

**KENTUCKY STATE UNIVERSITY
BOARD OF REGENTS**

FINANCE & ADVANCEMENT COMMITTEE MEETING

Meeting Was Conducted via Teleconference

Thursday, June 11, 2026

9:30 a.m. EST

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

MINUTES

1. Call To Order

The Finance & Advancement Committee Chair, Charles Moyer, called the meeting to order at 9:35 a.m.

2. Roll Call

The Board's Secretary, Nicole Sergent, called the roll:

Regent Charles Moyer (Chair)	Present
Regent Edward Hatchett (Vice Chair)	Present
Regent Jonathan Rabinowitz	Not Present
Regent Tammi Dukes (Board Chair)	Present
Regent James Obielodan	Present
Regent Matt Grimshaw	Present

Four (4) Regents were in attendance and present at roll call. A quorum was therefore established.

3. Approval of the Agenda.

- Regent Charles Moyer requested a motion to approve the agenda. Regent Obielodan made a motion to approve the agenda and Regent Grimshaw seconded the motion.

4. Committee Meeting Information Items.

A. Division of Finance & Administration Updates. Presented by Dr. Heather Bigard, Vice President of Finance and Administration/CFO.

- 1. Budget Report.** Dr. Bigard presented a power point covering the development of the 2026-27 budget, including a summary of the elements and process that goes into forming the budget and changes related to Senate Bill 185.
- Dr. Bigard shared how the enrollment projections for the fall and spring were determined, using trend data and an anticipated overall decline
 - Dr. Bigard said they are projecting for the Fall 300 new undergraduate students and for overall graduate and transfer students, it's 157.
 - She said total Fall enrollment is projected at 2,570, which is a downward trend of about 9 percent from fall to fall. She said the impact of Senate Bill 185 will likely lower enrollment slightly for the first year.
 - Regent Hatchett asked if she could provide them with a comparison, historically, of the new dual credit numbers, with previous years. She responded yes.
 - Dr. Bigard provided a projection for Spring 2027 enrollment of 2,285, which is a 20% decline from spring to spring for budget purposes.
 - She further shared the academic program analysis. She said they are seeing a positive contribution from the academic programs into the general operating budget of about \$1.2 million. The total amount due from receivables for 2025-26 is \$4.1 million for tuition; \$542,000 from auxiliary; and about \$100,000 in additional asset preservation fees for a total of \$4.8 million the university is trying to collect for the current fiscal year.
 - Dr. Bigard summarized the Financial Clearance and Collections Policy that was presented for the Board's approval.
 - Regent Hatchett asked a question about the financial assistance and the dollars the Department of Revenue is willing to commit to the collection process. Dr. Bigard responded that a separate MOU will be developed with them
 - Chair Dukes asked about the state income tax return and said that's the state of Kentucky and asked if they have any plans for Ohio, Michigan and Illinois. Dr. Bigard responded she wasn't aware of any lever to pull in other states.

- Regent Moyer asked if they have a sense of what the recovery rates will be through the outside vendor they are using. Dr. Bigard asked Danyel Tolbert to respond. Ms. Tolbert said that a portion of the recovery is kept by the collection agency. Regent Moyer asked if on the average for \$1,000 collected, how much of that will the institution see. Ms. Tolbert said they will see about \$950 of that.
- Regent Moyer asked if going forward they could find a way to incorporate into the reporting to the Board periodically how the collection effort is going. Dr. Bigard said they can do that.
- Regent Obielodan asked if the projected decline in the Fall is 9% and 20% in the Spring, then that will probably be about a \$5 million decline in revenue and what impact will that have on the day-to-day operation of the university.
- Dr. Bigard gave an overview of the budget. She said in FY26, they are around \$22 million in tuition and acknowledged that they are looking at a change of about \$5 million going into 2027 as far as tuition and fees go. She said scholarships and waivers are at \$6.2 million.
- She said in FY26 they are looking at a projected uncollectible of about 18%.
- Dr. Bigard further summarized her charts on revenue as part of the budget. She said revenue was just under \$40 million in 2026 and will go down to \$34 million in 2027.
- Dr. Bigard summarized expenses in detail.
- She said for 2026 they are projecting a surplus of over \$3 million and a flat budget for 2027 without a surplus at this time.
- Regent Moyer had a question on the difference in the operating expenses they talked about on a previous day to the current slide. Dr. Bigard responded.
- Regent Obielodan had questions on scholarships, tuition waivers and prison education. Dr. Bigard responded.
- Regent Hatchett suggested that a column be added for the budget for FY26 so that it can be compared to proposed FY27 budget. Dr. Bigard and Dr. Akakpo responded.
- Regent Obielodan had questions on income on the revenue slide and also on the federal funding category. Dr. Bigard and Dr. Akakpo responded.
- Regent Obielodan had questions on the endowment offset slide regarding interest earned. Dr. Bigard and Dr. Akakpo responded.
- Chair Dukes asked when it comes to salary and benefits, if they have allotted for any sort of increase for faculty and staff. Dr. Bigard responded that unfortunately, the revenue was not sufficient to build salary increases into the budget. Dr. Akakpo also responded.
- Regent Hatchett had questions on the definition of transfer in and interfund. Dr. Bigard responded.
- Regent Moyer had a question on the endowment offsets. Dr. Bigard and Dr. Akakpo responded.
- Regent Moyer had a suggestion to look at how pro formas impact individual programs they bring on board, including engineering. Dr. Akakpo responded.

