



# House Budget Review Subcommittee on Postsecondary Education

February 20, 2020



# University of Kentucky PROFILE

Fall 2019 Enrollment 30,545

Retention Rate, fall to fall 85.0%

## Graduation Rates

- 4-Year 47.1%
- 6-Year 65.8%

## Affordability for Kentucky Students

- Percent of students who receive aid 89.2%
- Percent of graduates with no debt 49.0%
- Avg. debt of graduates with loans \$31,857

FY 2019-20 Budget \$4.2 billion

- State General Funds 6.2%

# 16

Degree-granting colleges,  
the Lewis Honors College and  
Graduate School

# 200+

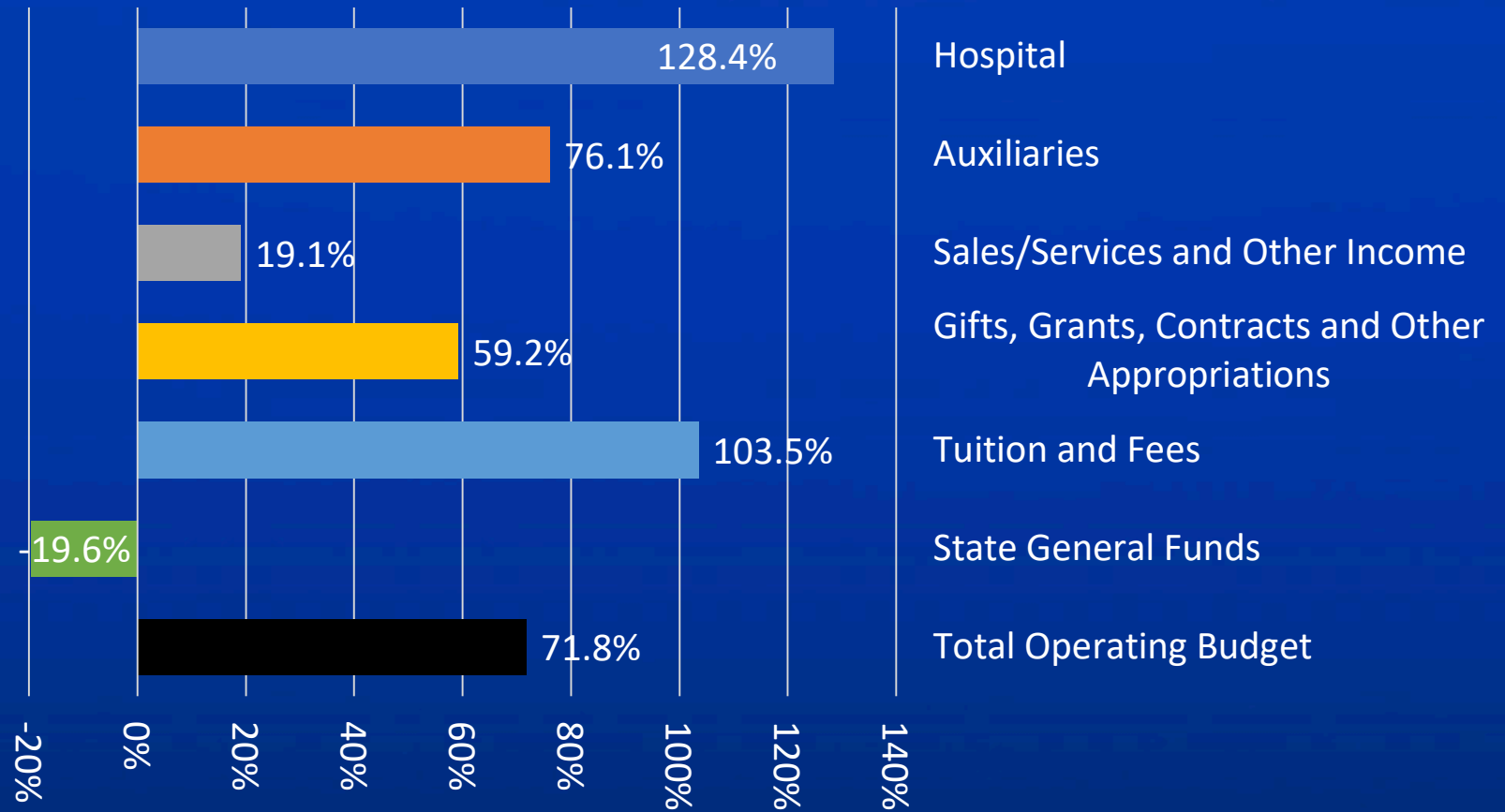
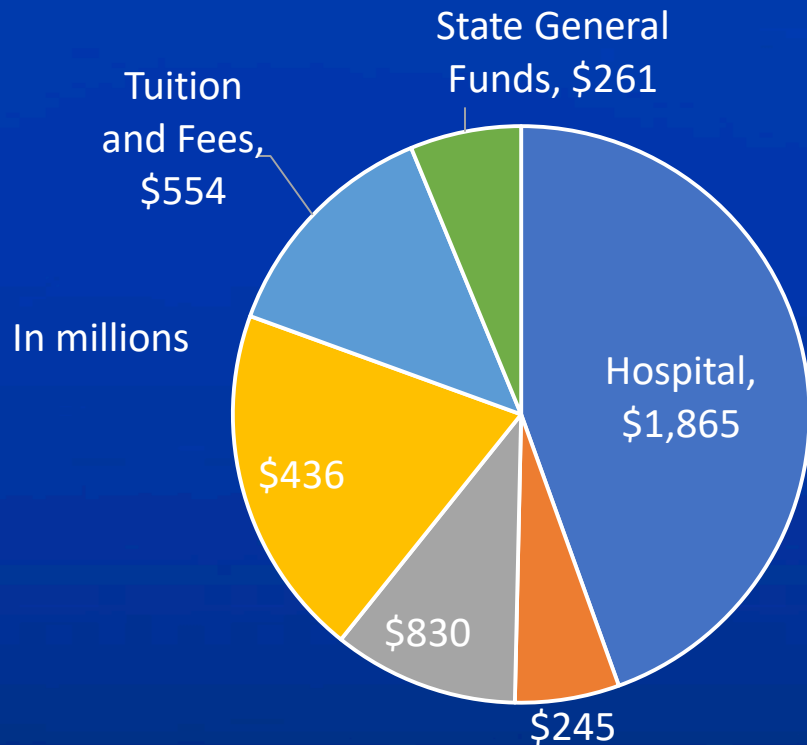
Academic Programs



