

BOARD OF REGENTS
for
KENTUCKY STATE UNIVERSITY



Special Called Meeting of the Board of Regents

Monday, June 27, 2022

10:00 a.m.

2nd Floor Julian M. Carroll

Academic Service Building

Frankfort, Kentucky 40601

**KENTUCKY STATE UNIVERSITY BOARD OF REGENTS
SPECIAL CALLED MEETING**

***** Meeting Will be Conducted by Teleconference*****

Monday, June 27, 2022

10:00 a.m.

Board of Regents Room
2nd Floor Julian M. Carroll Academic Services Building
Frankfort, Kentucky 40601
(Primary Physical Location)

Zoom Link: <https://ksu.zoom.us/j/95668974549>

Webinar ID: 956 6897 4549

Phone One-Tap: US: +13017158592,,95668974549# or +13126266799,,95668974549#

AGENDA

- | | |
|---|--|
| 1. Call to Order | Regent Dr. Gerald Patton
Board Chair |
| 2. Roll Call | Ms. Elise Borne
Board Secretary |
| 3. Approval of Agenda | Chair Patton |
| 4. Action Items | |
| A. <i>Approval of Church Mutual Commercial Auto Insurance Renewal</i> | Dr. Gerald Shields
Vice President of Finance and Administration/CFO |
| B. <i>Approval of KEMI Worker's Compensation Insurance Renewal</i> | Dr. Gerald Shields |
| C. <i>Approval of United Educators General Liability and Umbrella/Excess Liability Insurance Renewal</i> | Dr. Gerald Shields |
| D. <i>Approval of RSUI Directors and Officers, Employment Practice, and Educators Legal Liability Insurance</i> | Dr. Gerald Shields |
| E. <i>Approval of FY 2022-2023 Operating E&G (unrestricted) Budget</i> | Dr. Gerald Shields |
| F. <i>Approval of FY 2022-2023 Tuition & Fees and Rescind Thorobred Promise Tuition Program</i> | Dr. Gerald Shields |
| 5. Closed Session | Chair Patton |
| A. <i>Individual personnel matters pursuant to KRS 61.810(1)(f)—finalist interviews for the position of Interim President</i> | |
| 6. Public Actions | Chair Patton |
| A. <i>Approval of Interim President Appointment</i> | |
| 7. Closing Remarks | Chair Patton |
| 8. Adjournment | Chair Patton |
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KENTUCKY STATE UNIVERSITY BOARD OF REGENTS

ACTION ITEM 4A

ACTION ITEM:

Approval of Church Mutual Commercial Auto Insurance Renewal.

FACTS:

Church Mutual has been the University's insurer for auto coverage since 2013. The current policy expires 6/30/2022. The renewal rate for FY 22-23 is quoted \$4,134.00 lower than FY 21-22 rates.

BUDGETARY IMPLICATIONS:

Total amount for FY 22-23 Commercial Auto Policy for KSU is \$64,614.00. Church Mutual requires a 30% down payment (\$19,384.20) at the time of binding, with ten direct billed installments (\$4,522.98 each). Funds for this expense have been budgeted.

RECOMMENDATION:

VP/CFO Shields recommends that the Board of Regents approve the Church Mutual Automobile Insurance Renewal.

MOTION:

Approve Church Mutual Commercial Auto Insurance Renewal.



Insurer	Church Mutual Expiring	Church Mutual Renewal
A.M. Best Rating	A X	A X
Annual Premium	\$68,748	\$64,614

- Premiums do not include taxes, if applicable
- Expiring premium includes annualized mid-term endorsement premiums

Expiring Exposures: 127 Autos-@ inception-annualized
 Renewal Exposures: 129 Autos

Average Cost Per Vehicle – Expiring - \$541
 Average Cost Per Vehicle – Renewal - \$501

Benchmarks:

- \$58,501-premium for 93 units in 2012-last year with the Commonwealth’s program

Marketing Results:

1. **Amerisure**-declined-your class of business is outside of their target markets
2. **Liberty Mutual-Public Entity**-declined-said they could not compete with Church Mutual

Notes to quotations:

Church Mutual

- Premium Installment options are annual, semi-annual, quarterly and monthly; service charge is \$3 per installment; On-Line payments are also available



KENTUCKY STATE UNIVERSITY BOARD OF REGENTS

ACTION ITEM 4B

ACTION ITEM: Approval of KEMI Worker's Compensation Insurance Renewal.

FACTS:

Kentucky Employers Mutual Insurance Company (KEMI) has been the University's insurer for Worker's Compensation coverage since 2014. The current policy expires 6/30/2022. The renewal rate for FY 22-23 is quoted \$11,160.12 lower than FY 21-22.

BUDGETARY IMPLICATIONS:

Total amount for FY 22-23 Worker's Compensation Policy for KSU is \$51,649.88. KEMI requires a \$13,003.91 down payment at the time of binding, with nine direct billed installments until balance is paid in full. Funds for this expense have been budgeted.

RECOMMENDATION:

VP/CFO Shields recommends that the Board of Regents approve KEMI Worker's Compensation Insurance Renewal.

MOTION:

Approve KEMI Worker's Compensation Insurance Renewal.

June 6, 2022



00913
Kentucky State University
Attn Candice Raglin Director of HR
400 E Main St ASB-429A
Frankfort, KY 40601

Kentucky Employers Mutual Insurance
250 W Main Street, Suite 900
Lexington, KY 40507
www.kemi.com
859-425-7800 / 800-640-5364

Quote Date: June 6, 2022

	Legal Entity:	Other
Prospective Insured:	FEIN:	611099712
Name:	Kentucky State University	
Address:	Attn Candice Raglin Director of HR 400 E Main St ASB-429A	
City:	Frankfort, KY 40601	

Agency:	AssuredPartners NL Insurance LLC
Agent Number:	633
Address:	2305 River Rd
City:	Louisville, KY 40206
Phone:	(502)894-2100

Renewal Quote for Workers Compensation Coverage 398982- 07/01/2022-07/01/2023
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Proposed Effective Date: 07/01/2022 Proposed Expiration Date: 07/01/2023

Employer's Liability Limits:	Bodily Injury by Accident	\$1,000,000 each accident
(3.B)	Bodily Injury by Disease	\$1,000,000 policy limit
	Bodily Injury by Disease	\$1,000,000 each employee

00913200
00913

Quote for Workers Compensation Coverage 398982-- 07/01/2022-07/01/2023

7380-000	Drivers Chauffeurs & Their Helpers NOC - Commercial
8868-000	College: Professional Employees & Clerical
9101-000	College: All Other Employees

CLASS RATING AND MANUAL PREMIUM DETAIL	EXPOSURE	RATE	PREMIUM
Kentucky State University 07/01/2022 - 07/01/2023			
9101-000	1,229,315	2.16	\$26,553.00
7380-000	0	3.24	\$0.00
8868-000	21,457,310	.27	\$57,935.00

PREMIUM CALCULATION DETAIL	TYPE	FACTOR	AMOUNT
07/01/2022 - 07/01/2023	Total Manual Premium		\$84,488.00
	Employers Liability Limits	.011	\$929.00
	Total Subject Premium		\$85,417.00
	Experience Modification Premium	.680	-\$27,333.00
	Total Modified Premium		\$58,084.00
	Schedule Rating Premium	.830	-\$9,874.00
Final Estimate	Total Standard Premium		\$48,210.00
	Premium Discount		-\$4,710.00
	Expense Constant		\$260.00
	Terrorism Charge		\$2,269.00
	Catastrophe Charge		\$2,269.00
	Estimated Annual Premium		\$48,298.00
	Kentucky Special Fund Assessment		\$3,351.88
	Total Premium & Assessment		\$51,649.88

TOTAL ESTIMATED ANNUAL POLICY PREMIUM **\$51,649.88**

Payment Plan Eligibility: Ten-Payment Plan

Required Initial Installment Premium:

BILLING SCHEDULE BILL DATE	BILLING SCHEDULE BILL AMOUNT
05/27/2022	\$13,003.91
08/01/2022	\$4,297.44
09/01/2022	\$4,297.44
10/01/2022	\$4,297.44
11/01/2022	\$4,292.27
12/01/2022	\$4,292.27
01/01/2023	\$4,292.27

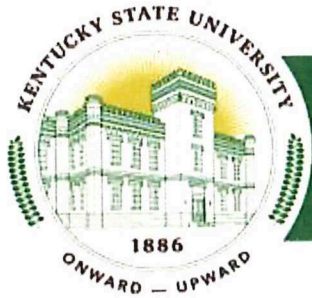


00913301
00913

BILLING SCHEDULE BILL DATE	BILLING SCHEDULE BILL AMOUNT
02/01/2023	\$4,292.27
03/01/2023	\$4,292.27
04/01/2023	\$4,292.30

This renewal quotation is based on the information provided by the expiring policy. Any changes in this information unknown at the time of this quotation could change the policy premium. Notify KEMI immediately of any and all changes. If not paid by the renewal date, coverage will expire.

cc: AssuredPartners NL Insurance LLC



KENTUCKY STATE UNIVERSITY BOARD OF REGENTS

ACTION ITEM 4C

ACTION ITEM:

Approval of United Educators General Liability and Umbrella/Excess Liability Insurance Renewal.

