

**Minutes**  
**Kentucky Community and Technical College System**  
**Board of Regents Meeting**  
**December 6, 2019**

**Board Members Present:**

- Mr. Damon V. Allen
- Ms. Lisa V. Desmarais
- Ms. Karen Finan
- Dr. Wendy Fletcher
- Dr. Angela Fultz
- Mr. Chris J. Girdler
- Dr. Gail R. Henson
- Ms. Mary R. Kinney
- Mr. Jonathan McDermott
- Ms. Marcia L. Roth
- Mr. James Lee Stevens
- Ms. Jacqi Teehan
- Ms. Tammy C. Thompson
- Mr. Mark A. Wells

**Call to Order:**

KCTCS Board of Regents Chair Gail Henson called to order the meeting of the Kentucky Community and Technical College System Board of Regents at 9:06 a.m. (ET) on December 6, 2019. The meeting was held at the KCTCS System Office in Versailles, Kentucky. The press was notified of the meeting on November 27, 2019. Hon. Mike Murray, KCTCS General Counsel, served as parliamentarian.

There being a quorum present, the meeting began with the approval of minutes.

**Approval of Minutes:**

Chair Henson asked if there were any corrections to the September 20, 2019, minutes presented in the meeting materials. There being none, the minutes were declared approved as presented.

**Additions or Changes to the Agenda:**

Chair Henson asked for consent to reorder the agenda in the following order.:

Consent Agenda  
Committee Reports  
President Box's President Report  
Chair's Report  
Executive Session

She noted that the reordering will better facilitate the meeting. With no objections, Chair Henson proceeded with the above order.

**Consent Agenda:**

Chair Henson asked if there were any changes to the consent agenda. There being none, the agenda was approved as presented.

**Executive Committee:**

Chair Henson called upon Executive Committee and Board of Regents Vice Chair Lisa Desmarais to make the committee's report.

**Action: Revision of Mission Statement for Hopkinsville Community College**

**RECOMMENDATION:** That the KCTCS Board of Regents approve a revised mission statement for Hopkinsville Community College (HCC) as presented in the agenda materials.

Ms. Desmarais noted that it is the policy of the KCTCS Board of Regents that each SACS-accredited college under the jurisdiction of the KCTCS Board of Regents has a statement of purpose approved by the governing board and that the KCTCS Board of Regents periodically review and approve mission statements of each SACS-accredited college. It is also the policy of KCTCS that the college mission statement be reviewed annually and that the mission statement shall be submitted to the KCTCS Board of Regents for approval at least once every three years.

Ms. Desmarais noted that the mission statement had no changes during the annual review in 2018. On July 29, 2019, Dr. Young charged the HCC Division Chairs to conduct a mission statement review. The Division Chairs developed and proposed two mission statements. Each Division Chair shared the mission statement proposals to the faculty in their division. Input was solicited from the faculty during a faculty meeting on August 16, 2019. From that input a third mission statement was proposed. The faculty voted and approved one of the three proposals. The three proposals were shared to staff during their meeting on August 16, 2019 and they voted on Monday, August 19, 2019. The staff vote paralleled the faculty vote. The mission statement was endorsed by the HCC Board of Directors on September 10, 2019.

Chair Henson called for discussion. There being none, she called for the motion.

**MOTION:** On behalf of the Executive Committee, Ms. Desmarais moved that the KCTCS Board of Regents approve a revised mission statement for Hopkinsville Community College (HCC) as presented in the agenda materials.

Chair Henson called for the vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

**Action: Renewal of Mission Statement for Madisonville Community College**

**RECOMMENDATION:** That the KCTCS Board of Regents approve the renewal of the mission statement for Madisonville Community College (MCC) as presented in the agenda materials.

Ms. Desmarais noted that on August 29, 2019, the MCC mission statement was shared with faculty and staff via email. A brief survey was included in the message to provide individuals the opportunity to offer feedback on the current statement. Reminders were sent to the college community and to the local board of directors to submit feedback through the survey portal. During the college's Faculty Council meeting on September 6, 2019, they reviewed and discussed the mission statement. Results of that survey administered to employees were shared on September 23, 2019 during the regularly scheduled faculty and professional staff meeting. Results indicated strong support for the mission statement as written. Ninety-five percent of respondents strongly agreed/agreed that the statement appropriately described the institutional purpose. Ninety-five percent of respondents strongly agreed/agreed that the statement addressed teaching and learning. Eighty-nine percent respondents strongly agreeing/agreeing that the statement appropriately described the populations MCC serve.

The college's Faculty Council voted to keep the current statement on October 4, 2019 and the President's Cabinet endorsed the current mission statement as written during their meeting on October 17, 2019. Faculty and staff voted to approve the current mission statement during the regularly scheduled faculty meeting on October 25, 2019 and the MCC Board of Directors approved the current mission statement during their regular meeting on November 21, 2019.

Chair Henson called for discussion. There being none, she called for the motion.

**MOTION:** On behalf of the Executive Committee, Ms. Desmarais moved that the KCTCS Board of Regents approve the renewal of the mission statement for Madisonville Community College (MCC) as presented in the agenda materials.

Chair Henson called for the vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

**Action:** Renewal of Mission Statement for Owensboro Community and Technical College

**RECOMMENDATION:** That the KCTCS Board of Regents approve the renewal of the mission statement for Owensboro Community and Technical College (OCTC) as presented in the agenda materials.

Ms. Desmarais shared that the mission statement was reviewed by the OCTC Executive Team on January 28, 2019 with no changes recommended and the mission statement was presented and unanimously approved by the OCTC Administrative Council on February 19, 2019. The first reading of the mission statement occurred during the College Assembly on March 21, 2019. OCTC's College Assembly approved the mission

statement on August 6, 2019. The OCTC Board of Directors voted to endorse the mission statement on July 18, 2019.

Chair Henson called for discussion. There being none, she called for the motion.

**MOTION:** On behalf of the Executive Committee, Ms. Desmarais moved that the KCTCS Board of Regents approve the renewal of the mission statement for Owensboro Community and Technical College (OCTC) as presented in the agenda materials.

Chair Henson called for the vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

**Action:** Revision of Mission Statement for Southcentral Kentucky Community and Technical College

**RECOMMENDATION:** That the KCTCS Board of Regents approve a revised mission statement for Southcentral Kentucky Community and Technical College (SKYCTC) as presented in the agenda materials.

Ms. Desmarais noted that all faculty and staff had an opportunity to participate in the revision of the mission statement. Once the options were narrowed, all of the attendees at subsequent Faculty Senate, Staff Council, and Student Government meetings were provided paper surveys to select the preferred statement from a narrowed list of three options. The mission statement is part of the SKYCTC Strategic Plan.