# Operating Revenues

## Percent Change FY 2009-10 to FY 2019-20

FY 2019-20 Revenues  
\$4.2 Billion



## University of Kentucky 2020-22 Operating Budget Requests

- UK fully supports CPE's request of General Funds for performance funding

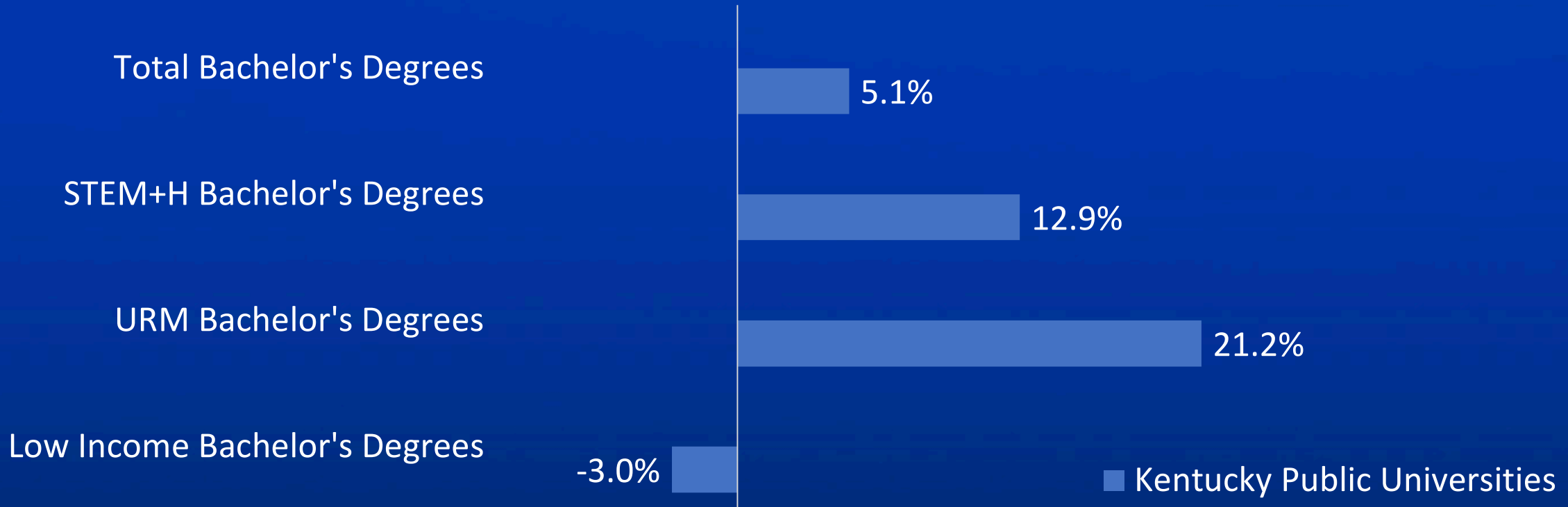
FY 21	\$52.5 million
FY 22	\$74.9 million