- Regent Hatchett asked how the \$2 million is expected to be used to support the online program. Dr. Bigard and Dr. Akakpo responded.
- Regent Hatchett asked what was everyone's opinion on drafting a budget on the basis of a 10% decrease in enrollment. He said he had a question on the budgeting process and wants to be sure they are not being unrealistic. Dr. Akakpo and Regent Obielodan responded.
- Regent Obielodan had a question on transitioning from Magellan and Sway and the impact on the KSU online program. Dr. Akakpo responded.
- Regent Hatchett asked about transitioning to EMARS and the expense. Dr. Akakpo and Dr. Bigard responded.
- Regent Fields asked what transitioning to EMARS means for the university and banner finance. Dr. Bigard responded.
- Regent Obielodan had an additional question on Sway and Magellan. Dr. Bigard responded.
- Regent Obielodan also asked about salary increases for faculty and staff. Regent Fields also commented. Dr. Akakpo responded. He said it would take 3,000 tuition paying students to be able to operate as normal.
- Regent Fields asked if the money they are bringing back in from Magellan can be a possible solution in the short run. Dr. Akakpo responded. He said they will reassess the situation by August.
- Regent Moyer suggested that the capital improvements item at the end be delayed until the board meeting on the following day.

2. CPE Financial Obligation Approval Policy.

- Dr. Bigard said they have received from CPE their policy that they are moving forward with getting approval on. She said the policy outlines how CPE will implement their oversight of the University per Senate Bill 185.
- Dr. Bigard said the primary driver is that KSU has to have approval of any obligation of \$20,000 or more prior to engaging in that commitment.
- KSU will provide an ongoing monthly and quarterly reporting to CPE.

3. Proposed Farm Purchase.

- Dr. Bigard said the acquisition of a piece of farm property in Midway will come before the board tomorrow as an action item. The list price is \$1.6 million using USDA funds. It has been pre-approved by CPE.

4. The Capital Update.

- Dr. Bigard said Jack McNear will share updates on the capital construction. She said they have also prepared a response to some of the questions on the residence halls and occupancy as part of his presentation.

5. Financial Clearance and Collections Policy.

- Dr. Bigard said the clearance and collections policy has been sent to the board for approval. She said the policy needs to be expanded to align with Senate Bill 185.

6. SGA Constitution.

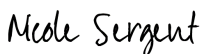
- Dr. Bigard said her understanding is that the SGA constitution is still under review.
- Regent Hatchett asked if they need a recommendation from the committee on the farm property acquisition to the full board. Dr. Akakpo responded yes.
- A conversation on the proposed motion was had by Regent Hatchett and General Counsel Sergeant.
- Regent Moyer asked for a motion. Regent Hatchett made the motion for approval of the farm property acquisition. Regent Obielodan seconded the motion on the grounds that the USDA funding is going to be responsible for that. He said given that it has USDA approval and CPE approval, he seconds the motion. Regent Moyer said the motion carries and the committee endorses the purchase of the land under the condition that it's funded by USDA. There were no dissenting votes. Motion Passed.

7. Adjournment.

- Regent Moyer said they need to adjourn. Regent Obielodan made a motion to adjourn. Regent Grimshaw seconded the motion.
- Regent Moyer adjourned the meeting with the understanding that after the board meeting tomorrow, they will get back with Dr. Bigard and see if it's important for them in the near term to continue their discussion on the budget.

Submitted by:

Signed by:



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Nicole Sergeant, Secretary
Board of Regents
Kentucky State University

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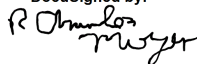
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Regent Tammi Dukes, Chair
Board of Regents
Kentucky State University

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Regent Charles Moyer, Chair
Finance & Advancement Committee
Kentucky State University

Approved with no corrections

Approved with corrections