

**Minutes of Budget & Finance Committee Meeting**  
**Northern Kentucky University**  
**August 29, 2024**

The Budget & Finance Committee of the Northern Kentucky University Board of Regents met on Thursday, August 29, 2024 in the James C. and Rachel M. Votruba Student Union, Room 105.

Meeting Opened

Committee Chair Brad Zapp called the Budget & Finance Committee to order at 9:29 am, and asked Tammy Knochelmann, Secretary to the Board of Regents to call roll.

Roll Call

The following members of the Budget & Finance Committee were present: Cori Henderson, Ken Perry, Sandra Spataro, Brad Zapp.

Ms. Knochelmann announced that a quorum of the Committee was present.

NKU Senior Staff in Attendance: Cady Short-Thompson, President; Chris Calvert, Vice President for Administration & Finance/CFO, Karen Mefford, Associate Vice President, Financial Services; Christina Roybal, Vice President and Athletic Director; Jamie Younger, Director of Budget & Financial Planning, Grant Garber, Vice President for Legal Affairs & General Counsel; Tammy Knochelmann, Executive Assistant to the President & Secretary to the Board of Regents

Business Items:

Regent Henderson seconded Regent Perry's motion to approve the minutes of the May 30, 2024 Budget & Finance Committee Meeting. (Motion carried by unanimous vote)

CFO Report:

VP Calvert summarized the University's interim (unaudited) Fiscal Year 2024 year-end financial statements. It was noted that, overall, compared to FY23 the university made significant progress toward the 2-year goal of fiscal sustainability. However, the Unrestricted deficit of \$9.9M must be improved through increased revenue or cost containment to achieve FY25 and 2-year goals and Negative Cash Flow, though significantly improved compared to FY23, must be improved in FY24 to achieve Board goals. VP Calvert also pointed out that high debt inhibits the ability of the institution to achieve net surplus and cash flow goals.

The financial statement presentation included a discussion of early Fiscal Year 2025 results and Fall 2025 enrollment projections.

Regent Perry expressed concern with the overall budget, noting that many things remain unfunded including, NIL and the \$30MM expense for ERP Modernization.

VP Calvert then provided an update on ERP Modernization confirming that NKU's current system is nearing the end of its life and must be upgraded to maintain support. VP Calvert noted that the modernization is less than 50% funded and will take 4-5 years to complete. He reviewed the list of vendors who presented their platforms to campus in early August and concluded the presentation with an outline of planned next steps.

Regent Perry again expressed concern that the budget does not include funding for ERP and NIL

Regent Zapp suggested that it would be helpful for the committee to have 1-2 year pro forma financial statements.

President Short-Thompson noted that she had requested multi-year pro forma statements, and they would be on the agenda for the next committee meeting.

The committee then discussed "levers" or potential opportunities for revenue generation.

Regent Perry cautioned that only a portion of the state appropriation was allocated to infrastructure upgrade and could be used for the ERP project, and the remaining funds were marked for investment in online learning. He requested that the supporting documentation be pulled, and a meeting scheduled with Senator McDaniel to review the use of the funds.

VP Calvert and AD Roybal then provided an update on the Athletic Department Financials, presenting athletic fiscal performance compared to budget, as presented in the NCAA reporting, and from a net tuition revenue perspective. The presentation included the Athletic Department as a unit and on a sport-by-sport basis.

After the presentation concluded, the committee and members of administration agreed that long-term financial projections should be reviewed at the next committee meeting.

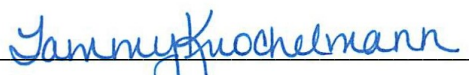
#### New Business

The committee continued the discussion from the board retreat on university-owned residential properties.

#### Adjourn

Being there was no further business to discuss, at 11:10 a.m. Regent Henderson seconded Chair Zapp's motion to adjourn. (Motion carried)

Respectfully Submitted,

  
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Tammy Knochelmann  
Secretary to the Board of Regents

#### Topics for November meeting

*Review multi-year pro forma statements.*

*Review of Athletics long-term financial projections.*