Ms. Desmarais shared that the Strategic Planning Committee is made up of faculty and staff from across the institution. The Efficiency, Effectiveness, and Accountability Committee of the Board of Directors provide direction to the Strategic Planning Committee through the development of the annual Strategic Plan and Progress Report. The updated Strategic Plan and the Progress Report were presented to the Board of Directors at the April 2019 work session. The revised mission statement was endorsed by the Chairs of the Faculty Senate and Staff Council as well as the Student Government Association President in August and September of 2019. The revised mission statement was endorsed by the SKYCTC Board of Directors on September 19, 2019.

Chair Henson called for discussion. There being none, she called for the motion.

**MOTION:** On behalf of the Executive Committee, Ms. Desmarais moved that the KCTCS Board of Regents approve a revised mission statement for Southcentral Kentucky Community and Technical College (SKYCTC) as presented in the agenda materials.

Chair Henson called for the vote.

VOTE: The motion was approved unanimously.

Chair Henson moved to the next agenda item.

Action: Revision of Mission Statement for Southeast Kentucky Community and Technical College

RECOMMENDATION: That the KCTCS Board of Regents approve a revised mission statement for Southeast Kentucky Community and Technical College (SKCTC) as presented in the agenda materials.

Ms. Desmarais noted that on May 3, 2019, the faculty and staff of SKCTC began the process of reviewing the current mission statement and were given the opportunity to make comments and suggestions for revision through September 1, 2019. The process included discussion consideration of the following four areas:

- SKCTC's current mission statement describes who we are.
- SKCTC's current mission statement describes why we exist.
- SKCTC's current mission statement describes what we do.
- SKCTC's current mission statement describes whom we serve.

The language in the mission statement was altered slightly to clarify the relationship between the college and the System Office. On August 27, 2019, the revised mission statement was reviewed and approved by the Southeast Kentucky Community and Technical College Board of Directors. Since the Board of Directors held its quarterly meeting prior to the first scheduled faculty meeting of the fall semester, the Board opted to vote on this item and expedite the process. Faculty and staff suggestions, comments, and response ratings to the revised mission statement were included in the minutes of the faculty meeting on September 6, 2019, after the mission statement was passed.

Chair Henson called for discussion. There being none, she called for the motion.

MOTION: On behalf of the Executive Committee, Ms. Desmarais moved that the KCTCS Board of Regents approve a revised mission statement for Southeast Kentucky Community and Technical College (SKCTC) as presented in the agenda materials.

Chair Henson called for the vote.

VOTE: The motion was approved unanimously.

Chair Henson moved to the next agenda item.

## Action: Revision of Mission Statement for West Kentucky Community and Technical College

**RECOMMENDATION:** That the KCTCS Board of Regents approve a revised mission statement for West Kentucky Community and Technical College (WKCTC) as presented in the agenda materials.

Ms. Desmarais noted that in the spring of 2018, the WKCTC Mission Statement Task Force was charged with conducting a review of the current mission statement. The review process included the following:

- The Mission Statement Task Force discussed WKCTC's current and future vision of service for the college and community constituents. Additional discussion was conducted summer 2018 with faculty, staff, and administration at the college leadership retreat (program coordinators, directors, deans, and President's Cabinet members).
- Academic, workforce training, and external community programming were discussed to ensure the mission reflected the needs of the WKCTC service area.
- The Mission Statement Task Force drafted a revised mission statement to reflect the current and future institutional mission and strategic plan.

During open forums held in February 2019, the Mission Statement Task Force presented the draft version of the mission statement to faculty, staff, students, and community constituents. The draft version was also distributed via the WKCTC Daily Email Digest, an electronic communication platform, providing opportunity for input in the event individuals could not attend an open forum. Participants were invited to make comments and suggestions.

The Mission Statement Task Force made final revisions based on participant feedback. The West Kentucky Community and Technical College Board of Directors endorsed the revised statement on March 5, 2019, after that approval the mission statement was presented to the WKCTC faculty and staff for review at their meetings on March 15, 2019, and unanimously voted to endorse the revised mission statement at their April 26, 2019 meeting.

Chair Henson called for discussion. There being none, she called for the motion.

**MOTION:** On behalf of the Executive Committee, Ms. Desmarais moved that the KCTCS Board of Regents approve a revised mission statement for West Kentucky Community and Technical College (WKCTC) as presented in the agenda materials.

Chair Henson called for the vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

**Action: Annual KCTCS Board of Regents Assessment Form**

**RECOMMENDATION:** That the KCTCS Board of Regents approve the attached 2019 Assessment Form of the 2018-19 Performance Period (Attachment A), to be distributed to all Regents by the Efficiency, Effectiveness, and Accountability Committee Chair, with results to be collected by the Committee Chair and reported at the March 13, 2020 Board of Regents meeting.

Ms. Desmarais noted that the form will be distributed in the OnBoard survey tool feature. In addition, the student Regents and Regent Chris Girdler will not take the survey, as they were not on the Board for the assessment year – 2018-19. Ms. Desmarais shared that it is important to keep the form in existing format for a few years in order to establish a baseline and determine improvement from year to year.

Ms. Desmarais shared that the survey results from the assessment last year will be posted in the Resource section of OnBoard.

Chair Henson called for the motion.

**MOTION:** On behalf of the Executive Committee, Ms. Desmarais moved that the KCTCS Board of Regents approve the attached 2019 Assessment Form of the 2018-19 Performance Period (Attachment A), to be distributed to all Regents by the Efficiency, Effectiveness, and Accountability Committee Chair, with results to be collected by the Committee Chair and reported at the March 13, 2020 Board of Regents meeting.

Chair Henson called for discussion. There being none, she called for a vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

**Action: Procedures for The KCTCS Board of Regents Officer Elections**

**RECOMMENDATION:** That the KCTCS Board of Regents approve the attached KCTCS Board of Regents Officer Elections Procedures (Attachment B) as amended by the Executive Committee.

Ms. Desmarais noted that a strikethrough and an as-it-will appear version was shared with the Regents that contained the revisions approved by the Executive Committee in their meeting the previous day. The Regents were asked to review and provide comments.

Chair Henson called for discussion.

During discussion, Regent Stevens noted that the current Chair would not be able to vote for him or herself if they chose to run again for Chair. Regent Roth made a revision to the current motion to allow the Chair to vote.

Regent McDermott suggested to amend the motion on the floor to allow the Chair to only vote in the Chair portion of the election.

Regent Fletcher made an amended motion to say that the Chair should be able to vote for him or herself in any position, not just if they are running for election again in the same position.

Regent Roth made the motion to allow for the Chair to vote in any and all races. Noting that with this revision, there will be no tiebreaker procedure stated in the procedures.

Chair Henson called for a vote on the motion on the floor. By a show of hands, that motion was approved unanimously.

Chair Henson moved to the next agenda item.

#### **Update: 2019 Technical Edits to College Mission Statements to Align with System Membership**

Ms. Desmarais shared that the committee received an update from President Box and Chancellor Williams on the KCTCS College Mission Statements. She noted that the mission statement must be followed by a statement noting that the institution is a member of the Kentucky Community and Technical College System. This statement should follow the mission statement on the College website, in the KCTCS Catalog, etc. This statement reflects and affirms that the College is part of a System of Colleges under Board of Regents governance.