FACTS:

United Educators has been the University's insurer for General Liability since 2017 & Umbrella/Excess Liability since 1988. The current policy expires 6/30/2022.

BUDGETARY IMPLICATIONS:

The renewal rate for Primary General Liability is \$67,030.00. The renewal rate for the Umbrella/Excess Liability Insurance is \$60,514.00, for a grand total for FY 22-23 of \$127,544.00. Funds for this expense have been budgeted.

RECOMMENDATION:

VP/CFO Shields recommends that the Board of Regents approve United Educators General Liability and Umbrella/Excess Liability Insurance Renewal.

MOTION:

Approve United Educators General Liability and Umbrella/Excess Liability Insurance Renewal.

Insurance Program Summary

PREMIUM SUMMARY

PRIMARY GENERAL LIABILITY AND EXCESS LIABILITY

Insurer	United Educators <u>Expiring</u>	United Educators <u>Renewal</u>
Best Rating	A (IX)	A (IX)
GL deductible	\$25,000	\$25,000 (a) \$50,000 (b)
GL-\$1M/\$3M	\$60,387	\$67,030 (a) \$60,441 (b)
Excess Liability-\$15M	\$57,632	\$60,514
Total	\$118,019	\$127,544 (a) \$120,955 (b)

- *Premiums do not included taxes, other than the 3% Kentucky surplus lines tax on non-admitted insurers.*

Marketing responses-2022:

1. **Amerisure**-declined-your class of business is outside of their target markets
2. **Liberty Mutual-Public Entity**-declined

Notes to renewal quotations:

United Educators-primary GL

- **A Reciprocal Risk Retention Group insurer created and regulated under the Federal Risk Retention Group Act and is therefore not covered by the Kentucky State Guaranty Fund.**
- KSU is a founding Member or UE—since 1987
- Every year, UE’s Board of Directors evaluates its financial performance for the possibility of an annual dividend payment to members. For the third time in 11 years, based on the significant rise in claims costs, the company’s combined ratio (and no doubt due to concerns regarding the financial impact of COVID-19) and their cautious approach to surplus management, UE’s Board decided to withhold the annual dividend in 2021 & 2022 as a prudent surplus management measure. UE continues to allocate any net income to KSU’s subscriber savings account for eligible members
 - UE has paid KSU a dividend every year from 2011 through 2019. Total dividends paid to date are **\$18,487**.
 - Since 2008, UE has provided KSU with **\$3,000** in grant awards. We are advised this program is no longer active.
- UE’s Renewal Risk Management Premium Credit is **\$4,278** on the GL (\$25K deductible), **\$3,858** on the GL (\$50K deductible)
- The Medicare, Medicaid and SCHIP Extension Act of 2007 requires the Medicare Responsibility Reporting Entity (RRE) to report claim payments for medical services within the deductible directly to the Centers for Medicare and Medicaid Services (CMS). For the deductible, UE pays the deductible amount with KSU reimbursing UE. UE will be the Responsible Reporting Entity (RRE) and

will report the claim payments to the Centers for Medicare and Medicaid Services (CMS) as required.

- \$3,000,000 single General Aggregate Limit
- No charge for Terrorism coverage
- Per the underwriter, quotes are subject to:
 - Receipt of your 2021 audited financial statement. UE's reserves the right to amend their quoted terms if there are major concerns
 - As the cost to defend claims has risen significantly over the past 5 years coupled with social inflation, nuclear verdicts, litigation funding and plaintiff-friendly legal decisions, no later than 20 days prior to renewal, UE may re-evaluate KSU's loss experience and adjust the renewal terms if there are substantial changes.
 - The underwriter advises they might take underwriting action on the **2023** renewal if the following risk management items are not adequately addressed:
 - MVRs (Motor Vehicle Reports) should be checked at least every three years for all employees who regularly drive on institution-related business?
 - Regarding Motor Vehicle Records (MVRs), we expect all of our members to have written guidelines, such as a point system, to disqualify drivers with an unsatisfactory MVR. I've attached a Risk Management document that provides some additional information and we would need to have Kentucky State implement such guidelines.
 - UE expects that all 3rd parties that operate camps on campus be required to show proof of sexual molestation liability coverage with limits of at least \$1,000,000 and we will monitor their response to that question next renewal to determine if any underwriting action needs to take place.
 - On the Greek-letter Organizations section, is alcohol, hazing and sexual assault liability included in the GL policies that those organizations purchase? Or is it specifically excluded? Last year, the application states that Kentucky State does require proof of alcohol, hazing and sexual assault liability coverage but they answered "no" this year. UE does expect for that coverage to be either included in those organization's GL coverage or for a separate policy to be purchased.

United Educators Insurance Co-GLX (Excess Liability) policy

- UE's Renewal Risk Management Premium Credit is **\$3,863**
- No charge for Terrorism coverage
- Defense Costs remain inside Limit of Liability



KENTUCKY STATE UNIVERSITY BOARD OF REGENTS

ACTION ITEM 4D

ACTION ITEM:

Approval of RSUI Directors and Officers, Employment Practice, and Educators Legal Liability Insurance.

FACTS:

RSUI has provided KSU's Directors and Officers – Employment Practice – Educators Legal Liability coverage since FY 2010-2011.

BUDGETARY IMPLICATIONS:

Total amount for FY 22-23 Directors and Officers – Employment Practice – Educators Legal Liability coverage is \$92,460.00. Funds for this expense have been budgeted.

RECOMMENDATION:

VP/CFO Shields recommends that the Board of Regents approve RSUI Directors and Officers, Employment Practice, and Educators Legal Liability Insurance.

MOTION:

Approve RSUI Directors and Officers, Employment Practice, and Educators Legal Liability Insurance.



DIRECTORS & OFFICERS-EMPLOYMENT PRACTICE-EDUCATORS LEGAL LIABILITY

Insurer	RSUI <u>Expiring</u>	RSUI <u>Renewal</u>	
Best Rating	A+ XIV	A+ XIV	
Shared Limits	\$2,000,000	\$2,000,000	
SIR:			
D&O	\$150,000	\$150,000	
EPL	\$250,000	\$250,000	
Premium	\$84,370	\$92,460	

- Premiums do not include taxes, other than the 3% Kentucky surplus lines tax on non-admitted insurers.
- Reminder-as the current coverage is on a Claims Made & Reported form, any claims/demands or situations likely to give rise to a claim should be reported to RSUI no later than 6-30-22.

