



Andy Beshear
GOVERNOR

FINANCE AND ADMINISTRATION CABINET OFFICE OF THE SECRETARY

Holly M. Johnson
SECRETARY

200 Mero Street, 5th Floor
Frankfort, Kentucky 40622
Phone: (502) 564-4240
Fax: (502) 564-6785

February 10, 2022

The Honorable Rick Girdler, Co-Chairman
The Honorable Chris Freeland, Co-Chairman
Capital Projects and Bond Oversight Committee
Legislative Research Commission
Frankfort, Kentucky 40601

Dear Senator Girdler, Representative Freeland, and Members of the Capital Projects and Bond Oversight Committee:

In accordance with the provisions of KRS 45.750-800 and KRS 164A.575(15), the Finance and Administration Cabinet is reporting the attached actions involving:

New Project – Federal Funds

Education and Labor Cabinet, Unemployment Insurance System Maintenance and Support Upgrades project in the amount of \$2,000,000 funded with 100% federal funds from the US Department of Labor.

Appropriation Increase – Restricted Funds

Kentucky Community and Technical College System, Elizabethtown Community and Technical College Student Center Renovation project restricted fund appropriation increase in the amount of \$800,000 revising the total project amount to \$5,100,000.

Sincerely,


Holly M. Johnson
Secretary

Attachments



Andy Beshear
GOVERNOR

**FINANCE AND ADMINISTRATION CABINET
OFFICE OF THE SECRETARY**

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February 8, 2022

Jamie Link, Secretary
Labor Cabinet
500 Mero Street, 3rd Floor
Frankfort, KY 40601

Dear Secretary Link:

This letter is to inform you that your request to report Unemployment Insurance System Maintenance and Support Upgrades project in the amount of \$2,000,000 in federal funds is approved. The funds are available through the US Department of Labor.

This action will be on the agenda of the Capital Projects and Bond Oversight Committee currently scheduled for Tuesday February 22 at 2:00 p.m. in Room 169, Capitol Annex. Please have a representative familiar with this project in attendance for any related questions the committee may have.

Sincerely,

A handwritten signature in blue ink that reads "Holly M. Johnson".

Holly M. Johnson
Secretary

Date: February 8, 2022
Agency: Office of Unemployment Insurance
Project: Unemployment Insurance System Maintenance and Support Upgrades
Account Number: TBD
Type of Action: New Project – Federal Funds

The Secretary of the Finance and Administration Cabinet is reporting a new project in the amount of \$2,000,000 in federal funds from the US Department of Labor.

The Office of Unemployment insurance needs to complete security and software maintenance of the UI System. This project will help to secure personal identifiable information and provide database support. It will reduce vulnerabilities, operational risks, and make value driven improvements to the claims/benefit processing capabilities of the UI system.



KENTUCKY LABOR CABINET

Andy Beshear
Governor

Jacqueline Coleman
Lieutenant Governor

Mayo-Underwood Building
500 Mero Street, 3rd Floor
Frankfort, KY 40601
Telephone: (502) 564-3070

Jamie Link
Secretary

Vickie L. Wise
Deputy Secretary

MEMORANDUM

TO: Holly M. Johnson, Secretary
Finance and Administration Cabinet

FROM: Jamie Link, Secretary
Education and Labor Cabinet *Jamie Link*

DATE: January 28, 2022

SUBJECT: Approval of a Federal Funded Capital Information Technology Project –
Unemployment Insurance System Maintenance and Support Upgrades

In accordance with KRS 48.760(7), the Education and Labor Cabinet requests approval of a 100 percent Federal funded capital information technology project, Unemployment Insurance System Maintenance and Support Upgrades. The funding of this project will be 100 percent provided by the US Department of Labor. The security and software maintenance of the UI system must be maintained. The Customer Relationship Management (CRM) system handles sensitive personally identifiable information (PII) and is on version 2015, six versions out of date. Additionally, the UI database management system's software support (ver.12.2) ended in Nov 2020 and no longer receives security patches, etc., for the protection of the system and its data. In today's climate of cyber-attacks, ransomware, and massive data breaches, it is critical we maintain software versions that are supported and continue to be patched for vulnerabilities.