During a period of transition in the Chancellor's Office, three College mission statements were approved by the Board of Regents without the appropriate statement regarding the System. The mission statement technical edits will add language appropriate to the College's membership in the System.

A handbook on development of the mission statement was developed for College use and has been disseminated to all College Presidents to avoid future oversights. Technical edits are added to the mission statements for three KCTCS Colleges: Elizabethtown Community and Technical College, Henderson Community College, and Jefferson Community and Technical College.

Chair Henson called for discussion, there being none, and she moved to the next agenda item.

Chair Henson moved to the next agenda item.



## Update: 2020 KCTCS Legislative Session

Ms. Desmarais shared that the committee received an update from President Box on the upcoming 2020 Legislative Session. Some highlights included that all 100 Kentucky House and 19 Kentucky Senate seats are up for election. She shared that KCTCS will once again host “Eat & Greets” in January and February at the Capitol Annex Cafeteria, giving legislators a chance to drop by for lunch or a cup of coffee and engage with President Box and College Presidents.

Ms. Desmarais noted that this is a legislative budget session. The Kentucky General Assembly will develop a two-year budget that will go into effect on July 1, 2020. He noted that in this session KCTCS will be supporting the CPE budget which includes a 10 percent increase to the Performance Funding Pool (KCTCS to receive approximately \$28 million over the biennium); a continuation of the 2 percent stop-loss for performance funding for both years of the biennium; and \$400,000,000 for Asset Preservation funds (KCTCS to receive approximately \$53 million). KCTCS has, and continues, to support performance-based funding. However, the model needs to be fully funded in order to work as intended. The stop-loss prevents those institutions that are above parity according to the model from having to redistribute more than 2% of their base budget to their sister institutions in a given year. KCTCS would be supporting the CPE request to increase the dual credit tuition rate from 1/3 of KCTCS’ tuition to 1/2. KCTCS is the largest provider of dual credit with about 20,000 students this year. Passing this would save KCTCS a projected \$5 million this year (KCTCS loses \$6 million annually in dual credit).

Chair Henson called for discussion, there being none, and she moved to the next Committee report.

### Finance, Technology, and Human Resources Committee:

Chair Henson called upon Finance, Technology, and Human Resources Committee Chair Mark Wells to make the committee’s report.

### Action: KCTCS Interim Project Approval Scope Increase: Fire Commission Parking Lot

**RECOMMENDATION:** The KCTCS Board of Regents approve the scope increase of \$1.0 million in agency funds for the construction of a parking lot (driving course) at the National Responder Preparedness Center (NRPC) located in Greenville, Kentucky for the Kentucky Fire Commission – State Fire Rescue Training.

Mr. Wells noted in accordance with House Bill (HB) 529 of the 2018-20 general session, interim authorization for a capital construction project with a scope greater than \$1.0 million must be approved by the KCTCS Board of Regents and reported to the Capital Projects and Bond Oversight Committee of the Kentucky Legislature. The current authorization for the NRPC Parking Lot project is \$2.0 million. The additional \$1.0 million needs to be added to increase the project’s budget to \$3.0 million in order to maintain the

project's scope. The funding for this increase will come from agency funds of the Kentucky Fire Commission – State Fire Rescue Training.

Chair Henson called for discussion.

During discussion, it was noted the project is currently authorized for \$2 million but will require an additional \$1 million for remediation of the site due to soil conditions. There are agency funds and the scope increase will be reported the Kentucky Finance Cabinet.

Chair Henson called for the motion.

**MOTION:** On behalf of the Finance, Technology, and Human Resources Committee, Mr. Wells moved that the KCTCS Board of Regents approve the scope increase of \$1.0 million in agency funds for the construction of a parking lot (driving course) at the National Responder Preparedness Center (NRPC) located in Greenville, Kentucky for the Kentucky Fire Commission – State Fire Rescue Training.

Chair Henson called for additional discussion. There being none, she called for a vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

**Action:** KCTCS 403(b) Plan Restatement

**RECOMMENDATION:** The KCTCS Board of Regents authorize the amendment and restatement of the Kentucky Community and Technical College System § 403(b) Defined Contribution Plan ("Plan") (Attachment C), to comply with form requirements of the Internal Revenue Service (IRS) Revenue Procedure (Rev. Proc.) 2013-22, as modified and clarified by Rev. Proc. 2014-28, 2015-22, and 2017-18 and other changes in applicable law.

Mr. Wells noted that KCTCS sponsors a § 403(b) Defined Contribution Plan. When § 403(b) was enacted by the IRS, its provisions were fairly simple. However, over time, 403(b) plans have become more complex, both in the types of plans available and in the legal requirements applicable to them. In 2007, the IRS published new regulations requiring that all § 403(b) plans have a written plan document in place by December 31, 2009, given their growing complexity. As of December 31, 2009, there was no official § 403(b) Pre-Approved Plan Document program issued by the IRS, so plan sponsors attempted to document their own plan provisions. KCTCS complied with the regulation and created a written plan.

Mr. Wells shared that pursuant to Rev. Proc. 2013-22, as modified and clarified by additional procedures, the IRS established a remedial amendment period that permits an employer to retroactively correct form defects in its written § 403(b) plan by timely adopting a § 403(b) pre-approved plan (which were issued in 2017) or by otherwise timely

amending its § 403(b) individually designed plan. The deadline for adopting a §403(b) pre-approved plan is March 31, 2020. The Board of Regents must authorize the amendment and restatement of the plan documents. By adopting a § 403(b) pre-approved plan, KCTCS will gain needed reassurance from the IRS that its §403 (b) plan is legally sufficient.

Chair Henson called for discussion. There being none, she called for the motion.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Mr. Wells moved that the KCTCS Board of Regents authorize the amendment and restatement of the Kentucky Community and Technical College System § 403(b) Defined Contribution Plan (“Plan”) (Attachment A), to comply with form requirements of the Internal Revenue Service (IRS) Revenue Procedure (Rev. Proc.) 2013-22, as modified and clarified by Rev. Proc. 2014-28, 2015-22, and 2017-18 and other changes in applicable law.

Chair Henson called for a vote.

VOTE: The motion was approved unanimously.

Chair Henson moved to the next agenda item.

#### Information: Compensation and Classification Phase II – Compression Adjustment

Chair Wells noted that the KCTCS Board of Regents requested information on possible options and the cost of the options for Phase II of the Compensation and Classification Study, which focuses on Pay Compression across the System. Pay compression is the situation in which an organization has negligible differences in pay between people who have differing skill sets and/or experience levels. It has occurred at KCTCS because the Commonwealth’s economic realities over the last decade have resulted in employee pay raises not keeping up with increases in the market—resulting in a situation in which new hires are hired in at levels similar to employees who have been with KCTCS for several years.