Expiring Exposures:

Total Employees: 690 FTE
 Number of Students:
 Full Time – 743
 Part Time – 137
 Assets – \$136,067,033 (2020)
 Revenues-\$70,865,041 (2020)

Renewal Exposures:

Total Employees: 714 FTE
 Number of Students:
 Full Time-not provided
 Part Time-not provided
 Assets –2021-unknown-audit not completed
 Revenues—2021-unknown-audit not completed

Benchmarks:

- premium was **\$57,687** with **\$100,000** deductible and **\$1,000,000** limits in 2003
- **\$153,970** in paid loss during the 2004/2005 period.
- Claim frequency by recent policy years:
 - 2021/2022 4 open
 - 2020/2021 2 open-including class action D&O suit; 1 closed
 - 2019/2020 4-with 2 closed
 - 2018/2019 16-2 open
 - 2017/2018 15-2 open-**\$198,954**
 - 2016/2017 3-2 open
 - 2015/2016 7-all closed-**\$175,000** paid loss
 - 2014/2015 4-with 3 open-**\$12,479** paid loss
 - 2013/2014 5-all closed-**\$236,654** paid loss
 - 2012/2013 9-all closed-**\$320,155** paid loss
 - 2011/2012 2-all closed
 - 2010/2011 5-all closed



Marketing Responses-2022:

1. **Berkshire Hathaway**—does not have an Educators Legal Liability endorsement which would thus be a reduction in coverage. Also, they are in the process of acquiring Alleghany Insurance Group—the owner of your incumbent insurer, RSUI
2. **Cincinnati-Educational Institutions Program**-declined-not a market for public universities
3. **Corvus-MGU for Accredited Specialty Ins Co (non-admitted, rated A- X; Randall & Quilter Investment Holdings, Ltd-Bermuda)**-declined-currently only a market for financial institutions
4. **Falcon Risk Services-MGA for HDI Global (owned by Talanx Group-3rd largest insurer in Germany)**-declined-not a market for educational institutions.

Notes to renewal quotations:

RSUI Indemnity Company (Alleghany Insurance Group)

- Alleghany is in the process of being acquired by **Berkshire Hathaway**. Their stockholders approved the sale on 6-9-22. Berkshire Hathaway is rated A++ XV by A.M. Best Company—their highest rating possible
- Prior to binding-Subject to:
 - 2021 audited financial statement
 - No Material Change in Risk



KENTUCKY STATE UNIVERSITY BOARD OF REGENTS

ACTION ITEM 4E

ACTION ITEM:

Approval of FY 2022-2023 Operating E&G (unrestricted) Budget.

FACTS:

Vice President/CFO Dr. Shields is submitting FY 2022-2023 Operating E&G (unrestricted) Budget. The budget has removed Land Grant restricted funds out of E&G Budget. Kentucky State University now seeks the approval from the Board of Regents.

BUDGETARY IMPLICATIONS:

The unit alignment is only a recommendation based on current year operations. Final alignment will be based off the President's final review and decision for each department.

RECOMMENDATION:

VP/CFO Shields recommends that the Board of Regents approve FY 2022-2023 Operating E&G (unrestricted) Budget.

MOTION:

Approve FY 2022-2023 Operating E&G (unrestricted) Budget.



Chief Finance Officer's Summary Reports for Board of Regents Meeting June 27th, 2022.

Mission Statement for Finance and Administration Division

The mission of the Finance and Administration Division within Kentucky State University is to provide timely, accurate, relevant, and meaningful financial information. And advice to the University community to support management decision-making and demonstrate fiscal responsibility, accountability, and regulatory compliance to the State and Commonwealth of Kentucky, Board of Regents, President, and University's constituents. The Finance and Administration Division will promote the efficient use and stewardship of the University resources. And compliance with laws, regulations, and reporting requirements through technical, financial, and analytical skills and expertise in accounting and financial knowledge.

KYSU has gone through significant personnel reductions throughout the campus. The losses, in particular, have severely impacted the Finance and Administration Division. The accounting staff has experienced notable resignations comprising the Controller, Accounting Supervisor, Grants Supervisor, and 2 Grants Accountants. Purchasing - Purchasing Manager, Buyer Associate, Travel Agent, and Payroll Manager (recently filled) add to the bombardment of Finance and Administration personnel losses. These staff reductions challenged the remaining staff's ability to support the University in service, accountability, and accuracy while trying to fill these open positions. The rehire for these positions has been limited, and many instances, lacks the qualifications specified for the jobs.

The chart of accounts in the Banner system is limited in its operational support within the University's use throughout the campus. Many Fund-Operation-Accounts-Programs (FOAPs) are not functional for the current year's active use for reporting. They are no longer aligned to support accurate reporting without a time-consuming detailed review of these FOAPs and correct assessment out of the Banner system.

The following is a series of financial reports produced for current year, and status, and next year's forecast:



Cash Position Report as of 6/3/2022:

			<u>Cash Position 06/03/22 Preliminary</u>
AVAILABLE CASH			
Fifth Third Accounts	\$	4,287,335.63	
Outstanding Checks	\$	(571,986.19)	
Total Cash Available			\$ 3,715,349.44
Draw Downs			
G5 (FDL & Pell)	\$	-	
			\$ -
Revenue Anticipation Loan			
			\$ -
Student Receivables	\$	1,771,532.60	
HEERF Funds			\$ 1,771,532.60
Total Cash			\$ 5,486,882.04
MONTHLY PAYROLL			
Employee Deductions			
Employer Deductions			
			\$ -
Federal Taxes	\$	(62,982.61)	
State Taxes	\$	(14,163.95)	
Local Taxes	\$	(5,737.43)	
			\$ (82,883.99)
Checks and Deposits - Net	\$	(260,258.79)	
			\$ (260,258.79)
Total Payroll			\$ (343,142.78)
EFT			
KERS Non-Hazardous Monthly Payment			\$ (201,107.00)
INVOICES NO-PO	\$	(66,442.57)	
FY22 GRANT & STATE MATCH	\$	(766,331.83)	



FY22 NON GRANT	\$	(217,481.91)	
TOTAL GRANT AND NON GRANT INVOICE			\$ (1,050,256.31)

Direct Pays			
STUDENT REFUNDS	\$	-	
Credit Payments			
AMERICAN EXPRESS	\$	(13,861.52)	
5/3 CORP CREDIT CARD	\$	-	
DINERS CLUB CARD	\$	(42,290.21)	

Total Direct Pays/Credit Card Payments			\$ (56,151.73)
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PAYABLES AGING			
0-30	\$	(576,017.28)	
31-60	\$	(395,228.63)	
61-90	\$	(9,432.11)	
91-120	\$	(3,135.72)	
120+			
TOTAL*	\$	(983,813.74)	

TOTAL			\$ 3,836,224.22
minus student account receivables	\$		1,771,532.60
minus asset preservation funds	\$		1,600,000.00
Available Cash Assessable	\$		464,691.62



E&G (unrestricted) Budget FY 21-22

Kentucky State University
FY22 Budget to Actual -E&G

Sources of Revenue	Board Approved Budget FY21/22	Actual 05/31/2022	Percent Encumbered
State Appropriation*	\$ 18,975,700.00	\$ 19,175,700.00	101%
Tuition and Mandatory Fees***	\$ 15,666,000.00	\$ 16,603,647.00	106%
Non-Mandatory Fees***	\$ 675,000.00	\$ 460,687.00	68%
Less Tuition Discount	\$ -	\$ (2,219,788.00)	0%
Less Student Accounts Receivable	\$ -	\$ (1,155,199.16)	0%
Employee Parking	\$ 30,000.00	\$ 38,770.00	129%
Interest Income	\$ 10,586.00	\$ 279.00	3%
Indirect Cost Recovery	\$ 400,000.00	\$ 233,353.00	58%
Auxiliary Enterprise***	\$ 6,021,000.00	\$ 7,455,733.00	124%
Total Sources of Revenue:	\$ 41,778,286.00	\$ 40,593,181.84	97%

