

**KENTUCKY STATE UNIVERSITY BOARD OF REGENTS
REGULAR MEETING**

***** Meeting Was Conducted in Person and by Teleconference *****

**Friday, August 8, 2025
10:13 a.m. EDT**

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

MINUTES

I. Call to Order

The Board's Chair, **Regent Tammi Dukes**, called the meeting to order at **10:13 a.m.**

II. Roll Call

The Board's Secretary, **Mr. Zachary Atwell**, called the roll:

- Regent Tammi Dukes, Chair – Present
- Regent Edward Fields – Present
- Regent Edward Hatchett – Present (remote connection initially frozen)
- Regent Jason Moseley – Present
- Regent Charles “Charlie” Moyer, PhD – Present (via teleconference)
- Regent Jonathan Rabinowitz – Present
- Regent Robert Ramsey – Present
- Regent Matthew Grimshaw – Present
- Regent Tony Stringer – Present (via teleconference; joined during roll)
- Regent Childs – Present (joined following roll call)
- Regent Obielodan – Present

The Secretary reported that **at least six (6) Regents were present at roll call**, thus establishing a **quorum**. Additional Regents joined the meeting following roll call.

SGA First Vice President **Cheyenne Rushing** was recognized and introduced herself as attending in place of the SGA President.

III. Approval of the Agenda

MOTION by Regent Fields:

Move the Board to approve the agenda of the August 8, 2025, regular meeting of the Board of Regents.

Seconded by [voice vote; no objection noted] and **passed without dissent**.

IV. Information Items

A. SACSCOC Accreditation Update

This agenda item was presented by **Dr. Nuria Cuevas**, Vice President, Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).

Dr. Cuevas:

- Reviewed the **history, purpose, and structure** of SACSCOC and its role within the federal-state-accreditor “triad” of higher education oversight.
- Explained that accreditation is **non-governmental, peer-based, and mission-driven**, focused on quality, continuous improvement, and integrity.
- Summarized **board-related accreditation standards**, including:
 - Legal authority and fiduciary responsibility of the Board,
 - Management and disclosure of **conflicts of interest**,
 - Protection from **undue external influence**,
 - Clear distinction between the authority of the Board, the President/CEO, the administration, and the faculty,
 - Regular review of the University’s **mission**,
 - Selection and periodic evaluation of the President/CEO, and
 - Ongoing **Board self-evaluation** of its collective effectiveness.

Dr. Cuevas provided an overview of Kentucky State University’s **current accreditation status**:

- Kentucky State University was first accredited in **1939** and has maintained **continuous accreditation** since.
- The most recent comprehensive reaffirmation review occurred in **2019**.
- In **2023**, financial information reported in the public domain led SACSCOC to open an **inquiry** into possible non-compliance with several financial and governance standards.
- Following review, the SACSCOC Board placed Kentucky State University on **Warning** in December 2023, citing **16 standards**, some of which were core requirements.
- After significant corrective work by the institution, the December 2024 SACSCOC Board review reduced the number of remaining issues from 16 to **five (5)** standards, reflecting **substantial progress**.

- The remaining concerns now focus largely on Kentucky State University's ability to provide **externally audited financial statements** for the most recently completed fiscal year in order to demonstrate fiscal stability, adequate resources, and sound financial processes.

She emphasized that:

- It is her **professional belief** that the institution is moving in the right direction and is likely operating in a fiscally stable fashion.
- However, SACSCOC's Board must have the **completed audits and documentation** before it can act to remove the Warning status.
- If Kentucky State University provides audited financial statements as expected, she is **hopeful** that the SACSCOC Board will be in a position to **remove Warning** at its **December 2025** meeting, though she cannot speak for the Board's final decision.

Dr. Cuevas also:

- Noted that several **governance-related standards** initially cited (e.g., Board oversight and guardrails) were resolved after the Board's reconstitution and adoption of new controls, and those items were removed following the first follow-up review.
- Highlighted Kentucky State University's progress in developing **new academic programs** and the **Prison Education Program**, which are positive indicators of institutional vitality.
- Affirmed that she is in **regular contact** with President Akakpo and the institution's SACSCOC liaison, and that she views Kentucky State University as an institution that is **actively engaged** in the process rather than one that is disengaged.

Board discussion focused on:

- The Board's commitment to ensuring that Kentucky State University not only meets but **exceeds** accreditation standards going forward.
- The impact of **external political and funding pressures** on institutional autonomy and accreditation.
- How SACSCOC collaborates with other accrediting bodies and responds to potential changes in federal regulation.

Dr. Cuevas reiterated that SACSCOC will continue to:

- Maintain its **non-governmental** status while complying with federal recognition requirements.
- Work collaboratively with Kentucky State University as the University completes its financial audits and submits required monitoring reports.

No formal action was taken; this item was **for information only**.