The three options appear below:

*Option 1: Base salary increased at a percentage of Market Rate and reflective of years in position, with the adjustment not to exceed Market Rate.*

*Option 2: Flat dollar increase in base salary reflective of years in position, with the adjustment not to exceed Market Rate.*

*Option 3: Percentage increase in base salary reflective of years in position, with the adjustment not to exceed Market Rate.*

The scope of this study includes all 3,886 regular full-time faculty and staff employees in each pay band. Staff have developed (with input from the President’s Leadership Team and the college human resource directors) three options to address employee salary compression at the various pay bands of the KCTCS Salary Schedule and the projected cost associated with

each option (Attachment D). All three options include the common factor of years of service in a position but rely on different scaling methods to alleviate the compression. Chair Henson called for discussion.

During discussion it was noted that the Executive Committee looked at this information in great detail. Each of the options were reviewed in detail and the Committee asked for a scatter plot and to consider spreading out the percentages/years in Option 1. Regent Roth asked why Option 2 impacts more employees. Mr. Followell noted that more employees are impacted by that specific criteria – it's the difference between a dollar and percentage increase.

Chair Henson moved to the next agenda item.

RECESS: The Board recessed at 10:05 a.m. (ET) and reconvened at 10:12 a.m. (ET).

Update: Kentucky Employees Retirement System (KERS)

Mr. Wells noted that on July 24, 2019, the special session of the Kentucky legislature passed, and Governor Bevin signed into law, House Bill 1 (HB1). HB1 applies only to "Quasi-Governmental" employers and allows them to elect to cease participation ("opt-out," if you will) of the Kentucky Employees Retirement System (KERS) for nonhazardous employees. Currently KCTCS has 415 employees participating in KERS. New employees are not able to choose the KERS retirement option, thus KCTCS's liability with KERS decreases as the KERS retirement plan employees retire or leave. Projected contribution cost on these employees is @ \$9.0 million annually at the current 49.47 percent employer contribution rate. The published contribution rate for the 2020-22 biennia is 89.37 percent, raising the projected cost to \$16.1 million (@ \$7.1 million more) for FY 2020-21. It was noted that no decision has been made as to whether it would be better for KCTCS to stay in KERS or opt-out. All information necessary to make an informed decision is not yet known, nor is it expected prior to February 2020. Research and analyses continue. KERS is not required to supply necessary information for a decision until January 31, 2020. All due consideration is and will continue to be given to staying in and opting out, including financial and moral considerations.

Mr. Wells shared that if the decision is to opt out, KCTCS must notify KERS by April 30, 2020. With this in mind, if the research shows that opting out is the best option, the Board will be asked to vote on a resolution at its March 2020 meeting. Variations as to how to best to fund the cost of either option is being reviewed, including consideration of debt financing for the cost of staying in or opting out.

Chair Henson called for discussion.

During discussion, it was noted that KCTCS has 3,900 total employees. This discussion focuses on the 415 who are in the KERS pension system. After the discussion, a suggestion for a workshop to be held in conjunction with the March meeting about KERS was made to continue the discussion on this agenda item.

Chair Henson moved to the next agenda item.

## Update: Administrative Services Report

Mr. Wells noted that the Statement of Current Funds Revenues and Expenses as presented in the agenda materials, reflects actual program and operational expenditures compared to the 2019-20 budget approved by the KCTCS Board of Regents, June 14, 2019. The report reflects total revenues and appropriated fund balances of \$383,331,000 or 45 percent of the budgeted revenue and appropriated funds. He shared that the Statement of Current Funds Revenues and Expenses also reflects current fund expenses and budget reserve of \$248,938,000 or 29 percent of the expenses budgeted for the year. The Statement of Net Position as presented in the agenda materials, reflects the overall financial position of the System and includes assets deferred outflows, liabilities deferred inflows, and net position. KCTCS's net position remains a strong \$635,840,000 as of September 30, 2019.

Mr. Wells noted that Vice President Followell shared information from the Facilities Management and Sustainability Report. The report provided online details KCTCS capital construction projects; facilities support services, sustainability initiatives, and facilities utilization.

Chair Henson called for discussion.

During discussion, Regent Desmarais noted that utilization for KCTCS is less than the national average and commends KCTCS asking for investment in current assets than building new buildings.

Chair Henson moved to the next agenda item.

## Update: Institutional Advancement Report

Mr. Wells noted that the *Institutional Advancement Report* covers private giving and sponsored projects, grants, and contracts. Private gift income by donor purpose and source for the System and the donor source by college for the KCTCS colleges is included. The largest private gifts during the reporting period are featured. Sponsored Projects, Grants, and Contracts funds are stated by source and purpose for the System Office in total, and total awards to individual colleges are presented. The top grants and contracts received during the reporting period are highlighted. This report covered gifts from July 1, 2019, through October 31, 2019.

Chair Henson called for discussion.

During discussion, it was noted that KCTCS is heavy on corporate funding but lagging behind in individual funding. Moving forward, this will be addressed.

Chair Henson moved to the next agenda item.

Action: The 2018-19 Annual Audit Report

RECOMMENDATION: That the KCTCS Board of Regents accept the financial audit results for the 2018-19 fiscal year.

Mr. Wells noted the independent audit issued by Crowe; LLP is an unmodified opinion. This opinion means that the KCTCS financial statements present fairly, in all material respects, the KCTCS financial position on June 30, 2019. The KCTCS financial statements and the audit firm's opinion letter are included in the document titled *2018-19 Annual Financial Report*.

Mr. Wells shared that the audit firm has reported that there are no deficiencies in the KCTCS internal controls considered material weaknesses. The audit firm's management comment letter, KCTCS responses, and other related correspondence from the audit firm are included in the document titled *2018-19 Audit Correspondence*. The audit firm has audited the KCTCS major federal programs in compliance with the requirements of the *U.S. Office of Management and Budget Uniform Guidance*. That audit report is in the document titled *Report on Audit of Institutions of Higher Education in Accordance with Uniform Guidance*.

Chair Henson called for discussion.

During discussion, Regent Desmarais commended the staff and organization for the two findings, which is remarkable for the size of KCTCS. It was noted of the two findings that one of them is a repeat finding.

Chair Henson called for the motion.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Mr. Wells moved that the KCTCS Board of Regents accept the financial audit results for the 2018-19 fiscal year.

Chair Henson called for additional discussion. There being none, she called for a vote.

VOTE: The motion was approved unanimously.

Chair Henson called a recess.

RECESS: The Board recessed at 11:15 a.m. (ET) and reconvened at 11:20 a.m. (ET).

Academic Affairs and Curriculum Committee:

Chair Henson called upon Academic Affairs and Curriculum Committee Chair James Lee Stevens to make the committee's report.

## Action: New Program Proposals

### AAS in Welding and Diploma in Combination Welder for Hopkinsville Community College

**RECOMMENDATION:** That the Board of Regents approve an Associate in Applied Science (AAS) in Welding Technology, a Diploma in Combination Welder, and certificates in Gas Metal Arc Welder, Gas Tungsten Arc Welder, Shielded Metal Arc Welder, and Welding Automation for Hopkinsville Community College (HCC) to be implemented in fall 2020.