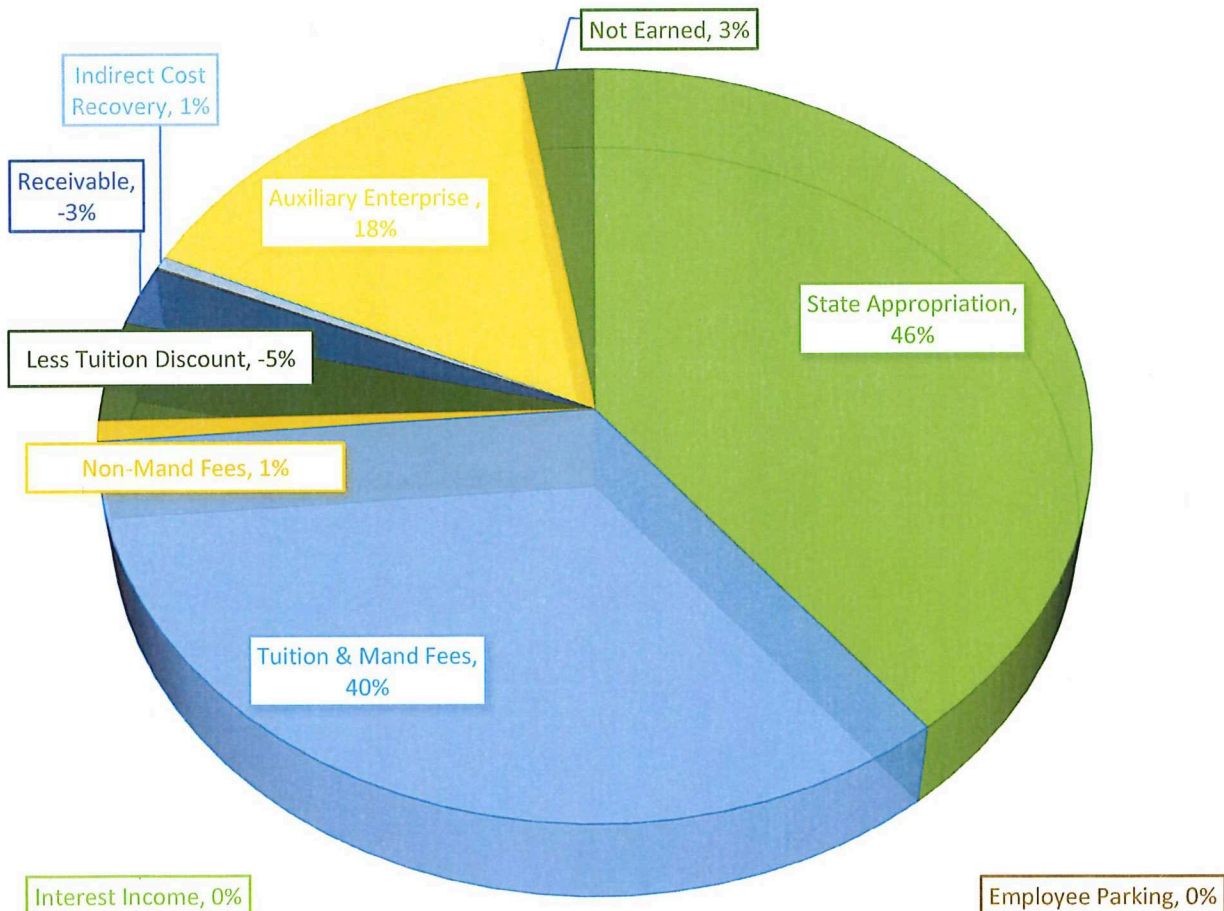
Expenditures by Unit	Board Approved Budget FY21/22	Actual As of 05/31/2022	Variance %
Academic Affairs**	\$ 12,324,810.00	\$ 11,436,347.00	93%
Auxiliary Services	\$ 4,094,663.00	\$ 5,348,815.00	131%
Board of Regents	\$ 510,824.00	\$ 177,890.00	35%
Brand Identity & University Relations	\$ 1,166,214.00	\$ 1,077,496.00	92%
Campus Athletics	\$ 2,126,674.00	\$ 2,247,173.00	106%
Facilities and Infrastructure	\$ 4,789,436.00	\$ 5,462,247.00	114%
Finance and Administration	\$ 11,296,520.00	\$ 7,803,406.00	69%
Office of General Counsel	\$ 586,019.00	\$ 629,382.00	107%
The President's Office	\$ 826,610.00	\$ 713,495.00	86%
Student Engagement/Campus Life	\$ 2,178,577.00	\$ 2,314,908.00	106%
Student Success	\$ 1,877,939.00	\$ 1,389,860.00	74%
Total Expenditures Operations:	\$ 41,778,286.00	\$ 38,601,019.00	92%

Profit over Expenses	\$ 1,992,162.84
Contingency & Reserve Funds	\$ -
Total Recommended Budget:	

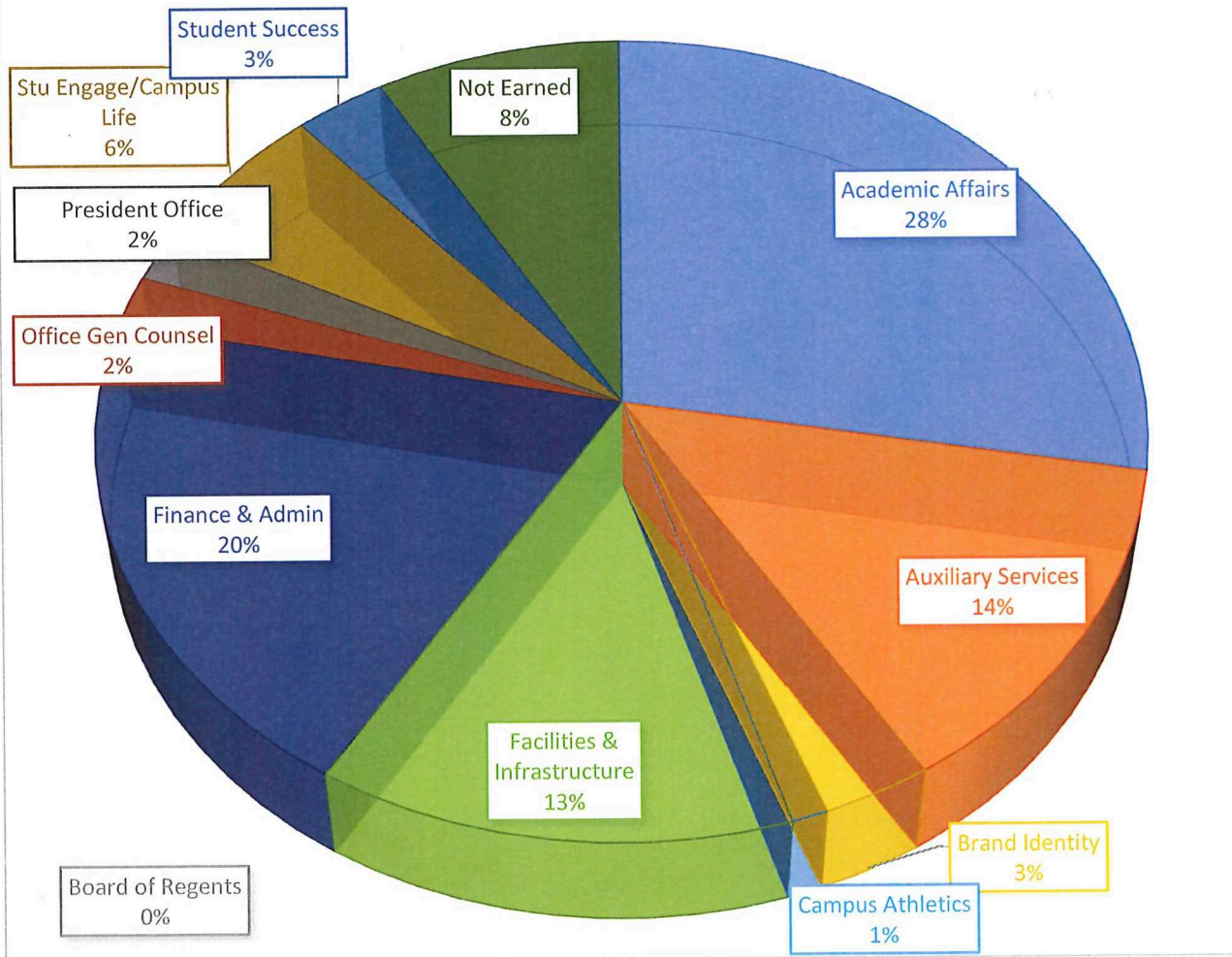


- *Removed Restricted State Appropriation Revenue funds of \$9,930,000 for FY23
- * Removed Restricted State Appropriation Revenue funds of \$8,210,400 for FY22
- ** Removed Land Grant expenses From the Academic Affairs Budget
- ***Tuition/Mandatory Fees(\$16,603,647), Non-Mandatory Fee (\$460,687) and Auxiliary Enterprise (\$7,455,733) Equate to Total Tuition and Fees (\$24,520,067) within the Sources of Revenue - 5/31/22
- ****Less Tuition Discount (scholarships) Average tuition discounts and scholarships are between \$3.5 million - \$4 million annually
- ****Less Student Accounts Receivables - Unpaid student receivables at the end of the fiscal year
- Other institutional aid allows KSU to reduce it's expenses by \$1.5 million - \$2 million annually