- UK supports maintaining a 2 percent stop loss in FY 22 to limit the reallocation of existing base appropriations to the institutions



## Performance Funding Model KENTUCKY PUBLIC UNIVERSITIES (INCLUDING UK)

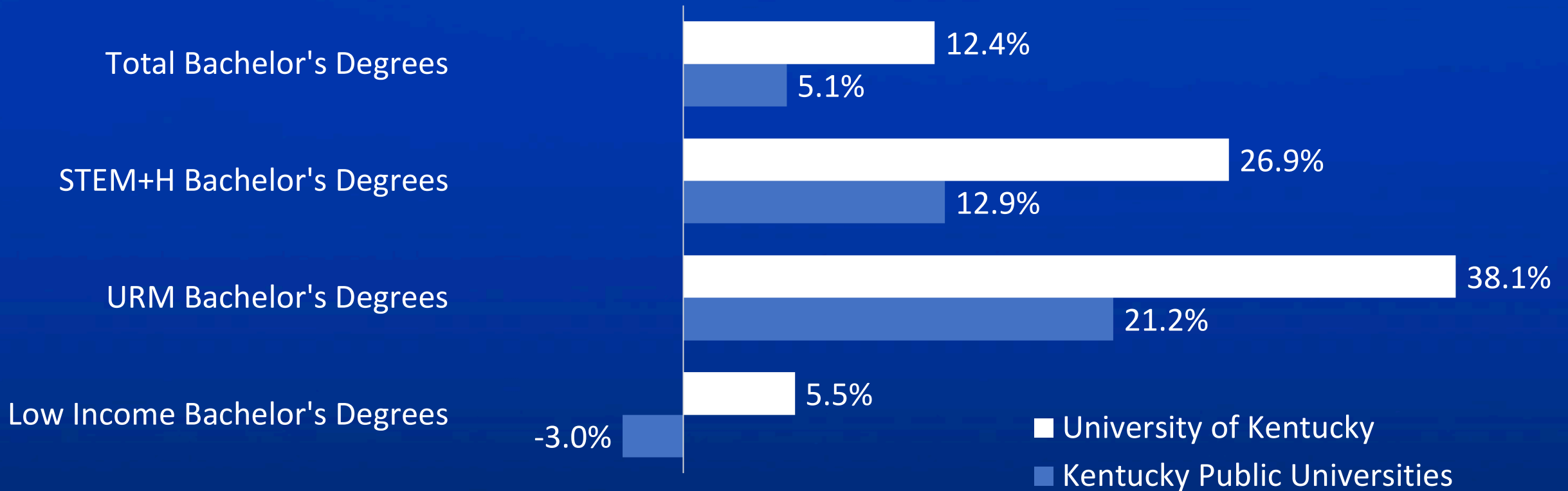
Percent Change in Bachelor's Degrees Produced by Targeted Metric  
Between Academic Years 2015-16 and 2018-19