Mr. Stevens noted the college's welding facility would not allow for further expansion of this program. The building is undergoing a major reconstruction funded by a Work Ready Kentucky grant awarded jointly to the Christian County Public School system and HCC. Additional welding booths along with classroom space are incorporated in the plans. The renovation will allow the college's Workforce Solutions department more flexibility in scheduling accelerated classes to serve transitioning soldiers. In addition, courses offered during the regular 16-week semester can be expanded to serve the HOPFAME cohort along with students enrolled in other programs such as Diesel Technology and Agriculture in which welding skills are desired. HCC has moved beyond the Hopkinsville campus to offer dual credit welding courses at the Todd County Advanced Manufacturing Technology Center (TCAMTC). Nearly 40 welding certificates were awarded to 19 dual credit students last year at Todd County. The addition of the diploma and degree along with other certificates would allow these students additional welding training before transitioning to the workplace.

Mr. Stevens shared that the current HCC welding program, long constrained by inadequate physical facilities, finds itself in a promising situation. The renovated welding building will allow for a much-expanded program offering students multiple credential opportunities in welding.

Chair Henson called for discussion. There being none, she called for a motion.

**MOTION:** On behalf of the Academic Affairs and Curriculum Committee, Mr. Stevens moved that the KCTCS Board of Regents approve an Associate in Applied Science (AAS) in Welding Technology, a Diploma in Combination Welder, and certificates in Gas Metal Arc Welder, Gas Tungsten Arc Welder, Shielded Metal Arc Welder, and Welding Automation for Hopkinsville Community College (HCC) to be implemented in fall 2020.

Chair Henson called for the vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

## AAS in Massage Therapy for Hazard Community and Technical College

**RECOMMENDATION:** The Board of Regents approve an Associate in Applied Science (AAS) in Massage Therapy and a Massage Therapy certificate for Hazard Community and Technical College (HCTC) to be implemented in Fall 2020.

Mr. Stevens noted the Associate in Applied Science in Massage Therapy Technology Degree program prepares students to provide therapeutic massages to promote the health and well-being of patients in a variety of medical settings. The addition of the Massage Therapy Technology degree to the existing programs at HCTC will serve to attract those interested in Massage Therapy and function in partnerships with existing community medical organizations and initiatives. Graduates will be able to find employment in hospitals, doctors' offices and other clinical settings, and local spas.

Mr. Stevens noted that there is a high incidence of drug use in the service area, specifically related to opioid use. Massage Therapy helps lessen the need for chemical pain management and increasing the capacity for massage therapy may help lessen the opioid epidemic in eastern Kentucky. The program will be housed in currently existing classroom and laboratory space. Any additional faculty and equipment required by the program will be purchased using Perkins Grant, institutional funds and generated tuition dollars.

Chair Henson called for discussion. There being none, she called for a motion.

**MOTION:** On behalf of the Academic Affairs and Curriculum Committee, Mr. Stevens moved that the KCTCS Board of Regents approve an Associate in Applied Science (AAS) in Applied Science (AAS) in Massage Therapy and a Massage Therapy certificate for Hazard Community and Technical College (HCTC) to be implemented in Fall 2020.

Chair Henson called for the vote.

**VOTE:** The motion was approved unanimously.

Chair Henson moved to the next agenda item.

## Update: Student Services Report

Mr. Stevens noted that Vice President McCall presented a PowerPoint Presentation to the Committee on the following topics:

- Financial Aid (FA)
- Two-Way Text Messaging
- Cultural Diversity and Inclusion
- Blackboard Student Services and
- KCTCS Student Leadership Academy



Mr. Stevens shared a few highlights from her report. In the area of Financial Aid:

#### **PROGRAM PARTICIPATION AGREEMENT (PPA)**

The US Dept. of Education requires every college to submit a PPA every 4-6 years to participate in Financial Aid (FA). Colleges will either be recertified or placed on provisional status. Re-certification is granted if there are no outstanding issues in the areas of: cohort default rates, audit findings, deficient administrative capabilities or other issues. Provisional status is granted when there are concerns. There is no impact on daily financial aid operations, however it does elevate the scrutiny used to evaluate an institutions' request for re-certification. Provisional status last for 3-years. This is normal process for all institutions across the nation. Jefferson CTC is currently the only KCTCS college on provisional status. Recertification is expected soon.

#### **STUDENT LOAN COHORT DEFAULT RATES**

All of KCTCS colleges have lowered their default rates by 1.5 to 12.4 percentage points with the exception of Hazard, which increased by .01 percent. Hazard is working with Ed Financial and KHEAA to continue to implement strategies to reduce their default rates.

#### **PROGRAM APPLICABILITY**

Program Applicability is a Title IV Federal mandate that stipulates financial aid can only be used to pay for coursework that is required by the student's chosen program of study. Courses outside of a student's program can be paid for with other state and local scholarships. Exceptions to this rule does apply. To ensure colleges are compliant with disbursement of Title IV federal financial aid funds, a report is run via the FA Course Auditor system in PeopleSoft every week to provide each college student enrollment data. The report is sent to the Registrars and FA Directors. College personnel have been trained and provided guideline to ensure compliance.

#### **TWO-WAY TEXT MESSAGING SIGNAL VINE**

KCTCS Colleges partnered with a company named Signal Vine to implement a two-way text messaging platform system that will allow system personnel to effectively communicate with prospective and enrolled students, alumni, and employees regarding academic success and other matters related to KCTCS mission. All 16 colleges Implementation Teams collaborated to select three areas for the initial roll-out of text message communications, Admissions – Financial Aid – and Advising. Planning, development, and training sessions are moving forward with a go-live date of Spring 2020.

#### **KCTC STUDENT LEADERSHIP ACADEMY**

The Student Leadership Academy trains and prepares potential student leaders to increase their leadership skill sets in preparation to serve in various leadership capacities at their college, community at large or at the region/state level.

Students have successfully participated in 3 of 4 professionally facilitated one day sessions.

- The most recent session in October focused on personal values, decision making, goal setting, team building, and writing personal goals.
- Students were assigned to teams and given the name of world leaders. Each team will: (1) research the leadership style and accomplishments of their assigned leader and (2) document how the leader overcame challenges.

At the final session in March 2020, students will present their findings and celebrate at the PLT meeting.

### KCTCS President's Report

Chair Henson called upon KCTCS President Jay K. Box to make the report.

KCTCS President Box introduced the President of Southcentral Kentucky Community and Technical College, Dr. Phil Neal; President of Southeast Kentucky Community and Technical College, Dr. Vic Adams; and President of West Kentucky Community and Technical College, Dr. Anton Reece, who were in attendance.

An update about Performance Measures for the *KCTCS Strategic Plan 2016-22* was provided by Vice Chancellor Alicia Crouch.