SOURCES OF REVENUE BUDGET TO ACTUAL FY 21-22



EXPENDITURES BY UNIT BUDGET TO ACTUAL FY 21-22

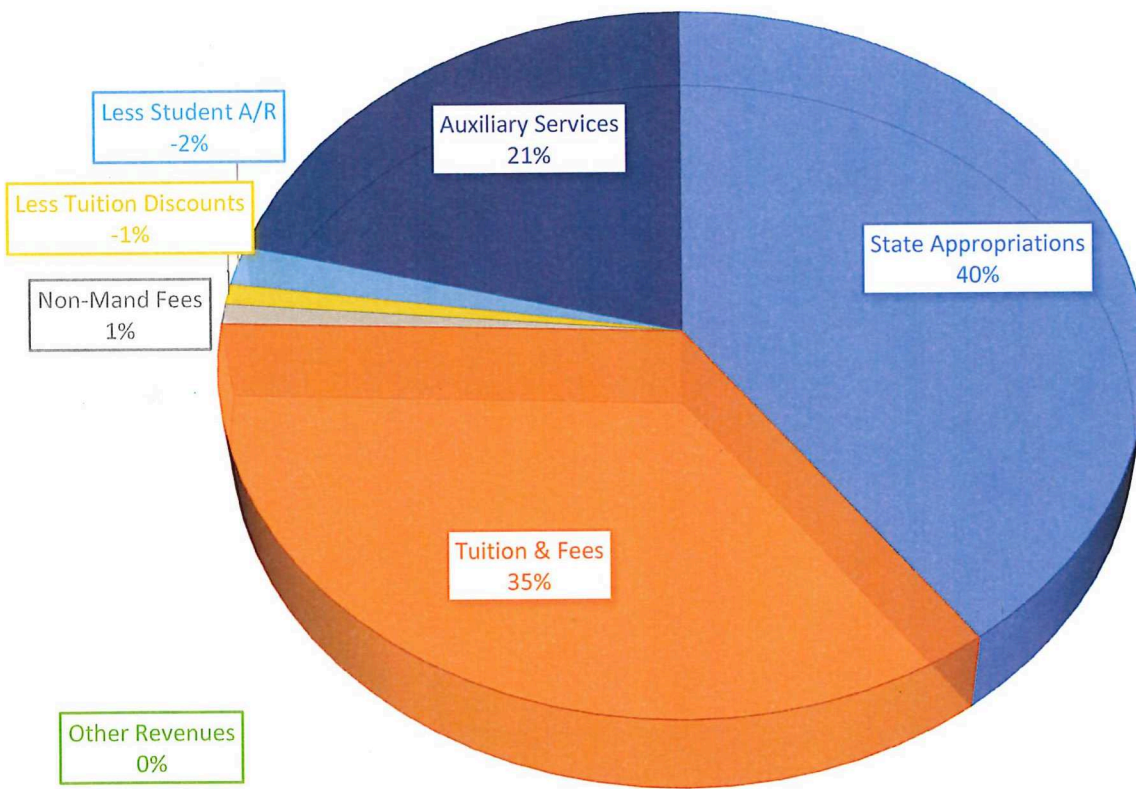




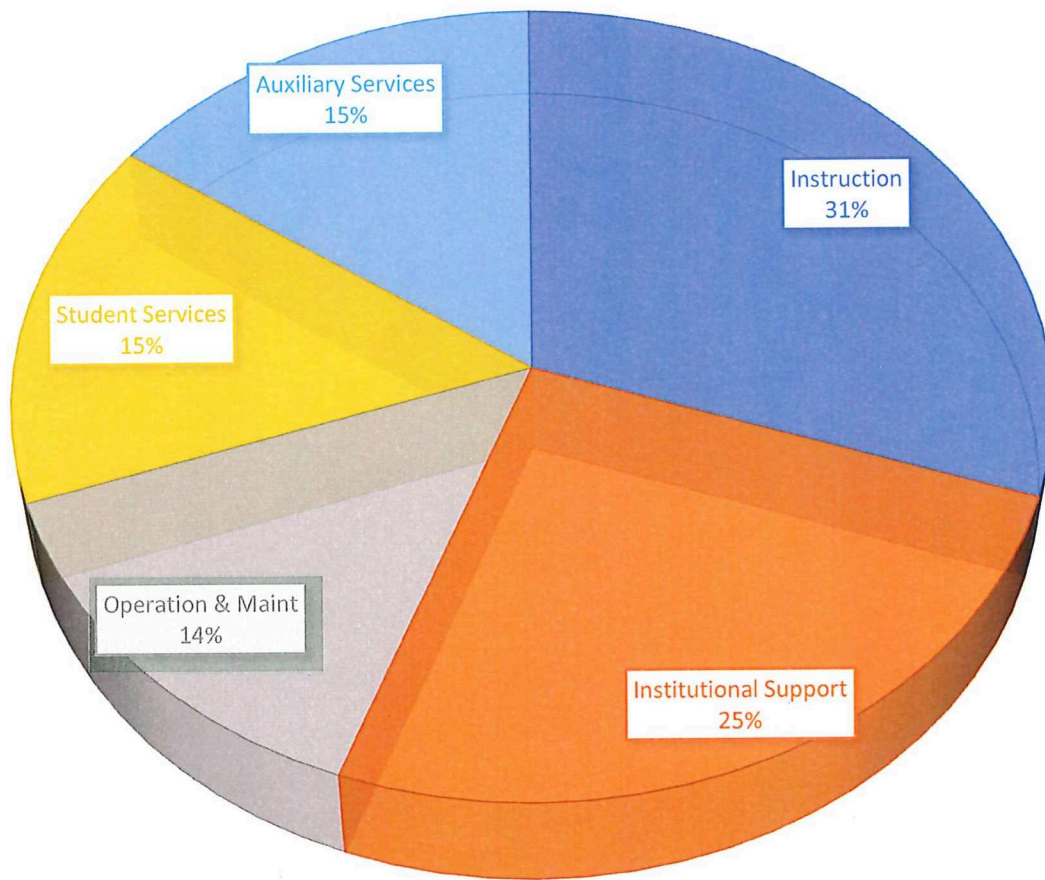
Kentucky State University	
Proposed E&G (unrestricted) Budget for FY 2022/23	
FY 2022-23 Projections	
Sources of Revenue	
State Appropriations	\$ 18,235,600.00
Tuition and Fees	\$ 16,000,000.00
Non-Mandatory Fees	\$ 500,000.00
Less Tuition Discount(Scholarships)	\$ (2,611,600.00)
Less Student Accounts Receivables	\$ (1,000,000.00)
Other Revenues:	\$ 376,000.00
Auxiliary Services	\$ 9,500,000.00
Total Sources of Revenue	\$ 41,000,000.00
Education and General Fund Expenditures	
Salaries and Wages*	\$ 20,000,000.00
Fringe Benefits*	\$ 7,000,000.00
Total E&G Salary and Fringe Benefits	\$ 27,000,000.00
Total Operating Budget:	\$ 13,000,000.00
Total FY23 Budget Projection	\$ 40,000,000.00
FY 2022-23 Projections	
Sources of Expenditures	
Instruction*	\$ 12,000,000.00
Institutional Support*	\$ 10,600,000.00
Operation and Maintenance of Plant*	\$ 5,500,000.00
Student Services*	\$ 5,900,000.00
Auxiliary Services*	\$ 6,000,000.00
Total E&G Expenditures by Program Class:	\$ 40,000,000.00
Total Contingency & Reserve Funds	\$1,000,000 \$ 1,000,000.00
Total FY23 Budget Projection	\$ 41,000,000.00 \$ 41,000,000.00