## Performance Funding Model

# COMPARISON OF KENTUCKY PUBLIC UNIVERSITIES (INCLUDING UK) AND THE UNIVERSITY OF KENTUCKY

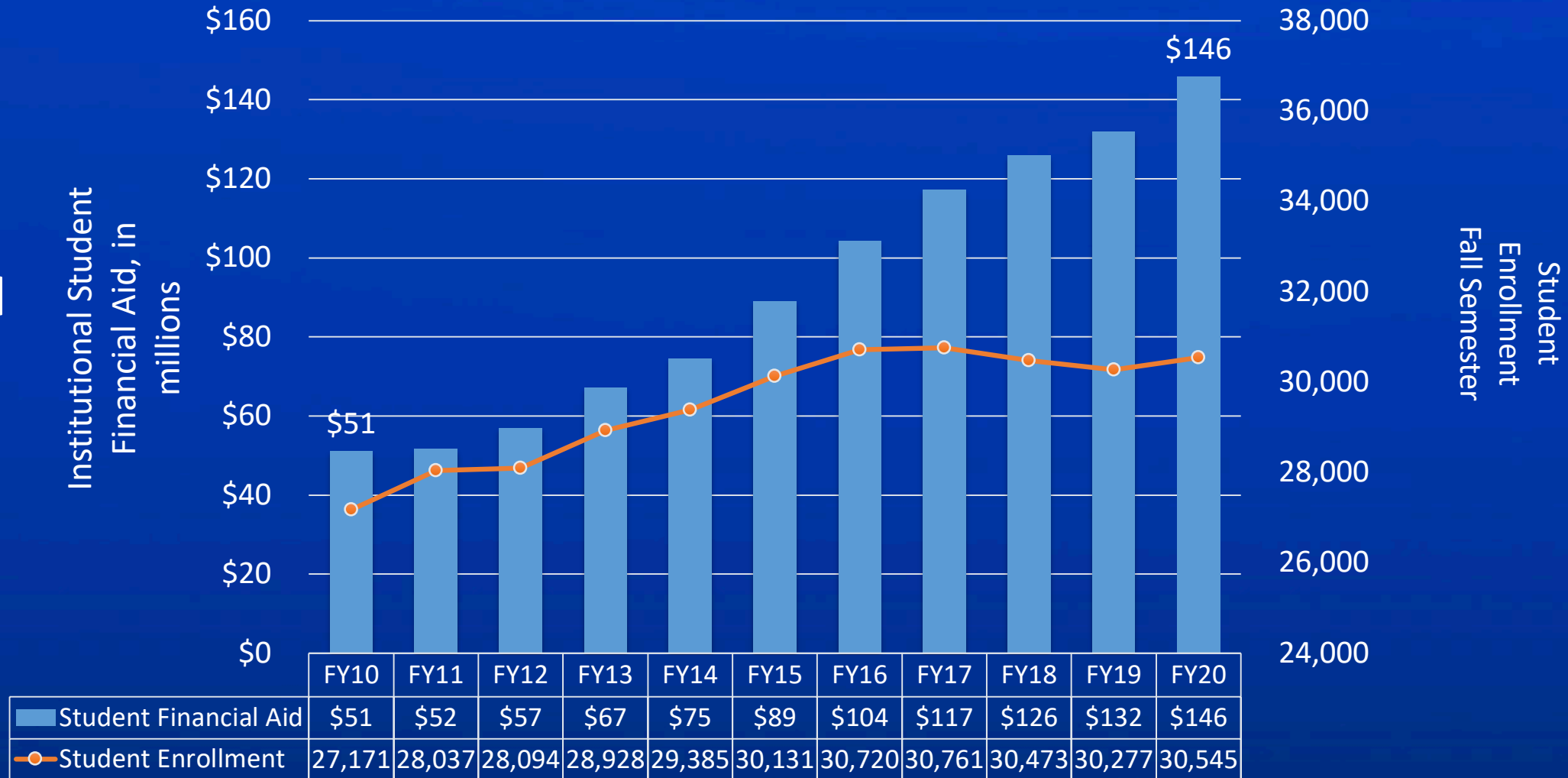
Percent Change in Bachelor's Degrees Produced by Targeted Metric Between Academic Years 2015-16 and 2018-19



# How are we making such progress?

- Providing more financial aid to low-income students
- Providing student-centered support