B. Finance and Administration

All Finance and Administration reports were presented by **Dr. Melissa Hicks**, Acting Chief Financial Officer, with additional remarks by **President Koffi Akakpo**.

i. Budget-to-Actual Financial Report

Dr. Hicks presented the **budget-to-actual report** for the fiscal year ending **June 30, 2025**, with data through **July 21, 2025**. Key points included:

- **Education & General (E&G):** Budgeted operating deficit of approximately **\$1.2 million**.
- **Auxiliary Enterprises:** Budgeted surplus of approximately **\$288,000**.
- **Net Result:** Overall budgeted deficit of approximately **\$950,000**.
- Approximately **\$32,000** in tuition was collected between **July 21** and **August 6**.
- Kentucky State University ended the year with a **cash deficit of approximately \$4.7 million**, with total cash of **\$30.6 million** and reserved cash obligations totaling **\$32.3 million**.

Board members requested:

- A **side-by-side comparison** of:
 - FY 2024–2025 actuals, and
 - The approved budget for FY 2025–2026, including **monthly actuals vs. budget and prior-year actuals** to better assess trends in scholarships, operating expenses, and cash flow.

Discussion focused on:

- The need for **stronger cash management**, including more vigilant oversight of expenditures and earlier identification of large unbudgeted items.
- Clarification that some apparent “savings” in instructional and academic support lines were attributable to **vacant positions** rather than structural efficiencies.
- Significant “surprise” expenditures in the prior year, including:
 - A facilities vendor providing preventative maintenance services with invoices totaling **approximately \$1.8 million** annually, and
 - A temporary staffing contract invoicing **approximately \$1 million** that had not been built into the original budget.

President Akakpo:

- Confirmed that he now reviews **all E&G expenditures** and monitors **cash balances twice weekly**.
- Reported that he is moving forward with hiring a **Budget Director** and additional financial staff to improve forecasting and reporting.
- Stated that going forward, significant variances will be brought back to the Board as **mid-year budget adjustments**.

On **scholarships/waivers/write-offs**, Dr. Hicks and President Akakpo clarified that:

- The “scholarship” line includes **institutional scholarships, tuition waivers, and write-offs**.
- An overrun of approximately **\$1.3 million** was driven primarily by:
 - The **contiguous-state tuition** program approved by the Board, which was more heavily utilized than anticipated, and
 - Increased **dual-credit enrollments**, where students pay a reduced per-credit rate that is significantly lower than the University’s standard tuition, requiring the remaining amount to be written off.

Board members stressed the importance of:

- More realistic **scholarship and discount rate projections**, and
- Increased enforcement of **purchasing policies** (e.g., requiring purchase orders and proper approvals prior to incurring obligations), including accountability measures for non-compliance.

ii. FY 2024 Audit Status

Dr. Hicks provided an update on the status of the **FY 2024 financial audit**:

- **Protiviti** (consultant) has provided approximately **70%** of the audit requests from **CliftonLarsonAllen (CLA)** and reports that approximately **72%** of the identified accounting support tasks are either **in progress or complete**.
- As of **August 6, 2025**, CLA has completed roughly **25%** of the audit procedures that can be conducted without a final trial balance, focusing primarily on **single audit** and other compliance-related testing.
- A daily **3–4 p.m. project status meeting** with Protiviti has been established to accelerate resolution of outstanding questions and move workpapers to final form more quickly.

President Akakpo reiterated that:

- The **target goal** is to complete the FY 2024 audit around **September 1, 2025**, although neither Protiviti nor CLA is prepared to commit to a specific date due to the potential for unresolved legacy issues.
- FY 2023 audit delays were driven by serious issues such as **unreconciled bank accounts** and complex **grant accounting corrections**, some of which required Protiviti to reconstruct prior-year balances month-by-month.
- FY 2024 work may still reveal additional complications, but the University is committed to reaching a “**normal**” **audit cycle** as quickly as possible.

On **bank reconciliations**, Dr. Hicks reported that:

- Monthly reconciliations are now being completed on schedule.
- Outstanding items from earlier periods (when reconciliations were not done) remain under review, which is why the relevant mitigation plan items are still shown as **partially implemented**.

The Board also discussed:

- The anticipated repetition of certain FY 2023 audit findings in FY 2024 and FY 2025 while controls are fully implemented and normalized.
- The need to fill key positions (CFO, Budget Director, accounting staff) to sustain improvements.

No action was taken on these reports; they were **for information and discussion**.

C. Title III / HBCU Appropriations Update

This agenda item was presented by **Dr. Brown**, who oversees Title III and related HBCU programs.

Dr. Brown reported that:

- Kentucky State University had previously received notice of an **FY 2026 HBCU Title III Part B award**, but that award has since been **rescinded** for all impacted HBCUs.
- The U.S. Department of Education determined that institutions had submitted **Phase I data** incorrectly and is recalculating awards using the **original data formats** historically requested.
- As of the date of this meeting, Kentucky State University has **not received** updated FY 2026 awards for:
 - **HBCU Title III Part B**,
 - **HBCU Title III Part F**, or

- **HBCU Masters** program (which provides graduate scholarships).