*These budget projections include payroll, fringe benefits and operational costs

SOURCES OF REVENUE BUDGET 22-23



EXPENDITURES BY UNIT BUDGET 22-23





Tuition and Fees Proposal

	<i>Current</i>	<i>Proposed 2%</i>			
Resident					
12-18 Hours	\$3,850	\$3,927			
19 Hours	\$4,170	\$4,253			
20 Hours	\$4,490	\$4,580			
21 Hours	\$4,810	\$4,906			
Non-Resident					
12-18 Hours	\$5,775	\$5,891			
19 Hours	\$6,255	\$6,380			
20 Hours	\$6,735	\$6,870			
21 Hours	\$7,215	\$7,359			
Per Credit Hour					
			Per Credit Hour		
					<i>WINTERMESTE</i>
Resident:			<i>SUMMER</i>	<i>MAYMESTER</i>	<i>R</i>
Undergraduate	\$325	\$332	\$332	\$332	\$332
Graduate	\$420	\$428	\$428	\$428	\$428
Non-Resident:					
Undergraduate	\$488	\$498	\$498	\$498	\$498
Graduate	\$630	\$643	\$643	\$643	\$643
Online:					
Undergraduate	\$400	\$408	\$408	\$408	\$408
Graduate	\$500	\$510	\$510	\$510	\$510
Dual Enrollment High School	\$72	\$91	*Dual Enrollment per credit hour is based on a recommendation from the Dual Credit Coordinator*		
Dual Enrollment Math 115	\$20	\$27			



Dual Enrollment English	\$20	\$27
	<i>Current</i>	<i>Proposed</i>

Residence Hall

Single (15%)	\$2,220	\$2,553
Double (10%)	\$1,670	\$1,837
Triple (10%)	\$1,620	\$1,782
Suite (30%)	\$2,120	\$2,756
*New Dorm		\$4,000
*Hotel	\$2,120	\$2,818

	<i>Current</i>	<i>Proposed</i>
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Meal Plans

Commuter Meals:

Plan A \$355	\$335	\$355
Plan B \$490	\$460	\$490
Plan C \$620	\$570	\$620

10%

On-Campus:

14 Weekly meals w/\$500	\$1,675	\$1,843
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	<i>Current</i>	<i>Proposed</i>
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Mandatory Fees

Activity Fee	\$170	\$170	*Covers entry into school sanctioned events
Asset Preservation Fee- Per Semester - Resident/Non	\$150	\$150	*Maintenance and preservation of instructional, operational and common use areas
Asset Preservation Fee- Per Credit Hour (part time)	\$10	\$10	
Homecoming Fee (Fall semester)	\$50	\$50	
Safety & Security fee- Per Semester- Resident/ Non	\$50	\$50	*Security of students, staff and faculty, Emergency Preparedness, OSHA Regulations, Campus Security and Local Municipality Coop
Safety & Security fee- Per Credit Hour (part time)	\$10	\$10	
Technology fee- Per Semester- Resident/Non	\$155	\$155	*Covers hardware, software, databases, wireless networks and other equipment used to support and enhance student learning experiences
Technology fee- Per Course (part time)	\$30	\$30	



Course Material Fee	\$195	N/A	*Fee covers the cost of virtual books
	<i>Current</i>	<i>Proposed</i>	

Other Fees

Application Fees:

Undergraduate	\$30	\$40
Graduate	\$30	\$40
International	\$100	\$100

Graduation Fees:

Undergraduate	\$75	\$100
Graduate	\$125	\$150

Payment Plan	\$35	\$50
Reinstatement Fee	\$50	\$50
Orientation Fee	\$189	\$200
Late Registration	\$100	\$100
Enrollment Deposit	\$50	\$50
Diploma Replacement (Undergraduate)	\$13	\$20
Diploma Replacement Cover (Undergraduate)	\$20	\$30
Diploma Replacement (Graduate)	\$20	\$30
Diploma Replacement Cover (Graduate)	\$40	\$50
Housing Reservation Fee	\$100	\$150
Laundry Fee	\$50	\$50
ID Meal Replacement	\$20	\$25
Nursing Student Liability	\$16	\$25
Nursing Student Drug Screening	\$50	\$50
Returned Check Fee	\$50	\$50
Transcript Fee	\$10	\$10
Thesis	\$30	\$40

Course Material Fee (per credit hour)	\$0	\$27	*This fee will be charged by the credit hour with an option for students to "opt out"
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	<i>Current</i>	<i>Proposed</i>	
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Course Fees

Biology	\$30	\$50
Art: 101, 110, 112, 113, 211, 305, 306, 310, 319, 330, 405, 419, 430, 431, 432	\$30	\$50

*Fees that are associated with courses that require use of laboratories, supplies (that



130,360	\$10	\$25	students are not asked to purchase on their own), or private instruction (music)
220, 240, 315, 317, 340, 415, 417, 420, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444	\$50	\$70	
307, 312, 322, 407, 412, 451, 452, 453, 454	\$75	\$100	
Aquaculture	\$30	\$50	
Chemistry	\$35	\$55	
Music: ONE HOUR PRIVATE SESSION	\$75	\$100	
HALF HOUR PRIVATE LESSON	\$50	\$70	
112, 114, 212, 214/Music Theory I, II, III, IV	\$75	\$100	
Applied Information Technology			
Computer Science			
Nursing			
Physical Science			
Physics			
Social Work			

FALL	SPRING	FY22-23
\$12,118,134	\$13,977,601	\$26,095,735

*CALCULATED USING ENROLLMENT OF 1452
 ** Approximately 90 students from Fall 2018 will be eligible for the flat tuition rate**
 Housing and meals were calculated based on the number of beds available for each room type

Impact of Cost of Attendance at KYSU

As of 06/06/22, the student population served by the Financial Aid Office at Kentucky State University included 1054 Federal Pell Grant recipients and 855 Federal Direct Subsidized Loan recipients. When budget increases are required, we first consider how any increase affects our students. We make every effort to keep the direct cost to attend reasonable for our population.

A compliant Cost of Attendance (COA) budget must include expenses associated with attending college or the indirect cost. Allocations are included within the COA the University never charges a student. Those line items: supplies, transportation, loan fees, miscellaneous/personal expenses and for students residing off campus in an apartment or with parents, housing and meals. A maximum financial aid awards is allowable up to the COA. Student direct costs are included within the COA.



Tuition - The 2% tuition increase resulted in \$77.00 – in state and \$116.00 – non-residents or a total \$3,927.00 and \$5,891.00 respectively.

Mandatory Fees – No Mandatory Course and Materials Fee for 2022-2023. All other fees remain unchanged.

- Activity - \$170.00 - student contribution to campus events.
- Asset Preservation - \$150.00 – student contribution to physical plant maintenance.

- Homecoming - \$50.00 - charged during the fall term for those events.
- Technology Fee - \$155.00
- Safety/Security - \$50.00 – provides security for students, faculty and staff. To support crime report requirements, OSHA and Title IV regulations require institutions to maintain these services.

Campus Housing

- Single (15%) \$2553.00,
- Double (10%) \$1837.00,
- Triple (10%) \$1782.00,
- Suite (30%) \$2756.00,
- Capitol Plaza (\$2818.00 per contract),
- New Residence Hall - \$4,000.00 (January 2023)

Meals required of on campus residents - fourteen (14) meals weekly (10%) \$1843.00

Course Fees

Covers some cost for Lab fees/Science majors, private instruction/Music and Art majors.

