

Council on Postsecondary Education

2026-2028 Statewide Capital Plan Priorities (from the 2026-2032 Capital Plan)

General Fund Priorities

The Council on Postsecondary Education (CPE) has reviewed postsecondary institution capital project submissions for the 2026-2032 Capital Plan and offers the following recommendations for Capital Planning and Advisory Board consideration: (a) that the Commonwealth establish a pool to fund asset preservation projects on college and university campuses for the upcoming 2026-2028 biennium, requiring no match from the institutions; and (b) that the Commonwealth fund selected new capital construction projects that support institutional priorities. Specifically, CPE plans to recommend a \$700 million pool for asset preservation as part of its 2026-2028 biennial budget recommendation and an additional \$1.73 billion for high-priority new construction projects on campuses across the Commonwealth.

Background

As part of the 2024-2026 biennial budget request, the Council on Postsecondary Education recommended that the Governor and General Assembly appropriate \$700 million for an asset preservation pool to support renovation and renewal of public postsecondary facilities. The General Assembly appropriated \$563.0 million in bond funds for an asset preservation pool (24 RS, HB 6). Research institutions were required to match state funds with institutional resources, totaling 25 cents for every state dollar. No match was required for the comprehensive universities or for the Kentucky Community and Technical College System (KCTCS). In addition to the asset preservation pool, the General Assembly appropriated \$1.03 billion for line-itemed new construction projects on the campuses. In 2024, the General Assembly also appropriated \$80 million from the budget reserve trust fund for line-itemed new projects for Murray State University and the University of Louisville (24 RS, HB 1).

During the 2022 regular session, the General Assembly appropriated \$700 million for asset preservation projects at public postsecondary institutions for the 2022-2024 biennium, including \$683.5 million for an asset preservation pool and \$16.5 million for a stand-alone preservation project at KCTCS (22 RS, HB 1). In addition to the asset preservation funds, the General Assembly appropriated \$811.9 million for individual line-itemed new construction projects that same biennium.

For four consecutive biennia (i.e., 2018-2020, 2020-2022, 2022-2024, and 2024-2026), CPE and the institutions emphasized that renovating and renewing existing postsecondary facilities was the highest priority for the system by requesting General Fund appropriations to support asset preservation projects in the Council's biennial budget recommendations and not requesting state funds for new capital construction. Several factors converged to support this position, including a growing inventory of facilities and infrastructure in dire need of preservation and renovation, increasing construction costs, and minimal state investment in asset preservation since 2007.

In 2013, CPE commissioned Vanderweil Facilities Advisors (VFA) to conduct a follow-up assessment of Kentucky public postsecondary facilities to update findings of an earlier 2007 study. That update identified an immediate and urgent need for renovation and renewal of existing facilities and projected that, if not addressed, the need for asset preservation on college campuses would grow to \$7.3 billion by 2021. Given that it has been 12 years since the last update to the VFA study, the Council and the institutions are considering initiating a new facilities study to provide information regarding the current and projected status of Kentucky postsecondary education facilities.

Recommendations

Asset Preservation

Over the past two biennia, the Kentucky General Assembly has made major investments in postsecondary facilities for asset preservation (i.e., \$700 million in 2022-2024 and \$563 million in 2024-2026). Despite these investments, the need for ongoing renovation and renewal remains critical. The \$1.26 billion in total investment over the past four years represents only 17% of the projected total need identified in the 2013 update of the VFA Study (i.e., the projected \$7.3 billion need in 2021) and that percentage does not take into account continuing degradation of facilities or sizable growth in construction costs since 2013. For this reason, CPE staff and postsecondary institutions request that the CPAB continue to place a high priority on preserving and protecting the state's significant investment in existing physical plant by supporting CPE's recommendation for an additional \$700 million for asset preservation in 2026-2028.