After the report was given, President Box turned the floor over to Chair Henson for the Chair's Report.

### Chair's Report

Chair Henson made the following statement to begin her report:

"I want to thank you for consenting to my request to reorder our agenda today. This was necessary because I have a very important announcement to make and I wanted to ensure that we conducted and concluded business as usual before I share it with you. On November 21, I met with President Box to do our usual Board meeting preparations. During this meeting, he shared with me a letter (which I have here) announcing his retirement effective July 1, 2020.

I won't read the letter word for word to you, but it is here should you wish to review it. Suffice to say that this is not the announcement that any Board Chair wants to hear, but personally, having seen the outstanding accomplishments that Jay has made over the last five years as KCTCS President; knowing the respect that he has earned professionally as a leader in this Commonwealth and on a national level; and witnessing firsthand his profound integrity, kindness, and passion for students, I found this announcement to be very difficult. Jay expressed to me that he feels it is time for him to retire so that he may spend more time with his wife Gayle, who retired two and half a years ago. I can only wish him much-earned relaxation and joy in his retirement ahead.

In his tenure, President Box has made remarkable accomplishments for KCTCS – moving the focus from student access to student *success*. He has made the System stronger and more efficient in tough financial times. He has, as we know, made KCTCS a System that is nationally recognized. He has ushered in an entirely new cadre of leadership – having hired 15 out of 16 new college presidents and four new cabinet members, which in itself seems like a full-time job. In short, President Box has truly *transformed* this institution for the better. And I can say, both professionally and personally, that to know him is to respect him, so I hope you will join me in applauding his tenure as KCTCS President.

I am truly at a loss for words as to how to adequately say thank you for your leadership and dedication. I want to give you the opportunity to say a few words, so please, the floor is yours.”

President Box addressed the Board and provided his gratitude for their support during his tenure as President.

#### Executive Session

Chair Henson called for a motion for the KCTCS Board of Regents to go into Executive Session pursuant to KRS 61.810 (1) (c) – Proposed or Pending Litigation in which KCTCS may be a party or KRS 61.810 (1) (f) Individual Personnel Matters.

MOTION: Mr. Allen moved, and Ms. Desmarais seconded that the KCTCS Board of Regents go into Executive Session pursuant to KRS 61.810 (1) (c) – Proposed or Pending Litigation in which KCTCS may be a party or KRS 61.810 (1) (f) Individual Personnel Matters.

VOTE: The motion was approved unanimously.

Chair Henson asked everyone to leave the room along with President Box, Cabinet, and audience members. She asked Assistant Secretary to the Board and KCTCS Chief of Staff Hannah Rivera and KCTCS General Counsel Mike Murray to participate in the Executive Session.

The Board went into Executive Session at 12:13 p.m. (ET).

#### Open Session

Chair Henson called for a motion for the KCTCS Board of Regents to reconvene the meeting in Open Session.

MOTION: Ms. Kinney moved and Dr. Fultz seconded that the KCTCS Board of Regents reconvene in Open Session.

VOTE: The motion was approved unanimously.

The KCTCS Board of Regents reconvened in open session at 1:10 p.m. (ET).

Chair Henson announced that the Board discussed Proposed or Pending Litigation or Individual Personnel Matters and that there was no action to bring before the Board at this time.

Chair Henson also announced that in addition to the litigation report, the Board also discussed guiding principles and a tentative timeline for the upcoming Presidential search process, in light of President Box's announcement of his retirement effective July 1, 2020.

Chair Henson announced the creation of a Request for Proposals (RFP) Committee, which will be charged with reviewing RFPs for a national search committee to assist the Board with the search process. The RFP committee will include Dr. Henson as Board Chair, Lisa Desmarais as Board Vice Chair, and Mary Kinney as Board Secretary. A special called Board meeting will be announced to review RFPs and should occur sometime in February.

Chair Henson shared that there will be a KCTCS Presidential Search Committee appointed by Chair Henson at a later date. She asked Regents to express interest in serving on that committee to her by January 1, 2020.

**Next Meeting:**

Chair Henson announced that the next regular meeting of the KCTCS Board of Regents is scheduled for March 12-13, 2020 at the KCTCS System Office, Versailles, Kentucky.

**Adjournment:**

Mr. Stevens moved that the meeting adjourn. Ms. Thompson seconded the motion. VOTE: The motion was approved unanimously, and the workshop adjourned at 1:11 p.m. (ET).

March 13, 2020

Date Approved by the  
KCTCS Board of Regents

**SIGNATURE ON FILE**

Gail R. Henson, Ph.D., Chair  
KCTCS Board of Regents

**SIGNATURE ON FILE**

Hannah Rivera, Esq., Assistant Secretary  
KCTCS Board of Regents

**SIGNATURE ON FILE**

Jay K. Box, Ed.D.  
KCTCS President

**2019 Assessment Form of the 2018-19 Performance Period**

This survey is intended to assist the Board of Regents in evaluating its own performance. The responses of individual trustees will be confidential. The Board will receive a summary of the major topics raised in this process without attribution, as reported by the Efficiency, Effectiveness, and Accountability Committee at the March 2020 Board meeting. The ranking scale is as follows:

- **Unsatisfied** – the respondent views current performance/practice as unacceptable and requiring change.
- **Satisfied** – the respondent sees current performance/practice as adequate, but worth discussing with an eye toward possible change.
- **Very satisfied** – the respondent views current performance/practice as about as good as it can be.
- **N/A** – the respondent does not have the information or experience needed to address the current performance/practice.

***If your response is “Unsatisfied” with any of the following questions, please provide an explanation for each. Additional comments may be added for each question but are not required.***

***Please evaluate your level of satisfaction of the Board’s performance in the following areas:***

- Avoids administrative matters and maintains emphasis on governance.  
Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Serves as a guiding partner and sounding board to the KCTCS President.  
Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Understands KCTCS’s budget process and plan.  
Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Is involved in the strategic planning and is kept apprised of progress with regard to planning and priorities.  
Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Ensures the administration involves the Board on high-profile issues that could present risk to the institution.  
Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Focuses its time on issues of great consequence to the institution.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Has the right committees and uses them to their full potential.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Honors appropriate boundaries while also serving as an advocate for the institution with various stakeholders.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Provides appropriate support for fundraising initiatives.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Avoids conflicts of interests and adheres to strict level of confidentiality.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- Is free from undue political influence or influence of other external bodies.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

***Please evaluate your level of satisfaction with regard to the following Board practices:***

- The orientation prepared me for my role on the Board.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- The information provided prior to the Board meeting is informative and thorough so that I can carry out my duties.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- My particular interests, skills and background are used effectively as a Board member.  
 Unsatisfied                      Satisfied                      Very Satisfied                      N/A

**COMMENTS:**

- The meeting schedule is effective and there is adequate time for discussion, information-sharing, and decision-making.

Unsatisfied

Satisfied

Very Satisfied

N/A

**COMMENTS:**

- Board leadership and support staff are adequately prepared to conduct meetings.