She explained that:

- Under President Akakpo's leadership, Kentucky State University now expends Title III funds on a **grant-year basis**, rather than carrying large unspent balances.
- As a result, the University is effectively operating **grant year to grant year** with Title III support, making the delay in new awards particularly impactful.
- The lack of a current-year HBCU Masters award is already affecting the University's ability to offer **graduate scholarships**, with potential implications for **graduate enrollment**.

Board members inquired about:

- Possible impacts on ongoing programming and staffing.
- Whether any **legislative intervention** (e.g., from the congressional delegation or U.S. senators) might be helpful.

President Akakpo:

- Noted that he has been in frequent contact with federal partners in Washington, D.C., who have consistently expressed support for **HBCUs**.
- Cited prior advocacy efforts that successfully restored certain **1890 scholarship funding**, though institutional allocations remained reduced.
- Indicated that Kentucky State University will continue to **monitor developments** closely and will notify the Board immediately upon receipt of any new awards or guidance.

No action was taken; this was an **information item**.

V. Action Items

A. Capital Planning and Facilities Management

These agenda items were presented by **Mr. Wayne Cowan**, who provided a brief overview of **seven (7) proposed projects** related to **campus walkways, improvements, and miscellaneous repairs**, including a rough budget for work at **Hillcrest** and a recurring **insurance-related cost** partially reimbursed by the State.

The Board had previously discussed these projects in detail during the **Board retreat** on the prior day.

The Chair requested that the Regents consider and vote on the facilities items **as a group** rather than individually.

MOTION by Regent Fields:

Move the Board to approve the Capital Planning and Facilities Management agenda items relating to campus walkway improvements, Hillcrest planning, and miscellaneous repairs and insurance-related projects as presented.

Seconded by **Regent Ramsey** and **passed without dissent**.

B. Academic and Student Affairs – New Academic Programs

This agenda item was presented by **Provost Michael Dailey**.

Provost Dailey requested approval of the following **new academic programs**:

1. **Master of Public Health (MPH)**
2. **Bachelor of Science in Aquatic Science**
3. **Bachelor's in Public Policy**

He explained that:

- The **MPH** aligns with Kentucky State University's vision for a future **Health Sciences building** and will complement existing and emerging health-related programs such as Nursing.
- The **B.S. in Aquatic Science** leverages the University's long-standing strengths in **Aquaculture and Aquatic Sciences**, building on the work of the School of Aquaculture and Aquatic Science and the Aquaculture Research Center.
- The **Public Policy** degree will prepare students for careers in public service, policy analysis, and leadership in governmental and non-governmental organizations.

These proposals were discussed in detail during the Board retreat.

MOTION by Regent Grimshaw:

Move the Board to approve the proposed **Master of Public Health, Bachelor of Science in Aquatic Science**, and **Bachelor's in Public Policy** programs.

Seconded by **Regent Hatchett** and **passed without dissent**.

C. Governance – Policy Framework and Interim Policies

This agenda item was presented by **Mr. Decourcy**, Co-Chair of the University's Policy Committee.

Mr. Decourcy reported that:

- At a prior meeting, the Board reviewed a new **Policy on Policies, Regulations, and Procedures** and an accompanying framework encompassing **114 interim policies**.
- In accordance with University policy, the draft policy framework was posted for a **30-day comment period**, during which it was reviewed by at least two separate departments.
- **No comments or objections** were received during the comment period.

The Policy Committee requested Board approval of:

1. The **Policy on Policies, Regulations, and Procedures**, and
2. The full set of associated **interim policies and policy framework**.

MOTION by Regent Fields:

Move the Board to approve the **Policy on Policies, Regulations and Procedures** and the interim policies and framework established by the Policy Committee.

Seconded by **Regent Childs** and **passed without dissent**.

VI. Closing Remarks

In closing, **Chair Dukes**:

- Thanked the Regents and University leadership for their **time, service, and active participation**, noting the Board's critical role in guiding Kentucky State University "onward and upward" in service to its students and stakeholders.
- Welcomed and recognized new Regents **Grimshaw, Stringer, Childs, and Obielodan**, expressing appreciation for their willingness to serve and optimism about the work ahead.
- Noted that the meeting coincided with **first-year student move-in day**, encouraging everyone to **match students' energy and enthusiasm** for the coming academic year.
- Expressed confidence in the University's continued progress toward **completing its financial audits through FY 2025** and addressing the remaining SACSCOC standards.
- Extended special birthday wishes to **Regent Edward Hatchett**, recognizing his **58th birthday** during the meeting.

VII. Adjournment

MOTION by Regent Fields:

Move the Board to adjourn.

Seconded by **Regent Obielodan** and **passed without dissent**.

The meeting was adjourned at **12:11 p.m. EDT**. Submitted by:

Secretary
Board of Regents
Kentucky State University

Regent Tammi Dukes, Chair
Board of Regents Athletics Committee
Kentucky State University

_____ Approved with no corrections

_____ Approved with corrections