# University of Kentucky Institutional Student Financial Aid and Student Enrollment





# University of Kentucky Kentucky Undergraduates

## Net Tuition & Mandatory Fees by Income Quartile

In fall 2019,

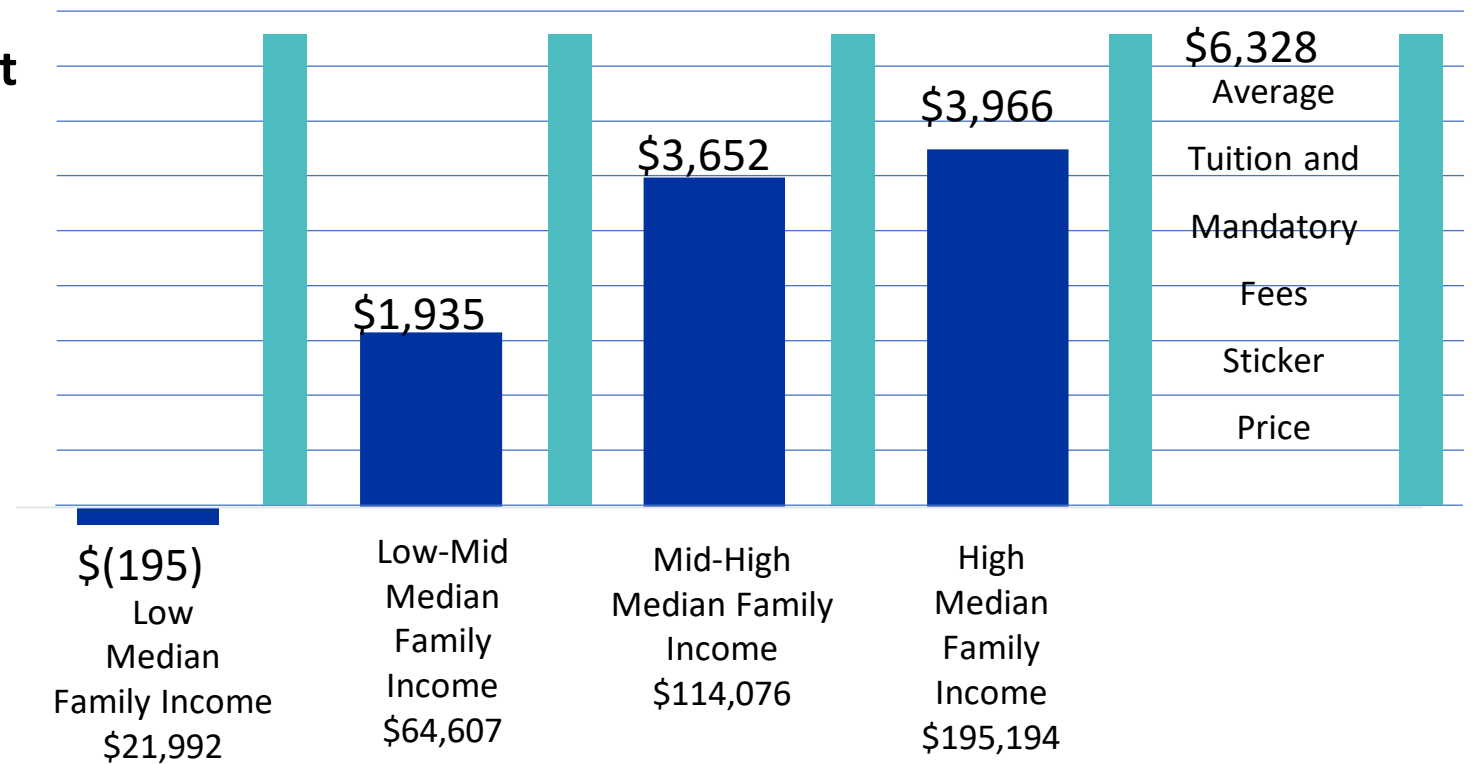
# 25%

of our undergraduate full-time Kentucky students came from families with a median income of \$21,992.

For these students, grants and scholarships covered 100% of tuition and mandatory fees.

### Median Net Price by Quartile

Chart based upon 9,136 full-time undergraduate, resident students who filed the FAFSA as dependents.



# UK LEADS Initiative

## Leveraging Economic Affordability for Developing Success



### **One Time Grant: Pilot Projects**

Through the development of a statistical analysis aimed at predicting who is not being retained due to finances, a targeted intervention was administered to increase student persistence.



### **Kentucky Futures Scholarship**

By creating a new scholarship aimed at students who are meritorious and also have unmet need, the institution is helping to recruit quality students and address retention issues prior to the start of the students' academic career.



### **Financial Wellness and Literacy**

By expanding our Financial Wellness Office and tying institutional aid funds to required financial counseling, we are building out the financial literacy of our students.

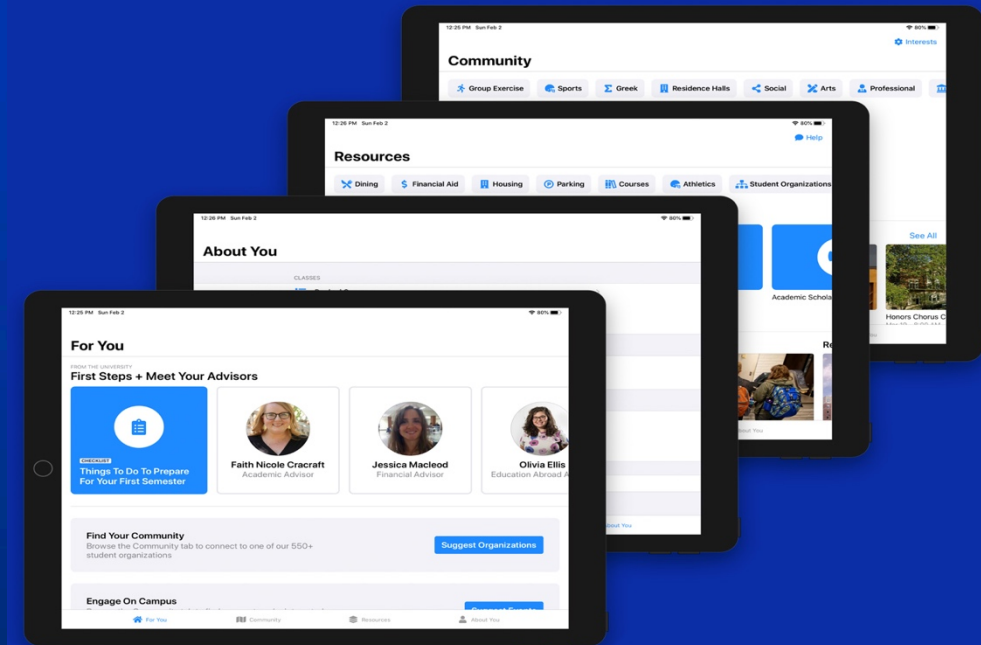
# How are we making such progress?