FY 22 Budget to Actual: Asset preservation

Kentucky State University

FY22 Budget to Actual - Asset Preservation

FY22 Budget to Actual - Asset Preservation			
<u>Sources of Revenue</u>	Board Approved Budget FY21/22	Actual 05/31/2022	Percent Encumbered
Asset Preservation Fee		\$ -	0%
FY19	\$ 400,000.00	\$ 351,035.00	0%
FY20	\$ 400,000.00	\$ 398,175.00	0%
FY21	\$ 400,000.00	\$ 462,865.00	0%



FY22	\$	400,000.00	\$	447,780.00	0%
Total Sources of Revenue:	\$	1,600,000.00	\$	1,659,855.00	0%

FY 22 Budget to Actual: Land Grant

Kentucky State University

FY22- Budget to Actual -Land Grant Match

<u>Sources of Revenue</u>	Board Approved Budget FY21/22	Actual Expenditures 05/31/2022	Percent Encumbered
State Appropriation	\$ 8,210,400.00	\$ 7,003,079.00	85%
Total Sources of Revenue:	\$ 8,210,400.00	\$ 7,003,079.00	85%

FY 22 Budget to Actual: Auxiliaries

Kentucky State University

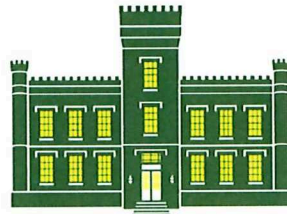
FY22 Budget to Actual - Auxiliaries

<u>Sources of Revenue</u>	Board Approved Budget FY21/22	Actual 05/31/2022	Percent Encumbered
Housing Fees	\$ 2,723,000.00	\$ 2,913,559.00	107.00%
Dining Fees	\$ 2,988,000.00	\$ 3,315,201.00	110.95%
Bookstore	\$ 310,000.00	\$ 1,226,973.00	395.80%
Total Sources of Revenue:	\$ 6,021,000.00	\$ 7,455,733.00	123.83%



Finance & Administration
Academic Services #202 | 400 East Main Street
Frankfort, KY 40601 | (502) 597-6343
KYSU.EDU

Protiviti Auditing Firm: 2021 & 2022 Audit Support Update:



**KENTUCKY STATE
UNIVERSITY**

2021 & 2022 Audit Support Update

Week Ending June 17, 2022

2021 & 2022 Audit Support Update

Week Ending June 17, 2022

Achievements and Current Progress	Challenges	Next Steps
<ul style="list-style-type: none"> Identified and updating supporting documentation for management finding audit adjusting entries related to FY 2020 year-end audit Compared Banner detail trial balance to audited financial statements FY 2020 to identify beginning balance variances to be investigated Finalizing account mapping and roll-up between detailed trial balance and financial statements Completed initial review of the 158 external auditor's FY 2021 request items: 60% ready for Crowe's review, 13% in revision, 27% requires revision 	<ul style="list-style-type: none"> Limited knowledge on prior year activities due to turnover in grant accounting and general accounting teams, resulting in staffing gaps and leading to increased efforts in identifying supporting documentation The KSU accounting teams are simultaneously working on other competing priorities (i.e., APA request) Lack of consistent historical bookkeeping and support maintenance, increasing efforts in preparing/updating supporting documentation for audit requests Lack of documentation on account mapping between the Banner system and Argos reporting tool, increasing efforts in preparing trial balances and financial statements 	<ul style="list-style-type: none"> Finalize support for FY 2020 audit adjustments for interim Controller review Refresh the FY 2021 trial balance and review for any additional variances and investigate remaining differences Test account mapping between detailed trial balance to financial statements with refreshed FY 2021 trial balances to identify any mapping adjustments required Continue to update/develop supporting documentation for FY 2021 audit request items, target completion date of 7/15/2022



ONWARD. UPWARD. #KSUFORWARD

Gerald D. Shields, Ph.D.

Vice President of Finance & Administration/CFO

Finance and Administration | Kentucky State University

400 E. Main Street | Frankfort, KY 40601

Academic Services Building, Rm. 201

Office: (502) 597-5075 | Fax: (502) 597-6594

Onward, Upward





KENTUCKY STATE UNIVERSITY BOARD OF REGENTS

ACTION ITEM 4F

ACTION ITEM:

Approval of FY 2022-2023 Tuition & Fees and Rescind Thorobred Promise Tuition Program.

FACTS:

Vice President/CFO Dr. Shields submitted FY 2022-2023 Tuition & Fees. Kentucky State University now seeks the approval from the Board of Regents.

The Thorobred Promise Tuition Program, which began in the 2018-2019 academic year, was designed to boost graduation rates and cut down on the number of loans students acquire. It guaranteed flat-tuition rate for four years for new first-year undergraduate students. This program has not been utilized.

BUDGETARY IMPLICATIONS:

The campus recommends a two percent (2%) total increase that includes realigned and increased meal plans and housing. This amount is in line with sister institutions within the Commonwealth of Kentucky.

ALIGNMENT WITH STRATEGIC GOALS:

FY 2022-2023 Tuition & Fees will assist in reaching the University's Strategic Goals 1 & 3:

Rescinding the TPTP program will assist in reaching Operational Efficiency in Goal 3.

1. Enhance Student Enrollment, Improve Student Life and Engagement, and Improve Student Advising and Career Development.
3. Increase the University's Financial Strength and Operational Efficiency

RECOMMENDATION:

VP/CFO Shields recommends that the Board of Regents approve FY 2022-2023 Tuition & Fees and Rescind Thorobred Promise Tuition Program.

MOTION:

Approve FY 2022-2023 Tuition & Fees and Rescind Thorobred Promise Tuition Program.

**DRAFT
REGISTRY
CONTRACT
FOR INTERIM
PRESIDENT**



REGISTRY FOR COLLEGE AND UNIVERSITY PRESIDENTS

AND

KENTUCKY STATE UNIVERSITY

THIS AGREEMENT (the “Agreement”) is made and entered into this 1st day of July 2022 by and between **Kentucky State University** (hereinafter “University”) and Collegiate Enterprise Solutions, LLC, doing business as the *Registry for College and University Presidents* (hereinafter “Registry”).

WHEREAS, it is the desire of the University to retain a professionally educated person to perform the duties of **Interim President** of University on an interim basis as more specifically described in an **EXPECTATIONS DOCUMENT**, annexed hereto (the “Services”) and,

WHEREAS, *Registry* will perform the Services through **Registry Member Name**, **Sole Proprietor**, an independent contractor (the “Consultant”), who will assign a designated employee to perform the Services on behalf of the Consultant (the “Assigned Member”). No one other than **Registry Member Name** himself shall be engaged to perform the duties of **Interim President** of **Kentucky State University**.

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto, the University hereby retains *Registry* upon the terms and conditions contained herein, and *Registry* hereby accepts said retention and agrees to perform the Services hereinafter mentioned, upon said terms and conditions.

1. Services by Registry: As indicated above, *Registry* will perform the Services through the Assigned Member provided by **Registry Member Name**, **Sole Proprietor**, or a mutually agreed upon alternate person. Specific duties and standards of performance shall be prescribed in an **EXPECTATIONS DOCUMENT**, which shall be appended, and integral, to this Agreement, and as otherwise agreed between the University and the *Registry*. The parties agree that the Consultant sets the Assigned Member’s schedule, but that the Assigned Member will generally work the same or a similar schedule set by the University. The *Registry* shall be responsible for assessing performance under this Agreement, predicated upon evaluation reports from University. A senior officer of the *Registry* shall be available on call throughout the duration of the engagement to deal with all matters related to the Consultant’s performance of the Services on *Registry’s*

behalf. Throughout the duration of this engagement with the University, one or more of the principals of the *Registry* shall be available to provide strategic advice to the Assigned Member's contact at University, and, if requested, to the Board of Trustees. The scope of these Services as described herein are inextricably bundled and cannot be disaggregated. The parties may agree to an expansion of the services from those set forth in the **EXPECTATIONS DOCUMENT**. Upon such agreement, such services will become Services hereunder for the fee agreed to therefor by the parties.

2. Obligations of Kentucky State University: (a) The University will provide adequate working conditions and clerical assistance and supplies as the University deems necessary for *Registry* to perform its obligations under this Agreement.

