

MEETING MINUTES

Approved by the Finance Committee, September 8, 2025

Who: Kentucky Council on Postsecondary Education
Meeting Type: Finance Committee
Date: June 9, 2025
Time: 1:00 p.m. ET
Location: Virtual Meeting via ZOOM Webinar

CALL TO ORDER

The Finance Committee met Monday, June 9, 2025, at 1:00 p.m., ET. The meeting occurred virtually via ZOOM webinar. Chair Madison Silvert presided.

ROLL CALL

Committee members who attended the meeting: Lindsey Case, Jennifer Collins, Kellie Ellis, Madison Silvert, and Macy Waddle. Jacob Brown and Elaine Walker did not attend.

Heather Faesy, CPE program manager, served as recorder of the meeting minutes.

CPE PRESIDENT REPORT

Dr. Aaron Thompson, CPE President, provided a brief update to the Committee that included comments regarding the Council's commitment to ensuring all students have access to a quality postsecondary experience. He also updated the committee on that status of federal Pell grant and GEAR UP funding

APPROVAL OF THE MINUTES

The minutes of the April 14, 2025, Finance Committee meeting were approved as presented.

REVISION TO TUITION AND MANDATORY FEE POLICY

Dr. Bill Payne, CPE's Vice President of Finance Policy and Programs, presented the proposed revisions to the Tuition and Mandatory Fee Policy for Academic Year 2025-26. Staff identified two primary areas for revision: (1) alignment of policy and practice by way of eliminating the Council's Special Use Fee Exception Policy and the Asset Preservation Fee Exception Policy; and (2) the inclusion of a clear, consistent definition for mandatory fees that will be applied by the Council and CPE staff when reviewing or evaluating mandatory fees at the institutions. If approved, the proposed revisions would provide greater transparency and improved clarity around mandatory fees and their associated approval

policies. Additionally, the alignment between policy and practice, with regard to the existing fee exception policies, will clarify the process for institutions seeking to implement new mandatory fees.

MOTION: Dr. Ellis moved the Finance Committee endorse for Council approval the proposed revisions to the Tuition and Mandatory Fee Policy for Academic Year 2025-26. Ms. Waddle seconded the motion.

VOTE: The motion passed.

TUITION AND MANDATORY FEES PROPOSALS, ACADEMIC YEAR 2025-26

Dr. Payne presented the tuition and mandatory fee proposals for academic year 2025-26 received from Eastern Kentucky University, Murray State University and Western Kentucky University.

On April 17, 2025, the Council approved tuition and mandatory fee ceilings for academic years 2025-26 and 2026-27. Included among parameters adopted at that meeting were requirements that increases in resident undergraduate base rates not exceed \$450.00 in any one year at the research universities, not exceed \$420.00 in any one year at the comprehensive universities and not exceed \$6.00 per credit hour in any one year at KCTCS institutions.

Three campuses presented their proposed rates for the 2025-26 academic year, all of which complied with Council-approved parameters.

- 1) Eastern Kentucky University:
 - a. Resident undergraduate students - \$420 increase (4.2%)
 - b. Non-resident undergraduate students - \$8,930 decrease (-42.7%)
 - c. Resident graduate student - \$24 per credit hour increase (4.1%)
 - d. Non-resident graduate student - \$33 per credit hour increase (4.1%)
- 2) Murray State University:
 - a. Resident undergraduate students - \$420 increase (4.2%)
 - b. Non-resident undergraduate students - \$840 increase (4.2%)
 - c. Resident graduate student - \$25 per credit hour increase (4.2%)
 - d. Non-resident graduate student - \$25 per credit hour increase (4.2%)
- 3) Western Kentucky University
 - a. Resident undergraduate students - \$420 increase (3.7%)
 - b. Non-resident undergraduate students – no change
 - c. Resident graduate student - no change
 - d. Non-resident graduate student - no change

MOTION: Dr. Ellis moved the Finance Committee endorse for Council approval the proposed tuition and mandatory fees for academic year 2025-26 received from Eastern

Kentucky University, Murray State University and Western Kentucky University. Ms. Waddle seconded the motion.

VOTE: The motion passed.

DELEGATION OF AUTHORITY REQUEST

Mr. Adam Blevins, Associate Director of Finance Policy and Programs, presented the staff's recommendation to delegate authority to the CPE President to approve tuition and fee proposals submitted by the University of Kentucky, University of Louisville, Kentucky State University, Morehead State University, Northern Kentucky University, and Kentucky Community and Technical College, provided they comply with previously approved Council parameters.

For the upcoming academic year, campus officials at the six institutions informed staff that their respective governing boards wouldn't meet to approve tuition and fee rates until after the Finance Committee's June 9, 2025, meeting. If the staff recommendation is approved, the action would allow the identified universities and KCTCS to have their tuition and fee rates approved much earlier than the Council's next meeting on September 12, 2025.

MOTION: Dr. Ellis moved the Finance Committee endorse for Council approval staff's recommendation to delegate authority to the CPE President to approve tuition and fee proposals of the six identified institutions provided they comply with Council parameters. Ms. Waddle seconded the motion.

VOTE: The motion passed.

TUITION RECIPROCITY AGREEMENTS – INDIANA, OHIO AND WEST VIRGINIA

Mr. Brent Floyd, Senior Associate of Finance Policy and Programs, presented the following tuition reciprocity agreements for approval, all of which had minor changes from previous iterations:

- Renewal of the Kentucky/Indiana Reciprocity Agreement for four years, from July 1, 2025, through June 30, 2029.
- Renewal of three agreements between Ohio/Kentucky for two years from July 1, 2025, through June 30, 2027.
- Renewal of West Virginia/Kentucky agreement for two years from July 1, 2025, through June 30, 2027.

In all cases, Kentucky students benefit from these agreements by allowing reduced tuition in the identified regions as well as unnecessary duplication of academic programs by both institutions.

MOTION: Ms. Waddle moved that the Finance Committee endorse for Council approval the proposed renewal of tuition reciprocity agreements with Ohio, Indiana, and West Virginia. Dr. Ellis seconded the motion.

VOTE: The motion passed.

2025-26 DISTRIBUTION OF PERFORMANCE FUNDS

Dr. Payne provided an update on the university and KCTCS funding models, including the recommendations of the 2024 performance funding work group and subsequent changes to the funding models, the resulting distribution of 2025-26 performance funds, and follow-up analyses. Overall, staff observed that four universities achieved higher than average growth rates on six or more metrics (out of 11), and specifically, KSU was recognized as being on a positive growth trend for exceeding growth rates the past two years.

PRELIMINARY 2026-28 BUDGET PRIORITY ITEMS

Dr. Payne presented an update on the 2026-2028 biennial budget development process. The Council's budget recommendation for postsecondary education must be submitted to the Office of State Budget Director (OSBD) by no later than close of business October 1, 2025. Staff will present the final version for Council approval at its September 12, meeting.

ADJOURNMENT

The Finance Committee adjourned at 2:25 p.m., ET.