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- Providing student-centered support



# UK's Apple Relationship

- Leveling the technological playing field by providing iPad technology to students
- Helping ease our students' transition to UK with a student-specific UK app







## FOUR VERTICALS

1. COMMUNITY

2. RECRUITMENT

3. CAREERS

4. ACADEMIC



**eSPORTS SPEAKER SERIES**  
University of Kentucky | Drake GP

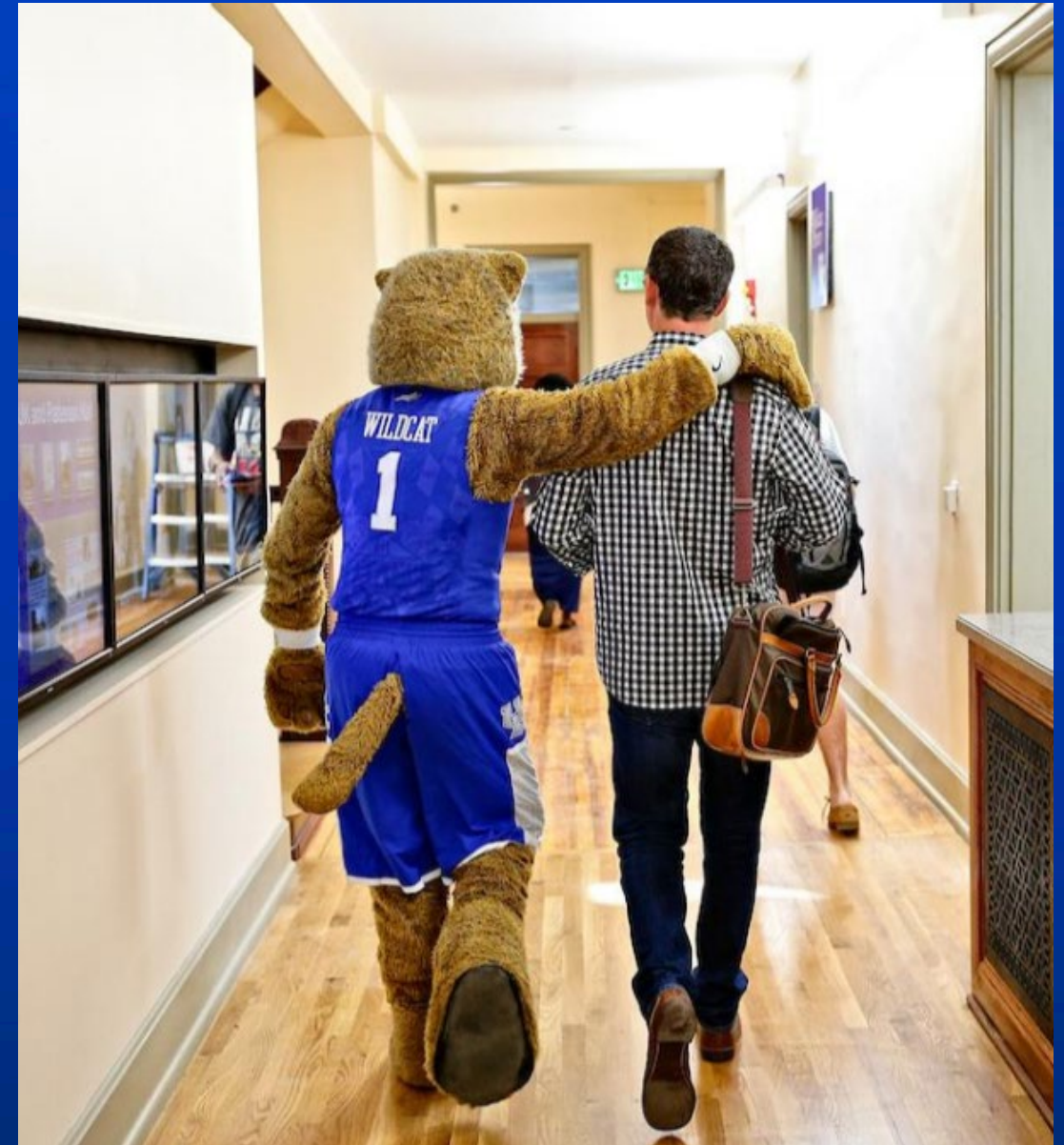
 <b>ERIN ASHLEY SIMON</b> Multi-talented Media Personality and Anchor, currently at Cheddar Esports	 <b>JORDAN SHERMAN</b> Head of Sponsorship & Revenue Operations for Gen.G Esports	 <b>AMANDA KANE</b> Talent and Influencer Marketing Manager for Gen.G Esports	 <b>JULIEN BENICHO</b> Partnerships Account Manager for Gen.G Esports
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# Student-Centered Support: Mental Wellness