Unsatisfied

Satisfied

Very Satisfied

N/A

**COMMENTS:**

***Please respond to the following open-ended questions:***

1. As a Board member, I am most pleased about:
  
  
  
  
  
  
  
  
  
  
2. As a Board member, I have concerns about:
  
  
  
  
  
  
  
  
  
  
3. As a Board member, I would like to see the following changes in how the Board operates:

**REVISED**

**ACTION**

**PROCEDURES FOR THE KCTCS BOARD OF REGENTS  
OFFICER ELECTIONS**

**Agenda Item G-8  
December 6, 2019**

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**Recommendation**

That the KCTCS Board of Regents approve the attached KCTCS Board of Regents Officer Elections Procedures (Attachment A, Agenda Item G-8).

**Rationale**

- After the June 2019 Board of Regents officer elections, it was determined that procedures should be created to accompany existing KCTCS Board of Regents Bylaw 2.1, which outlines the Board election process, to ensure a fair and transparent election process.
- At the September 19, 2019, Executive Committee Meeting, procedures for the KCTCS Board of Regents Officer Elections were presented as an Information Item for discussion.
- The Executive Committee discussed the proposed procedures and made several suggestions for revisions, including disbanding the Nominating Committee, allowing for self-nomination, and making clear that both appointed and non-appointed Regents are eligible for officer positions.
- Based on the discussion in September, Assistant Secretary to the Board, Hannah Rivera, and Board Parliamentarian, Mike Murray, revised the proposed procedures to encompass the suggestions.
- The revised procedures are being presented for approval to the Executive Committee and full Board.

**Background**

KCTCS Board of Regents Bylaw 2.1 states:

*Election. Every year the Board shall elect from its membership for a one-year term a Chair, a Vice Chair, a Secretary, and such other officers, as it may deem necessary. The Chair shall not serve for more than two consecutive terms. Officers shall serve until their respective successors have been appointed and qualified. The Board shall appoint a Treasurer not from its membership pursuant to KRS 164.330. In the event a vacancy occurs prior to the end of the term of an officer, the Board shall hold a special election to fill the office for the unexpired position of the term.*

The procedures have been drafted to ensure for fair and transparent elections of the Board of Regents Chair, Vice Chair, and Secretary, and other such officers as the Board may deem necessary.



**REVISED** Procedures for the Board of Regents Officer Elections  
Kentucky Community & Technical College System (KCTCS)

**Authority for Procedures:** These procedures are created and implemented pursuant to the authority of KRS 164.321(11); and, KCTCS Board of Regents Policy 2.1.

**Purpose of the Election Procedures:** The purpose of these procedures is to ensure for fair and transparent elections of the Board of Regents Chair, Vice Chair, and Secretary, and other such officers as the Board may deem necessary.

**Procedures:** The Board of Regents shall elect from its membership a Chair, Vice Chair, Secretary, and such other officers as it may deem necessary, at the annual June Board meeting, for a one-year term, and in compliance with all laws and KCTCS policies. A Chair may not serve for more than two consecutive one-year terms, but there is no term limit for Vice Chair, Secretary, and other such officers.

1. **Nominations and Acceptance:** At the regularly called June Board meeting, the Chair shall call for nominations for officers in the following order: Chair, Vice Chair, Secretary. Any member present or attending by video conference may self-nominate or nominate any other Regent who is present or attending by video conference. If a member is nominated by another Regent, he or she should accept or decline the nomination immediately after it is made and before moving to the next nomination for the position.
2. **Closing the Vote for Each Position:** Nominations shall remain open for each position until it appears no further nominations will be made. The Chair shall confirm that there are no further nominations before closing the nomination process for that position.
3. **Floor Speeches:** At the closing of the nominations for the Chair position, the Chair will read the list of candidates in order accepted. Each candidate will then have two (2) minutes to make a floor speech about why he or she should be elected. No supporting documents, rebuttals, or reservations of time will be allowed during floor speeches.
4. **Voting:** The Chair shall take the vote in order of the nominations accepted. Voting Regents attending a meeting at which voting for officers is conducted shall vote by written ballot that reflects the candidates' names and offices for which nominated, in addition to the vote of each Regent, the

Regent's name, and the date of the Regent's vote. All ballots shall be available for inspection by any member of the Board or any other stakeholder in accordance with Kentucky Open Records laws and shall be retained with the official records of the Board of Regents. Voting Regents attending by permissible distance technology shall vote by voice before the written ballots are announced, or by written ballot at the same time as the Board provided that can be reasonably arranged at the time of the vote, or abstain from voting. The Board may also determine to vote by show of hands. The votes for each position shall be tallied and recorded into the minutes. The winning candidate shall be determined by simple majority vote, to be announced by the Parliamentarian. For each position, the Chair shall refrain from voting to maintain impartiality, except as provided below.

In the event a tie is announced by the Parliamentarian, the Chair will ask the voting Regents to again vote by the same method used in the initial vote. If the tie remains, a third vote will be taken in which the Chair will cast his or her vote to break the tie.

5. **Announcement:** The announcement of the winning candidate shall be made by the Parliamentarian. The procedures shall be followed again for the election of the Vice Chair, then Secretary.
6. **Eligibility:** All Regents, appointed and elected, are eligible for any position. Relevant experience and time on the Board should be given due consideration, but there are no qualifications necessary to be considered. The Vice Chair is not a Chair-Elect. If a Regent is nominated for a position, but not elected for that position, he or she may be nominated for the next position until all positions have been elected.

**Review of Procedures:** The Board may review these procedures as needed.



**Kentucky Community and Technical College System  
Board of Regents**

***Resolution to Amend and Restate the KCTCS 403(b) Plan***

**WHEREAS**, the Kentucky Community and Technical College System (“System”) sponsors the Kentucky Community and Technical College System 403(b) Defined Contribution Plan (“Plan”); and

**WHEREAS**, pursuant to Revenue Procedure 2013-22, as modified and clarified by Revenue Procedures 2014-28, 2015-22 and 2017-18, the Internal Revenue Service has established a remedial amendment period during which an employer retroactively may correct any form defects in its written section 403(b) plan document either by adopting a section 403(b) pre-approved plan or by otherwise amending its section 403(b) individually designed plan no later than March 31, 2020;

**WHEREAS**, the System is reviewing the Plan with counsel to determine whether any such form defects exist with respect to the Plan and retroactively to amend the Plan accordingly, on or before March 31, 2020;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Regents hereby approves amending the Plan in a form that complies with Rev. Proc. 2013-22 in a form acceptable to the KCTCS President in his sole discretion; and

**FURTHER RESOLVED**, that the KCTCS President, on behalf of the System, hereby is authorized, empowered and directed to execute the appropriate amendment and/or restatement to the Plan, and he and the appropriate officers of the System, hereby are authorized, empowered and directed to do all further acts and things, and to execute all further documents in writing which each such officer determines to be necessary or appropriate to effectuate amending and/or restating the Plan.

