



**Kentucky Community and Technical College System**  
 2026-2028 Biennial Budget Request  
 Executive Summary

**Operating Request**

|  | FY2026-27            | FY2027-28            |
|--|----------------------|----------------------|
| Base Education and General                           | \$172,696,700        | \$172,696,700        |
| Inflation Adjustment                                 | \$8,295,900          | \$16,591,900         |
| Performance Funding (KCTCS portion)                  | \$31,876,000         | \$35,173,500         |
| One-time Performance Funding (KCTCS portion)         | \$2,147,800          | \$0                  |
| Debt Service   | \$13,632,000         | \$31,074,500         |
| <b>Total Operating Budget Request (w/o Mandated)</b> | <b>\$228,648,400</b> | <b>\$255,536,600</b> |

**Mandated Programs Request**

|                                   | FY2026-27           | FY2027-28           |
|-----------------------------------|---------------------|---------------------|
| TRAINS                            | \$8,000,000         | \$8,000,000         |
| ECTC Training Center              | \$1,100,000         | \$1,100,000         |
| Adult Agriculture                 | \$1,500,000         | \$1,500,000         |
| State Fire & Rescue Training      | \$2,200,000         | \$2,200,000         |
| Fire & Tornado Insurance          | \$4,637,500         | \$4,637,500         |
| Prison Education Program Start-up | \$0                 | \$4,658,100         |
| <b>Mandated Programs Subtotal</b> | <b>\$17,437,500</b> | <b>\$22,095,600</b> |

**Authorizing Language**

KCTCS requests authorizing language for the Fire Commission and other programs including in the biennial budget, including:

- **Firefighters Foundation Program Fund** - Restricted funds appropriation is \$60,734,189 (FY26-27) and \$61,305,540 (FY27-28).
- **Incentive Payment** - Notwithstanding KRS 95A.250(1)(a) a restricted funds appropriation for incentive payments of \$4,653 (FY26-27) and \$4,746 (FY27-28).
- **Volunteer Fire Department Aid** - Notwithstanding KRS 95A.262(2) a restricted funds appropriation of \$15,300 in each FY for aid payments to qualified volunteer fire departments.
- **Firefighters Training Center Fund** - Notwithstanding KRS 95A.262(3) a restricted funds appropriation of \$1,000,000 in each FY for the Firefighters Training Center Fund.
- **Health Force Kentucky** - Commonwealth West Healthcare Workforce Innovation Center – Carry Forward of Appropriation Balance
- **Disposition of KCTCS Property** - Notwithstanding KRS 45.777, KCTCS may sell or dispose of property and equipment and retain the proceeds of any sale.

**New Capital Construction**



KCTCS’s portion of CPE’s requested new capital construction pool include the following top 10 priority projects totaling \$221,200,000.

| Project   | College   | Amount       |
|---|---|--------------|
| Construct Student Services Center               | Jefferson Community & Technical College             | \$47,300,000 |
| Construct Prison Education Facility             | Bluegrass Community & Technical College             | \$42,000,000 |
| Construct Allied Health Building                | Gateway Community & Technical College               | \$34,200,000 |
| Expand Transpark Campus                         | Southcentral Kentucky Community & Technical College | \$29,900,000 |
| Expand Glasgow Campus                           | Southcentral Kentucky Community & Technical College | \$22,000,000 |
| Construct Skills Trade Center                   | Hopkinsville Community College                      | \$13,000,000 |
| Aviation Equipment Pool                         | Systemwide  | \$10,000,000 |
| Expand and Relocate CDL Program                 | Gateway Community & Technical College               | \$9,300,000  |
| Expand Springfield Campus                       | Elizabethtown Community & Technical College         | \$9,000,000  |
| Construct Diesel Technology/CDL Training Center | Hopkinsville Community College                      | \$4,500,000  |

**Asset Preservation**

KCTCS’s portion of CPE’s requested asset preservation pool is \$184 million covering 70 campuses with a recommendation of no required match for any postsecondary institution. Below are the top 10 asset preservation projects which are included in the total request:

| Project                                     | College   | Amount       |
|---|---|--------------|
| Upgrade Safety and Security Infrastructure  | Systemwide  | \$30,000,000 |
| Replace Student and Academic Support Center | Maysville Community & Technical College             | \$25,400,000 |
| Renovate Main Campus Phase II               | Southcentral Kentucky Community & Technical College | \$17,300,000 |
| Renovate Leestown Building A                | Bluegrass Community & Technical College             | \$21,000,000 |
| Renovate Hartfield Library                  | Henderson Community College                         | \$10,300,000 |
| Upgrade Prestonsburg Campus Buildings       | Big Sandy Community & Technical College             | \$7,400,000  |
| Replace HVAC Phase III                      | Owensboro Community & Technical College             | \$6,300,000  |
| Renovate Smith Administration Building      | Hazard Community & Technical College                | \$5,000,000  |
| Renovate Mayo Campus                        | Big Sandy Community & Technical College             | \$4,500,000  |
| Replace Elevators College Drive Campus      | Ashland Community & technical College               | \$1,500,000  |