- UK Counseling Center
- Community of Concern
- Dean of Students
- UK Behavioral Health Services



# University of Kentucky 2020-22 Capital Budget Request

UK fully supports CPE's request of Asset  
Preservation Bond Funds

FY 21	\$200 million
FY 22	\$200 million







CHELLGREN HALL



GATTON STUDENT CENTER



HEALTHY KENTUCKY  
RESEARCH BUILDING



UK HEALTHCARE



# University of Kentucky CAMPUS

351 structures

20 million+ Gross Square Feet

- UK's main campus buildings have an average age of 52 years
- 42 buildings are more than 75 years old

## Modernization / Preservation Goals

- Preserve and extend useful life of buildings
- Provide flexible classrooms
- Modernize the Campus Core to create a unified sense of place
- Preserve historic structures while addressing today's student needs
- Manage escalating repair and maintenance costs
- Upgrade existing infrastructure to improved, energy efficient systems

# University of Kentucky Mandated Programs

Program	Legislation	Scope
Agriculture Cooperative Extension	Smith-Lever Act KRS 164.605 to KRS 164.675	\$31,275,300
Agriculture Experiment Station	Hatch Act KRS 164.110, KRS 247.020	\$29,479,600
Agriculture Public Service [Regulatory Services]	KRS 250.021 to KRS 250.111 KRS 250.371 to KRS 250.451 KRS 250.491 to KRS 250.631 KRS 260.775 to KRS 260.845	\$1,800,000
Livestock Disease Diagnostic Lab [Veterinary Diagnostic Laboratory]	Executive Order 77-980	\$4,034,200
Kentucky Geological Survey	KRS 151.010 – KRS 151.040	\$4,076,300
Sanders-Brown Center on Aging	<a href="https://www.uky.edu/coa/about-us/overview-history">https://www.uky.edu/coa/about-us/overview-history</a>	\$2,040,500



# University of Kentucky Mandated Programs continued

Program	Legislation	Scope
Center for Entrepreneurship [KY Small Business Development Center]	KRS 154.100 to KRS 154.750	\$600,000
Center of Excellence in Rural Health Care	KRS 164.937	\$450,200
Kentucky Cancer Registry	KRS 215.556	\$450,200
Center for Applied Energy Research	KRS 152A.400; Executive Order 89-019	\$5,176,200
TOTAL		\$79,382,500



# Performance Funding & Mandated Programs

## Cautionary note:

- State funds, less mandated programs, are subject to the Performance Funding Model  
UK:  $\$261.0 \text{ million} - \$79.4 = \$181.6 \text{ million}$
- Governor recommended 1% increase in total state funds for FY21  
UK:  $\$261 \text{ million} \times 1\% = \$2.6 \text{ million}$
- But... the mandated program funds, which are line-itemed in HB 352, have not been increased by the 1%. As a result, the allocation of future performance funds to UK will be negatively impacted
- Request: If there are any across-the-board or direct program increases to state General Funds, increase the mandated program line-itemed amounts accordingly