**ADOPTED** this sixth day of December 2019.

**ATTEST:**

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Gail R. Henson, Ph.D., Chair  
KCTCS Board of Regents

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Mary Bosely-Kinney, Secretary  
KCTCS Board of Regents

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Jay K. Box, Ed.D.  
KCTCS President

## Compensation and Classification - Phase II

### Compression Adjustment - Option Information

#### Option 1

Base salary increased at a percentage of Market Rate and based upon years in position, not to exceed Market Rate. <i>1859 Employees impacted – will receive increase</i>
0 - 1.99 (NO CHANGE)
2-3.99 (up to 85% of Market not to exceed Market Rate)
4-5.99 (up to 90% of Market not to exceed Market Rate)
6-7.99 (up to 95% of Market not to exceed Market Rate)
8+ (up to 100% of Market not to exceed Market Rate)

#### Option 2

Flat dollar increase in base salary based upon years in position, not to exceed Market Rate. <i>2367 Employees impacted – will receive increase</i>
0-1.99 (NO CHANGE)
2-5.99 (up to \$500 Pay Increase not to exceed Market Rate)
6-10.99 (up to \$1000 Pay Increase not to exceed Market Rate)
11-15.99 (up to \$1500 Pay Increase not to exceed Market Rate)
16-19.99 (up to \$2000 Pay Increase not to exceed Market Rate)
20+ (up to \$2,500 Pay Increase not to exceed Market Rate)

#### Option 3

Percentage increase in base salary based upon years in position, with the adjustment not to exceed Market Rate. <i>1897 Employees impacted – will receive increase</i>
0-2.99 (NO CHANGE)
3-5.99 (up to 1.5% Pay Increase not to exceed Market Rate)
6-10.99 (up to 2% Pay Increase not to exceed Market Rate)
11-15.99 (up to 2.5% Pay Increase not to exceed Market Rate)
16-19.99 (up to 3% Pay Increase not to exceed Market Rate)
20+ (up to 3.5% Pay Increase not to exceed Market Rate)

## FACULTY COSTING

Business Unit Description	Cost of Option 1	Cost of Option 2	Cost of Option 3
Ashland Comm & Tech College	\$321,500	\$45,200	\$45,800
Big Sandy Comm & Tech College	\$742,800	\$95,400	\$97,800
Bluegrass Comm & Tech College	\$1,383,800	\$198,400	\$193,000
Elizabethtown Comm & Tech Coll	\$784,400	\$118,600	\$116,800
Gateway Comm & Tech College	\$176,400	\$35,300	\$39,600
Hazard Comm & Tech College	\$640,700	\$91,100	\$96,400
Henderson Comm College	\$277,300	\$45,900	\$42,800
Hopkinsville Comm College	\$347,000	\$43,100	\$44,600
Jefferson Comm & Tech College	\$1,013,500	\$181,400	\$174,100
Madisonville Comm College	\$592,600	\$71,400	\$83,100
Maysville Comm & Tech College	\$409,400	\$68,000	\$69,400
Owensboro Comm & Tech College	\$570,700	\$76,800	\$73,700
Somerset Comm College	\$872,900	\$125,000	\$131,000
Southcentral KY Comm & Tech	\$415,400	\$54,500	\$57,700
Southeast KY Comm & Tech Coll	\$645,500	\$83,900	\$91,300
West KY Comm & Tech College	\$548,300	\$84,000	\$85,500
System Office *	\$80,100	\$9,500	\$10,500
<b>TOTAL</b>	<b>\$9,822,300</b>	<b>\$1,427,500</b>	<b>\$1,453,100</b>

\* Includes Corrections Central Office

## STAFF COSTING

Business Unit Description	Cost of Option 1	Cost of Option 2	Cost of Option 3
Ashland Comm & Tech College	\$179,700	\$61,600	\$43,800
Big Sandy Comm & Tech College	\$194,600	\$73,400	\$47,700
Bluegrass Comm & Tech College	\$501,800	\$136,300	\$115,000
Elizabethtown Comm & Tech Coll	\$153,200	\$73,000	\$45,700
Gateway Comm & Tech College	\$41,800	\$43,800	\$39,600
Hazard Comm & Tech College	\$210,900	\$86,200	\$61,700
Henderson Comm College	\$59,100	\$20,400	\$15,300
Hopkinsville Comm College	\$171,100	\$55,100	\$43,500
Jefferson Comm & Tech College	\$191,200	\$86,000	\$60,600
Madisonville Comm College	\$169,600	\$59,300	\$47,500
Maysville Comm & Tech College	\$250,900	\$71,000	\$59,700
Owensboro Comm & Tech College	\$91,800	\$60,500	\$47,100
Somerset Comm College	\$237,700	\$105,000	\$72,600
Southcentral KY Comm & Tech	\$81,600	\$72,400	\$55,100
Southeast KY Comm & Tech Coll	\$244,400	\$87,400	\$65,000
West KY Comm & Tech College	\$278,800	\$102,000	\$72,200
System Office **	\$684,500	\$151,300	\$167,400
<b>TOTAL</b>	<b>\$3,742,700</b>	<b>\$1,344,700</b>	<b>\$1,059,500</b>

\*\* Includes Corrections, Fire Commission, Fire Rescue/Training, KY Board of Emergency Medical Services, and KCTCS Online

## FACULTY AND STAFF COSTING

Business Unit Description	Cost of Option 1	Cost of Option 2	Cost of Option 3
Ashland Comm & Tech College	\$501,200	\$106,800	\$89,600
Big Sandy Comm & Tech College	\$937,400	\$168,800	\$145,500
Bluegrass Comm & Tech College	\$1,885,600	\$334,700	\$308,000
Elizabethtown Comm & Tech Coll	\$937,600	\$191,600	\$162,500
Gateway Comm & Tech College	\$218,200	\$79,100	\$79,200
Hazard Comm & Tech College	\$851,600	\$177,300	\$158,100
Henderson Comm College	\$336,400	\$66,300	\$58,100
Hopkinsville Comm College	\$518,100	\$98,200	\$88,100
Jefferson Comm & Tech College	\$1,204,700	\$267,400	\$234,700
Madisonville Comm College	\$762,200	\$130,700	\$130,600
Maysville Comm & Tech College	\$660,300	\$139,000	\$129,100
Owensboro Comm & Tech College	\$662,500	\$137,300	\$120,800
Somerset Comm College	\$1,110,600	\$230,000	\$203,600
Southcentral KY Comm & Tech	\$497,000	\$126,900	\$112,800
Southeast KY Comm & Tech Coll	\$889,900	\$171,300	\$156,300
West KY Comm & Tech College	\$827,100	\$186,000	\$157,700
System Office **	\$764,600	\$160,800	\$177,900
TOTAL	\$13,565,000	\$2,772,200	\$2,512,600

\*\* Includes Corrections, Fire Commission, Fire Rescue/Training, KY Board of Emergency Medical Services, and KCTCS Online