**Other Priorities**

In addition to KCTCS’s biennial budget priorities outlined above, several state programs directly impact our operations:

- **Dual Credit Tuition Rate** - Maintain the 50% tuition rate ceiling
- **Dual Credit Scholarships** -Maintain the additional two scholarships
- **Work Ready Kentucky Scholarship** – Continued support for the Work Ready Kentucky Scholarship Program

**Kentucky Community and Technical College System**



2026-2028 Biennial Budget Request  
Operating Budget Detail

**Base Operating Budget (FY27 \$172,696,700 | FY28 \$172,696,700)**

The KCTCS base budget request reflects funding for ongoing operations and is based on advancing the goals of HB1 (1997) and the KCTCS Strategic Plan. The KCTCS Strategic Plan operationalizes the mission of KCTCS to improve the employability and quality of life of Kentucky citizens as the primary provider of college and workforce readiness, transfer education, and workforce education and training. KCTCS's operating budget request includes funds requested for base funding for education and general operations, mandated programs, inflation adjustment, one-time performance funding, debt service, and performance funding allocation (details below).

**Inflation Adjustment (FY27 \$8,295,900 | FY28 \$16,591,900)**

Kentucky public postsecondary institutions are facing some of the largest increases in higher education inflation in two decades. In the last ten years, state funds for education should have grown by 34.7% to keep pace with inflation, but actual growth over that period was 18.7%. KCTCS's inflation request is in line with CPE's recommended 4.5% increase in FY27 and an additional 4.5% increase in FY28.

**Performance Funding (FY27 \$31,876,000 | FY28 \$35,173,500)**

CPE's performance funding request recommends increases in net general fund base of 2.8% in FY27 and 4.2% in FY28 in order to provide added incentive for institutions to increase student success and course completion outcomes and continue making progress toward the state's 60x30 attainment goal. The amounts reflect 22% allocation of the performance funding pool to KCTCS, the projected earned allocations for KCTCS, as well as the minimum distribution pool.

**One-Time Performance Funding (FY27 \$2,147,800 | FY28 \$0)**

One of the unintended consequences of the performance funding model is that smaller institutions and those located in rural, economically impoverished areas have difficulty competing with larger institutions. Five of KCTCS' 16 colleges did not receive a performance funding distribution in 2025-26, including Big Sandy Community and Technical College, Hazard Community and Technical College, Southeast Community and Technical College, Henderson Community College and West Kentucky Community and Technical College. Part of CPE's FY27 request is a minimum distribution pool to provide level-dollar distributions to each university and KCTCS. If the minimum distribution pool is not authorized, KCTCS requests a one-time direct appropriation of \$2,147,800 to support five colleges.

**Debt Service (FY27 \$13,632,000 | FY28 \$31,074,500)**

The request represents a half-year of debt service on both the institution's asset preservation and new capital construction requests for KCTCS's top 10 priority projects.

**Kentucky Community and Technical College System**

2026-2028 Biennial Budget Request  
Mandated Program Detail



### **KCTCS TRAINS (FY27 \$8,000,000 | FY28 \$8,000,000)**

KCTCS TRAINS supports customized workforce training and economic development for companies operating across Kentucky. TRAINS funding covers up to 75% of total training costs, significantly reducing expenses for both employers and colleges. In FY25, 17,060 training enrollments and 374 employers benefited from TRAINS-supported training across the state. The current \$4,164,800 appropriation was fully expended, limiting our ability to support employers throughout the remainder of the year.

### **ECTC Training Center Operations (FY27 \$1,100,000 | FY28 \$1,100,000)**

KCTCS incurs significant operational costs associated with the state-funded training facility at Elizabethtown Community and Technical College to support the Glendale-BOSK battery plant. Employee hiring and training are not generating the projected revenue to maintain operations, and ECTC is contractually limited in its ability to identify alternative training programs for the space that would generate additional revenue.

### **Adult Agriculture (FY27 \$1,500,000 | FY28 \$1,500,000)**

KCTCS provides education and training programs to Kentucky farmers and the Young Farmer Association that improves production, cash receipts and grows future leaders in agriculture. The request restores the reduction in the 2016-18 biennium and builds capacity for new education initiatives.

### **State Fire & Rescue Training (FY27 \$2,200,000 | FY28 \$2,200,000)**

KCTCS requests \$2.2 million in each year of the biennium to support operations for the Kentucky Fire Commission's state fire and rescue training operations.

### **Fire & Tornado Insurance Premium (FY27 \$4,637,500 | FY28 \$4,637,500)**

State run fire and tornado insurance premiums for KCTCS are \$7.7 million in fiscal year 2025-26. KCTCS has expended the entire \$7.7 million including the \$4.6 million appropriated.

### **Prison Education Program Startup (FY27 \$0 | FY28 \$4,658,100)**

KCTCS is partnering with the Kentucky Department of Corrections on a national model prison education/training program to reduce recidivism, accelerate workforce development and increase savings to society. The proposal builds upon KCTCS's current work in 14 state prisons and several county jails. The program will require startup costs in the second year of the biennium to hire faculty and program personnel. Ongoing costs will be paid for by financial aid revenue generated by the program after the first year.

