Uses of funding includes personnel, marketing, and equipment.

# Workforce Development Trust Fund

## *Proposed Projects (Cont'd)*

**Maysville** – Program Expansion: Computerized Manufacturing and Machining Technology Program will expand program to Maysville campus. Uses of funding to include purchase of equipment.

**Owensboro** – New Delivery Model: Industrial Electrician Trainee, Maintenance Robotics Technician, Integrated Manufacturing Technologies, Industrial Maintenance Electrical Mechanic, Industrial Maintenance Mechanic, and Gas Welder will all be developed into competency-based education modules. Builds on work funded with federal grant. Uses of funding to include professional development and instructional design.

**Somerset** – New Program and Program Expansion: Support for new logistics program and CDL expansion to Laurel campus. Uses of funding to include personnel, equipment, and marketing.

**Southcentral** – New Program: Support new Medical Laboratory Technology program. Uses of funding to include equipment and some personnel.

**Southeast** – Program Expansion: CNA to KMA Mobility – including and expansion of CNA to new Knox County campus will fill void for long-term care facilities and hospitals. Uses of funding to include personnel, equipment, and marketing.

# Workforce Development Trust Fund

## *Distribution of Program Funds*

### Kentucky Community and Technical College System 2022-24 Workforce Development Trust Fund Awards

<u>College</u>	<u>Project Name</u>	<u>Award Amount</u>
Ashland	Short-Term Healthcare Programs	\$103,651
Big Sandy	Commercial Truck Driving	168,612
Bluegrass	Commercial Drivers License (CDLA I)	184,612
Elizabethtown	Gear-Up Pilot Program	176,612
Gateway	Utility Lineworker Program Expansion	100,000
Hazard	High-Demand / Short-Term Certificates	176,612
Henderson	Housing Authority Partnership	152,612
Hopkinsville	AC & Diesel Technology	140,609
Jefferson	Capacity Building in Technical Trades	162,276
Madisonville	CDL & Lineworker Expansion	164,952
Maysville	Computerized Manufacturing & Machining	136,612
Owensboro	Competency-Based Education	152,612
Somerset	Logistics & CDLA I	160,612
Southcentral KY	Medical Laboratory Technology	100,000
Southeast KY	Certified Nursing Ass't to KY Medication Aide	144,612
	Total Awarded	<u>\$2,225,000</u>

# Workforce Development Trust Fund


## *Review and Approval Process*

As set forth in the 2022-24 Workforce Development Trust Fund Guidelines:

- KCTCS colleges submitted funding proposals to the Chancellor's Office
- A selection committee of five Chief Academic Officers, two system office staff, and the Chancellor reviewed the proposals
- The committee made funding recommendations to the KCTCS president, who requested final approval from CPE staff

CPE staff reviewed college proposals and determined that they met Council guidelines

Funds will be transferred to KCTCS later this quarter



# Strategic Agenda Implementation Projects (Finance Unit)

# Strategic Agenda Implementation Projects

## *Strategic Priority: Affordability*

### *Strategy 1.a.*

- Work with campuses, stakeholders and other state leaders to increase access to grants and scholarships for low- and middle-income students

<b>Project</b>	<b>Priority</b>	<b>Action Steps</b>	<b>Timeline</b>
Unmet Financial Need	High	<ul style="list-style-type: none"><li>• Identify unmet financial need thresholds at each public university and KCTCS</li><li>• Conduct research on best practice approaches for developing completion grant programs</li><li>• Recommend strategies for encouraging institutions to provide completion grants</li></ul>	Dec 2022

# Strategic Agenda Implementation Projects

## Strategic Priority: Affordability (Cont'd)

### Strategy 1.b.

- Moderate increases in tuition and mandatory fees at Kentucky's public colleges and universities

Project	Priority	Action Steps	Timeline
Nonresident Student Tuition Policy	High	<ul style="list-style-type: none"> <li>• Assess impacts of nonresident tuition MOUs on nonresident student enrollment</li> <li>• Determine percent of nonresident students at each institution who stay in state after graduation</li> <li>• Make recommendations regarding nonresident student tuition policy</li> </ul>	Dec 2022
Funding Adequacy	High	<ul style="list-style-type: none"> <li>• Review funding components to determine if state institutions are adequately and equitably funded</li> <li>• Compare sector tuition differentials across states</li> </ul>	Dec 2022

# Strategic Agenda Implementation Projects

## *Strategic Priority: Affordability (Cont'd)*

### *Strategy 1.c.*

- Increase opportunities for institutional collaboration to reduce campus expenditures and limit increases in college costs

<b>Project</b>	<b>Priority</b>	<b>Action Steps</b>	<b>Timeline</b>
Efficient and Effective Use of Resources	Medium High	<ul style="list-style-type: none"> <li>• Conduct analyses to determine if institutions are making efficient and effective use of resources</li> <li>• Using trend analysis and peer group comparison of degrees per 100 FTE and E&amp;R expense data</li> <li>• Summarize findings and make recommendations</li> </ul>	Mar 2023
Cost Containment Efforts	Medium	<ul style="list-style-type: none"> <li>• Document current strategies, programs, and collaborative efforts to contain costs</li> <li>• Ensure that purchasing directors maintain open lines of communication to facilitate collaboration</li> </ul>	Jun 2023



# Performance Funding Model Review

## *Working Group Preparation*

### *Objective:*

- Determine if the funding model is functioning as expected, identify any unintended consequences, and recommend any adjustments

<b>Project</b>	<b>Priority</b>	<b>Action Steps</b>	<b>Timeline</b>
Funding Model Review	High	<ul style="list-style-type: none"><li>• Survey campus officials to identify model limitations and proposed adjustments</li><li>• Analyze financial impacts of funding model distributions by institution and sector</li><li>• Evaluate effectiveness of current model metrics and weights in achieving targeted outcomes</li><li>• Facilitate discussions among campus officials to identify areas of agreement for change</li></ul>	Dec 2022