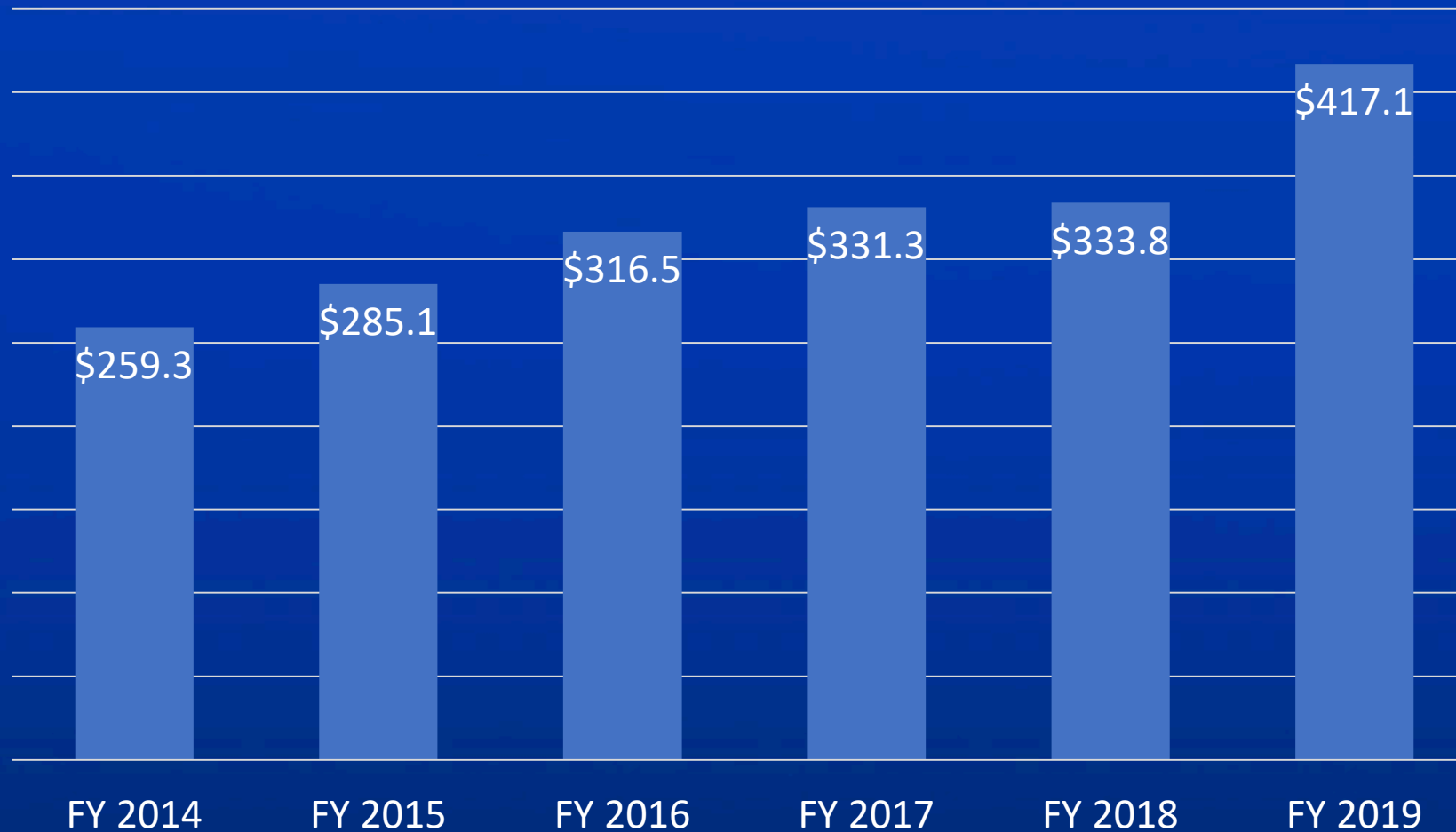
# University of Kentucky Assessment of Financial Position









- Moody's Investors Service Bond Rating: Aa2 Stable
- Current debt structure is front-loaded with 32% amortizing over the next seven years
- FY20 debt service is 2.6% of operating budget – the lowest percentage in over a decade

Projected Debt Service (By Principal and Net Interest)



## Research by the Numbers UK Sponsored Project Awards



	<p>CENTRAL APPALACHIAN REGIONAL EDUCATION RESEARCH CENTER <i>National Institute of Occupational Safety and Health</i></p>		<p>TELOMERE ROLES IN FUNGAL GENOME EVOLUTION AND ADAPTATION <i>National Science Foundation</i></p>
	<p>LOUIS STOKES STEM PATHWAYS AND RESEARCH ALLIANCE: KY-WV LSAMP <i>National Science Foundation</i></p>		<p>NSF EPSCOR: RII TRACK-1: KENTUCKY ADVANCED MANUFACTURING PARTNERSHIP <i>National Science Foundation</i></p>
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	<p>MAIN NIFS: FELLOWSHIPS FOR NON-UK AWARDS <i>National Aeronautics and Space Administration</i></p>		<p>NSF EPSCOR: RII TRACK-1: KENTUCKY ADVANCED MANUFACTURING PARTNERSHIP <i>National Science Foundation</i></p>

# Top Producer of Fulbright U.S. Scholars – *The Chronicle on Higher Education*

- UK had a total of eight Fulbright recipients during the 2019-20 cycle
- Since 1998, more than 100 UK faculty and staff have received Fulbright awards in support of teaching, research, consulting and professional development activities in 48 countries.

## 2019-20 Recipient and UK Department

Richard Allday, Early Childhood, Special Education, and Counselor Education

Stefan Bird-Pollan, Philosophy

Thomas Clayton, Linguistics

Philip Crowley, Biology

Alicia Fedewa, , Educational, School, and Counseling Psychology

Bobi Ivanov, Integrated Strategic Communication

Kimberly Parker Ivanov, School of Journalism and Media

Alex Vazsonyi, School of Human Environmental Sciences, Family Sciences



# Questions?