## **Kentucky Community and Technical College System**

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New Capital Projects Detail



KCTCS's portion of CPE's requested new capital construction pool include the following top 10 priority projects totaling \$221,200,000.

**\$47,300,000 – Construct Student Services Center – Jefferson CTC**

Construct an approximately 75,000 square foot facility that would be Phase I of a Student Service Center to serve JCTC students at the downtown campus.

**\$42,000,000 – Construct Prison Education Facility – Bluegrass CTC**

Construct a 51,000 square foot training facility at the Northpoint Training Center to support the new prison education program projected to train up to 400 inmates annually.

**\$34,200,000 – Construct Allied Health Building – Gateway CTC**

Construct a new building at the Edgewood campus. The facility will provide space for classrooms, labs and simulation areas for hands-on learning that meets industry and regulatory requirements.

**\$29,900,000 – Expand Transpark Campus – Southcentral Kentucky CTC**

Construct a second facility at Southcentral Kentucky CTC's Transpark campus needed due to recent economic development. The facility will house expanded technical, advanced manufacturing and constructing trades, and create an early college model with K12 schools.

**\$22,000,000 – Expand Glasgow Campus – Southcentral Kentucky CTC**

Construct a second building as part of Phase II for the Southcentral Kentucky CTC Glasgow Campus. The facility will house and expand the technical programs and add general education classrooms.

**\$13,000,000 – Construct Skills Trade Center – Hopkinsville CC**

Construct new skills trade center to house new technical programs and expand existing programs.

**\$10,000,000 – Aviation Equipment Pool – Systemwide**

Purchase fixed wing and rotary aircraft for Madisonville CC's flight program and the expansion to Somerset CC, as well as equipment for five aviation maintenance programs across the system.

**\$9,300,000 – Expand and Relocate CDL Program – Gateway CTC**

Expand and relocate the CDL program from the urban campus to the Boone campus. Relocating this program will allow Gateway CTC to better serve the community and grow the program.

**\$9,000,000 – Expand Springfield Campus – Elizabethtown CTC**

Expand the Elizabethtown CTC campus for course offerings primarily in welding, which is not currently being offered due to inadequate facilities.

**\$4,500,000 – Construct Diesel Technology/CDL Training Center – Hopkinsville CC**

Construct an 8,000 square foot diesel technology and CDL training facility with one conditioned bay, office, classroom and three CDL storage facilities. The project includes a CDL training ground.

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KCTCS's portion of CPE's requested asset preservation pool is \$184 million covering 70 campuses with a recommendation of no required match for any postsecondary institution. Below are the top 10 asset preservation projects which are included in the total request:

**\$30,000,000 – Upgrade Safety and Security Infrastructure – Systemwide**

Funding to enhance safety and security infrastructure across all campuses of KCTCS. Planned upgrades include modernized access control systems, advanced closed-circuit television (CCTV) technology, and strategically placed panic alarm systems.

**\$25,400,000 – Replace Student and Academic Support Center – Maysville CTC**

Replace the Maysville CTC Administration Building, which is over 55 years old. The proposed replacement building will house student support services and academic support services.

**\$17,300,000 – Renovate Main Campus Phase II – Southcentral Kentucky CTC**

Phase II renovation of buildings B, C and F of the main campus buildings.

**\$21,000,000 – Renovate Leestown Building A – Bluegrass CTC**

Renovate Building A on the Bluegrass CTC Leestown Campus. The renovation will include upgrades to the nursing classrooms and labs, computer labs and library spaces.

**\$10,300,000 – Renovate Hatfield Library – Henderson CC**

Renovate the Henderson Hatfield Library, including technology, replacing windows, upgrading geothermal system, upgrading automation, and adding new collaborative spaces and furnishings.

**\$7,400,000 – Upgrade Prestonsburg Campus Buildings – Big Sandy CTC**

Renovate and upgrade the Magoffin and Campbell Buildings at the Prestonsburg campus. Upgrades include elevator replacement, library modernization, restrooms, corridors and interior painting.

**\$6,300,000 – Replace HVAC Phase III – Owensboro CTC**

Third phase of a three-phase project to retrofit the main campus HVAC using efficient technology.

**\$5,000,000 – Renovate Smith Administration Building – Hazard CTC**

Renovate the Smith Administration building, including ADA, electrical and plumbing upgrades.

**\$4,500,000 – Renovate Mayo Campus – Big Sandy CTC**

Renovate and upgrade Buildings E and F on the Mayo campus, including elevator replacement, restroom upgrades, replacement of ceiling and wiring, storefronts, and interior painting, and replacement storefronts.

**\$1,500,000 – Replace Elevators College Drive Campus – Ashland CTC**

This project will replace the elevators in the Ashland CTC College Drive Campus LRC and Goodpaster Buildings. Upgrades are needed to meet current life safety and ADA code requirements.