

**Board of Regents Meeting  
Northern Kentucky University, Student Union, Room 104  
May 17, 2018**

Regent Richard Boehne, Chair, called the special meeting of the Board of Regents to order at 5:10 p.m., Thursday, May 17, 2018.

**Roll Call:** Richard Boehne, Sami Dada, Normand Desmarais, Ashley Himes, Dennis Reppenning, W. Lee Scheben, Gregory Shumate, Arnie Slaughter. Absent: Richard Boyce, Terry Mann, Andr Ward.

Other Attendees: Gerard St. Amand, Ben Jager, Wendy Peek, Tammy Knochermann, Ken Bothof, Joan Gates, Eric Gentry, Daniel Nadler, Sue Ott Rowlands, Kathleen Roberts, Kim Scranage, Mike Hales, Lori Southwood, Diana McGill, Greg Martin, Kevin Kirby, Dale Stephenson, Michael Whiteman, Lawrence Rosenthal, Arne Almquist, Tracy Insko, Bill Farrow, Chris Bowling, Melissa Gorbandt, Sara Kelley, Mary Paula Schuh, Syed Zaidi, Jason Vest, Ryan Padgett, Janel Bloch, Chad Ogle, Carol Ryan, Francoise Kazimierczuk, Grace Hiles, Roland Sintos Coloma, Jared Shindler, Lewatis McNeal, Alar Lipping, Shawn Rainey, Robert Zai, Vanessa Hunn, Irene Encarnacion, Sara Runge, Kebede Gemene, Chandra Brown, Matthew Gregory, Ljubomir Nacev, Steve Meier, Gina Rittinger, Tom Barnett, Sam Rosentiel, Francois LeRoy, Tiffany Budd, Tina Altenhofen, Derek Smith, Brandelyn Tosolt

**Presidential Comments:**

Good afternoon.

We have important university matters to conclude this afternoon, with three business-related presidential recommendations for the board to act on.

Considering the timing challenges caused by late action in Frankfort on matters related to state appropriations and tuition authorizations, I appreciate the Board convening this special meeting to consider these important matters at the earliest opportunity.

Before proceeding with the Budget and Tuition Presentation that relates to the first two presidential recommendations, I'd like to make just a few remarks related to the context of this presentation and our recommendations.

The 2018 legislative session, a budget session, was truly a wild roller coaster ride.

Leading into the session, we had three advocacy priorities:

1. Avoid or at least minimize direct cuts in our state appropriation for FY19 - recall how we experienced a mid-year non-recurring cut of \$516K, and we were advised to expect further recurring cuts for FY19.
2. Obtain the other \$5+M in equity or performance funding to complete the process of funding NKU on an equitable basis with other KY public universities, a process started in 2016.
3. Pension reform and pension **relief** from the planned \$12.8M increase in our KERS pension contribution.

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With those priorities, we sought advocacy support from our campus community, our alumni community, the NKUF, regional business groups that rely on NKU for talent production, and other friends of the university.

The wild ride started on January 16th with an initial budget proposal that would have done the following:

1. Cut NKU's state appropriation by \$4.5M (an 8.8% cut)
2. Provide NO equity/performance funding
3. Provide no relief from the \$12.8M KERS increase

A total negative fiscal impact of over \$17M. And, of course, that does not include any internal budget pressures that we would also have to address. That was the reason we started planning for cuts in the \$20+M range.

During this period our advocacy efforts accelerated. I want to thank all who advocated on our behalf to avoid the kind of drastic fiscal impact we confronted. Although as the session proceeded we experienced some positive steps forward, then some steps back, then back and forth, the end result was more positive than we could have expected based on the starting point on January 16.

That much more positive ending point for the Frankfort element of our FY19 budget would not have happened without two important forces at work:

1. A strong advocacy effort (again, thanks to all who advocated - it absolutely made a difference), and
2. The strong leadership of our Northern Kentucky legislative caucus, and particularly the strong efforts of 3 senators in key leadership roles - Senators Damon Thayer, Chris McDaniel, and Wil Schroder. We'll hear shortly about the performance funding component in our budget plans. That funding would not have happened, without the key push by the senate and these three leaders in particular. And folks, this is not about political parties, it is about individual legislators in key leadership positions exercising their strength for the good of our region and our university.

So, the outcome of the session for our FY19 budget is positive - details discussed in the presentation. But, of course, other internal budget pressures remain to be addressed - details also to be discussed in the presentation.

This has been a very difficult time for all those on NKU's leadership and support team who have been actively engaged in this legislative and budget process. And, the same can be said of our Board members. So, thanks to all of you for the hard work during this most challenging of times.

But, let's not forget, indeed let's make sure we affirmatively acknowledge and appreciate that the last several months have been extremely difficult for every one of our 1500 or so NKU faculty, staff, and administrators.

The enormous anxiety and stress experienced by our entire workforce during this period of great fiscal uncertainty with potentially dramatic negative consequences, not only for the university, but for our people, has been palpable. In my 19 years at NKU, I have never seen such a level of anxiety and worry among our people. Both the depth of the possible consequences and the delay in obtaining certainty have contributed to this condition.

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But, let me say this about our people. Throughout this period of great anxiety and stress, our employees have come to work, on time, done their jobs, served our students, and helped them succeed, all without missing a beat. They have demonstrated a high level of professionalism in the face of adversity. And, I am proud to say I served alongside this dedicated group of professionals.

So, thanks to every NKU employee for your contribution to our continuing success in these most challenging times.

**B. Presidential Recommendations:**

A motion was made by Regent Lee Scheben and seconded by Regent Normand Desmarais to approve the FY 2018-2019 Tuition Rate. (**Motion carried**)

A motion was made by Regent Gregory Shumate and seconded by Regent Lee Scheben to approve the FY 2018-2019 Annual Operating Budget Resolution. (**Motion carried**)

**C. Executive Session:**

Regent Gregory Shumate seconded Regent Richard Boehne's motion to enter into executive session pursuant to KRS 61.810(1)(g). (**Motion carried**)

No other matters were discussed. No final action was taken.

**D. Presidential Recommendations:**

A motion was made by Regent Gregory Shumate and seconded by Regent Dennis Reppenning to approve the US-27 Ground Lease. (**Motion carried**)

At 6:34 p.m., Regent Normand Desmarais seconded Regent Gregory Shumate's motion to adjourn. (**Motion carried**)

Signature On File  
Wendy J. Peek  
Senior Administrative Assistant  
Office of the President

Signature On File  
Benjamin Jager  
Executive Assistant to the President/  
Secretary to the Board of Regents

I, Lee Scheben, Vice Chair of the Board of Regents of Northern Kentucky University, certify that the foregoing is a true copy of the minutes of the special meeting held on May 17, 2018, and that such matters are still in force and effect.

Signature On File  
Lee Scheben  
Secretary of the Board of Regents