The Education and Labor Cabinet is in the process of selecting a vendor to provide a completely new and modernized Unemployment Insurance System. However, with the implementation timeline is expected to be in excess of 18 months, these system upgrades are critical for the current system.

This \$2,000,000 project will reduce vulnerabilities, operational risks, and make value-driven improvements to the claims/benefit processing capabilities of the UI system. Funding for this project is available and approved by the Executive Director, Office of Unemployment Insurance budget team. Components of this project include bringing aging software and hardware onto supported versions and platforms and align with COT's security posture.

If you need future information, please contact my office.



**FINANCE AND ADMINISTRATION CABINET
OFFICE OF THE SECRETARY**

Andy Beshear
GOVERNOR

Holly M. Johnson
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February 10, 2022

Mr. Wendell Followell
Kentucky Community and Technical College
300 North Main Street
Versailles, KY 40383

Dear Wendell,

This letter is to inform you that pursuant to KRS 164A.575(15), your request for a scope increase to the Elizabethtown Community and Technical College Student Center Renovation project in the amount of \$800,000 in Restricted Funds is approved. This brings the total appropriation of the project to \$5,100,000.

This action will be on the agenda of the Capital Projects and Bond Oversight Committee currently scheduled for Tuesday February 22 at 2:00 p.m. in Room 169, Capitol Annex. Please have a representative familiar with this project in attendance for any related questions the committee may have.

Sincerely,

A handwritten signature in blue ink that reads "Holly M. Johnson".

Holly M. Johnson
Secretary

Date: February 10, 2022
Agency: Kentucky Community and Technical College
Project: Renovate Student Center Building – Elizabethtown CTC
Account Number: 470-C88T
Type of Action: Scope Increase – Restricted Funds

The Secretary of the Finance and Administration Cabinet has approved a scope increase in the amount of \$800,000 from Restricted Funds for the Elizabethtown Community and Technical College Student Center Renovation project. The project was originally authorized in the 2016-2018 biennial budget, and this scope increase will bring the total scope to \$5,100,000.

This project has been bid and re-bid and still came in over budget. The Board of Regents approved the scope increase at its December 3, 2021 meeting.



February 9, 2022

Ms. Holly M. Johnson, Secretary
Finance and Administration Cabinet
Room 383, Capitol Annex
702 Capitol Avenue
Frankfort, KY. 40601

Re: Report of Capital Project Scope Increase
Kentucky Community and Technical College System

Dear Secretary Johnson:

The Kentucky Community and Technical College System (KCTCS) respectfully requests approval, pursuant to KRS 164A.575.(15), of a capital construction project scope increase for \$800,000 for the Elizabethtown Community and Technical College Student Center Renovation. This project received authorization in the 2016-2018 budget for \$4,300,000.

This project will provide necessary services to students: College Credit Transfer Office, Coding Academy Classroom Laboratory, meeting spaces for Student Government and other student organizations and Food Service/ Student Community space.

This project was bid on November 23, 2021 and rebid on February 9, 2022, and current construction market conditions have caused an increase in material and labor costs and are expected to continue into the near future. Due to bids coming in over budget, KCTCS is requesting approval to increase the scope of the project by \$800,000, which will be funded from agency funds. The design and construction of the project is being pursued through the Finance and Administration Cabinet. KCTCS Board of Regents approved the scope increase at their December 3, 2021 meeting.

Should you have any questions, please feel free to contact Andy Casebier at 859-256-3287

Sincerely,

A handwritten signature in blue ink, appearing to read "W Followell", is written over the typed name and title.

Wendell Followell
Vice President

Cc: President Paul Czarapata
Sandy Adkins
Andy Casebier
Shaun McKiernan
Carla Wright



Kentucky Community and Technical College System
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