(b) Payment in consideration of this Agreement shall be in the amount of an annualized consultant's fee of \$250,000.00 + a 30% *Registry* fee (reduced from 33%) of \$75,000.00 to be paid monthly, by *Kentucky State University* to the *Registry* in the amount of \$27,083.33: \$20,833.33 for *Registry Member Name* and \$6,250.00 for *Registry* fee. In addition, *Registry Member Name* will also be provided mutually agreeable furnished housing as well as reimbursement for pre-approved travel related expenses to arrive at the beginning of the assignment and to depart at the conclusion of the assignment. Such payments are subject to change only upon the written concurrence of both parties to this Agreement. University agrees to remit to *Registry* without monthly invoice the amount due by the 15th day of each month. It is anticipated by the parties that the annual consultant's fee and the administrative fee will be increased by agreement of the parties in the case of multiple-year engagements and/or extended periods of engagement and the parties agree to negotiate one such increase every twelve months in good faith. In the event University requests and authorizes additional services of *Registry* as provided under Section 1 of this Agreement, *Registry* shall submit an invoice to the University on or about the first of each month that succeeds the performance of said Services, detailing expenses and consulting fees incurred during the preceding month. University agrees to pay and/or reimburse *Registry* within thirty (30) days after receipt of each invoice for such expenses or consulting fees. In addition, payment for interim services rendered will be made by *Registry* after *Registry* receives funds from the college/university client expressly allocated for services rendered by the Consultant.

(c) University acknowledges that the exclusive placement of Consultant through the *Registry* to University is of benefit to University, (i) it is of benefit to the University that Assigned Member's fitness for and match with the University's needs have been determined by the *Registry* and (ii) it is of benefit to the University that the *Registry* be positioned to perform the Services through the Consultant (and Assigned Member) without the distractions and additional challenges provided by eligibility for the Assigned Member's permanent placement at University. Accordingly, University agrees that it will not, for a minimum period of the longer of two years from (i) the last day of *Registry*'s service at University under this or any subsequent agreement or (ii) the effective date of Consultant's resignation from the *Registry* (as acknowledged by the *Registry*), consider the Consultant or its Assigned Member for any position or professional relationship (whether as an employee, a consultant or otherwise) other than under *Registry* auspices.

The University acknowledges that the promises and restrictive covenant that the University is providing in this Agreement are reasonable and necessary for the

protection of *Registry's* and its clients' legitimate interests and that *Registry* would not have entered into this Agreement in the absence of such promises and covenants. If, at any time, the provisions of this Section 2 shall be determined to be invalid or unenforceable, by reason of being vague or unreasonable as to area, duration or scope of activity, this Section 2 shall be considered divisible and shall become and be immediately amended to only such area, duration and scope of activity as shall be determined to be reasonable and enforceable by the court or other body having jurisdiction over the matter; and the University agrees that this Section 2(c) as so amended shall be valid and binding as though any invalid or unenforceable provision had not been included herein. In the event of a breach or material and substantial preparation of a breach of this Section 2 by the University, University agrees that *Registry* shall be entitled to apply for injunctive relief in a court of appropriate jurisdiction to remedy any such breach or material and substantial preparation of a breach, the University acknowledging that damages may be inadequate and insufficient. In addition, upon a breach or material and substantial preparation of a breach of this Section 2 by the University, *Registry* may cease providing Services required by this Agreement.

3. Term: The effective dates of this Agreement shall be June 1, 2022 through June 30, 2023 or, until terminated by either party giving thirty (30) days' notice in writing to the other party (with Assigned Member being copied). Upon such termination, the University shall pay *Registry* all amounts due for Services performed and expenses incurred to the effective date of termination. If termination is for cause, payment will cease on the date of notice of termination given.

4. Status and Relationship of the Parties. The Assigned Member shall be considered an employee only of the Consultant.

(a) It is expressly agreed and understood that for all purposes, the Consultant shall, at all times, act strictly and exclusively as an independent contractor and shall not be considered, under the provisions of this Agreement or otherwise, an employee, agent, servant, partner or joint venturer of *Registry* or the University and the *Registry* shall at all times act strictly and exclusively as an independent contractor and shall not be considered, under the provisions of this Agreement or otherwise, an employee, agent, servant, partner or joint venturer of the University. The Assigned Member shall be considered an employee of the Consultant. It is further agreed that the Consultant shall have full and direct responsibility for compliance with respect to the Assigned Member and the Services with all federal, state and local requirements pertaining to taxes and other obligations of employers, including without limitation Social Security taxes, unemployment insurance, workers' compensation, and comparable matters. Consultant has acknowledged to *Registry* that all such obligations are the Consultant's sole responsibility and that it complies with, and will continue to comply with, all laws and regulations regarding the withholding and payment of so-called payroll taxes and charges, including, without limitation, FICA, FUTA and state unemployment withholding taxes. Consultant has represented that it is exempt from an obligation in the state in which the Services are performed to carry workers' compensation insurance (or provide self-insurance) for the Assigned Member or, if not so exempt, covenants that it will provide *Registry* with a certificate of insurance evidencing workers' compensation coverage.

(b) *Registry* acknowledges that it is not authorized to assume or create any obligation or responsibility, express or implied, on behalf of, or in the name of University or to bind University in any manner.

(c) *Registry* acknowledges that it is not entitled to any benefits, coverages or privileges applicable to employees, including, without limitation, medical, dental or life insurance coverage, workers' compensation coverage or participation in any University retirement plan. *Registry* agrees not to make any claim of entitlement to any such plan or program. All such benefits, if any, are the Consultant's sole responsibility.

(d) The Services being provided are part of a business in which *Registry* is customarily engaged as an independently established business (either as a sole proprietorship, limited liability entity, partnership or other entity), separate from and unrelated to the University's business. The Consultant has agreed to provide the University with the Consultant's business card and website address, if available, prior to the commencement of the Services. The *Registry's* website is www.registryinterim.com.

(e) *Registry* performs, and will perform, the Services according to a schedule it maintains, free from the University's control and direction with respect to the manner in which the Services are performed. The parties agree that any Services provided by *Registry* in connection with the placement of Consultant with the University, are not and will not comprise supervision by the *Registry* of the Services.

(f) In the event that the definition of "employee" or "contractor" under the Internal Revenue Code of 1986, as amended and as interpreted by the Internal Revenue Service, or under applicable state law, is amended such that *Registry* becomes an employee of the University under applicable law, the parties agree that they will take such action as is necessary to ensure *Registry's* continued status as an independent contractor or will terminate this Agreement.

7. Miscellaneous.

A.) This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof; *provided however* that it is meant to be read in conjunction and consistently with the placement agreement between *Registry* and Consultant relating to the performance of the Services. It shall supersede all prior agreements or understandings between the University and *Registry* or their agents, whether oral or written. Amendments to this Agreement may be proposed in writing by either party hereto and shall be deemed rejected unless the party to whom any amendment is proposed accepts said amendment in writing within ten days after receipt of the proposed amendment. No oral agreement shall be effective to alter the terms of this Agreement.

B.) If any one or more of the provisions contained in this Agreement is held illegal or unenforceable by any court of competent jurisdiction, the other provisions shall remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

C.) None of the parties will be liable for delays or failure in its performance hereunder (other than the payment of monies) to the extent such delay or failure is caused by any act of God, war, pandemic, natural disaster, strike, lockout, labor dispute, work stoppage, fire, third-Party criminal act or act of government, or any other event beyond the reasonable control of that Party. Upon prompt notice of such event, all obligations under this Agreement shall be suspended for the duration of the Force Majeure event.

D.) The headings have been inserted for convenience only and are not to be considered when interpreting the provisions of this Agreement.

E.) The waiver by one party of a breach of any provision of this agreement by the other party shall not operate or be construed as a waiver of any subsequent breach. No waiver shall be valid unless in writing and signed by an authorized representative of the party agreeing to the waiver.

F.) This Agreement may be executed in multiple counterparts, any of which may be a facsimile or "pdf", each of which shall be deemed to be an original but all of which shall constitute one and the same instrument.

G.) The parties agree that any termination of this Agreement shall not release nor discharge the parties from their respective obligations specified in Sections 2(c) and 3 through 7 of this Agreement, which shall survive termination or expiration of this Agreement in accordance with their terms.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

Kentucky State University

By: _____
Dr. Gerald Patton
Kentucky State University
Board of Regents

Date

Collegiate Enterprise Solutions, LLC

By: _____
Bryan E. Carlson
President and COO

Date

EXPECTATIONS DOCUMENT
Statement of Work

Interim President
Kentucky State University

The Registry Interim President is an independent contractor and consultant responsible for the following deliverables which encompass the execution of certain exogenous duties and tasks—specifically, the Registry Interim President shall be expected to:

This will be drafted by the Kentucky State University Board of Regents

DRAFT