



POLICY TITLE:

Legal Settlements

APPLIES TO:

All KSU departments, employees, and agents involved in the consideration, approval, and execution of settlements of disputed legal claims by or against KSU, including its Board of Regents and employees when the KSU provides legal defense and indemnification.

ADMINISTRATIVE AUTHORITY:

Kentucky State University Board of Regents

Office of the President

Office of General Counsel

APPROVED BY:

Kentucky State University Board of Regents

EFFECTIVE DATE:

August 8, 2025

NEXT REVIEW DATE:

August 8, 2028

POLICY STATEMENT:

Kentucky State University (KSU) may, from time to time, enter into settlement agreements to resolve disputed legal claims. This policy establishes the procedures for the review, approval, and execution of such settlements. The purpose of this policy is to record in writing the prevailing university policy that settlement agreements over a certain monetary threshold must be approved by the KSU Board of Regents ("Board"), notwithstanding any authority the President has to execute other legal agreements on behalf of KSU.

Settlements may be approved only when the proposed resolution is determined to be in the best interests of KSU. This policy applies to all settlements of disputed legal claims by or against KSU, its regents, or its employees for whom KSU is providing a legal defense and indemnification (e.g., pursuant to the Bylaws of the Board of Regents), regardless of whether such claims have been filed with a court or administrative agency. Disputed legal

claims may include, for example, employment discrimination claims by current or former employees, breach of contract disputes, claims for personal injury or property damage, and any other claim that has been or could be filed in a legal or administrative forum.

DEFINITIONS:

Disputed Legal Claim

A contested right or claim asserted by or against KSU, its regents, or its employees (acting in their official capacity or for whom KSU is providing a defense and indemnification), whether or not formal legal proceedings have been initiated. This includes, but is not limited to, employment discrimination claims, breach of contract disputes, and personal injury or property damage claims.

Settlement

A formal agreement or resolution of a disputed legal claim, mutually agreed upon by the parties, which typically involves a compromise or concession by one (1) or more parties to resolve the dispute without further litigation or adjudication.

PROCESS:

Approval of Settlements

- Settlements of disputed legal claims involving a payment by KSU of more than \$300,000 may be approved only by the Board.
- All other settlements, meaning those involving a payment by KSU of \$300,000 or less, or the receipt of any amount, may be approved by the President.
- All settlement approvals should occur in consultation with the General Counsel, the Vice President of Finance & Administration, and other KSU officials who may have involvement or relevant information regarding the matter.
- Notwithstanding the above, any settlement of a dispute in which the President is a named defendant in litigation may be approved only by the Chair of the Board.

Execution of Settlement Agreements

- Agreements that reduce approved settlements to writing may be signed on behalf of KSU only by the President.
- If the President is a named defendant in litigation, and the Chair of the Board has approved the settlement, the related settlement agreement may be signed only by the Chair of the Board or the Chair's designee.

Role of the Office of General Counsel

- The Office of General Counsel is responsible for preparing, or reviewing and approving as to form, all settlement agreements and related legal documents.

- The Office of General Counsel is also responsible for managing the process of obtaining any external court or administrative agency approvals that may be required by applicable law for a settlement to become effective.

Reporting of Settlements to the Board of Regents

- The President and the General Counsel shall consult with the Board, or in some cases the Board's Executive Committee, regarding proposed settlements that exceed the \$300,000 threshold. The Board or Executive Committee may discuss the proposed settlement in a closed or executive session. However, the Board must approve and announce any action taken in an open session.
- The President and General Counsel must make timely written reports to the Board regarding recently finalized settlements of disputed claims. These reports shall also include information on other types of agreements involving a release of legal claims where no formal litigation was filed or threatened, such as certain employee separation agreements. While the Board may review these written reports outside of meetings, regents may not discuss the reports with one another except during a public meeting. Pursuant to the Kentucky Open Meetings Act, discussions of finalized settlements or separation agreements may only be discussed in an open session of a meeting.

REFERENCES AND RELATED MATERIALS:

- The Gold Book: Bylaws of the Kentucky State University Board of Regents
- KSU Delegation of Authority Policy
- Kentucky Open Meetings Act

CONTACTS:

Subject	Office	Telephone	E-mail
Policy Questions	Office of General Counsel	(502) 597-6414	Zachary.Atwell@kysu.edu General.Counsel@kysu.edu

HISTORY:

Revision Type	Date of Issuance/Revision	Drafter(s)/Editor(s)
Issued (New Policy)	June 2025	Zach Atwell