Consistent with the approach used by the General Assembly in 2024-2026, CPE will recommend that asset preservation pool funds be allocated based on each institution's share of system total Education and General (E&G) square footage. As a reminder, the 2024 General Assembly also provided an additional allocation of asset preservation funds to Kentucky State University each year of the biennium. It is anticipated that each institution will have flexibility to use pool funding for any asset preservation project included in the enacted budget. This will allow institutions to fund the highest priority projects. The postsecondary institutions typically include every possible asset preservation project in their project lists. This is why the total cost of listed projects may exceed the amount of requested funds.

New Construction

While asset preservation remains the Council's number one priority, periodic investment in new capital construction at Kentucky colleges and universities is necessary to advance statewide objectives in areas of economic development, workforce readiness, and research. State funding for new construction projects is well-aligned with the Council's Strategic Agenda and represent high-return investment projects that directly support the educational and research missions of public institutions and produce broad economic and societal benefits. For these reasons, CPE staff anticipates including a request for \$1.73 billion in its biennial budget recommendation to support high-priority new capital construction projects at the postsecondary institutions for the 2026-2028 biennium.

Most of the new construction projects identified by the institutions support instructional or research related initiatives in Science, Technology, Engineering, Mathematics, and Health Science (STEM-H) fields. This includes projects that support new academic programs and new avenues for research. The new facilities will offer purpose-built, flexible, and technologically advanced environments that will support hands-on learning, interdisciplinary collaboration, industry partnerships, and targeted research.

Council staff supports investment in modern, purpose-specific facilities that offer expanded educational opportunities for Kentucky students and support targeted research activities. Included in this report is a listing of each university's highest priority new capital construction project and the top ten new construction priorities at KCTCS for the 2026-2028 biennium.

Information Technology

The postsecondary institutions submitted 48 information technology projects for the 2026-28 biennium, most of which identify infrastructure upgrades, IT pools for basic maintenance and hardware upgrades, and safety and security projects. Many of the projects were submitted for the 2024-2026 biennia and are being included in the 2026-2032 submission, with scope increases related to higher project costs or continuation of IT system pools. The IT projects are well-aligned with campus needs and business purposes and only a few include requests for General Fund appropriations.

CPE staff reviewed the IT project lists and found them to be reasonable and necessary for institutions to maintain and improve current services while ensuring the security of sensitive data. Ongoing investment in campus IT projects is required to keep up with evolving technology needs, particularly for academic programs, to ensure alignment with a changing, technology-driven workforce. Because asset preservation and new capital construction are considered to be higher priorities, CPE staff did not prioritize IT projects as part of its 2026-2028 biennial budget recommendation.

Project Listings

The Council on Postsecondary Education is scheduled to meet and take action on staff's 2026-2028 budget recommendation on September 12, 2025. Keep in mind that it is possible for capital planning priorities at the institutions to change between now and the Council meeting.

This report to the Capital Planning Advisory Board is intended to provide an overview of postsecondary education statewide capital planning priorities for the 2026-2028 biennium and to identify the level of state General Fund resources necessary to address those priorities. Below are four tables that provide summary information regarding the Council's 2026-2028 capital investment recommendation and detailed lists of postsecondary institution priorities for new capital construction and asset preservation projects for the upcoming biennium.

Table 1 provides a high-level summary of CPE staff's proposed capital investment recommendation for the 2026-2028 biennium, including anticipated total General Fund requests for new capital construction, asset preservation, and information technology projects. Table 2

identifies the top priority new capital construction project at each university and the top 10 such projects at KCTCS, with costs broken down by funding source (i.e., General Fund, restricted funds, private funds, and federal funds).

Table 3 contains detailed listings of asset preservation projects for the 2026-2028 biennium by institution, including the total scope of each project, broken down by funding source (i.e., General Fund, restricted funds, private funds, and federal funds). The projects are presented in priority order as submitted by the institutions (i.e., in cases where an explicit priority ranking was identified) and only includes projects that listed state General Fund as a funding source. Table 4 provides the total scope of all capital investment projects for the 2026-2028 biennium, totaled by institution and broken down by project category (i.e., new construction, asset preservation, equipment, and information technology).

Data for three of the tables (i.e., high-priority new construction projects, asset preservation projects in priority order, and total scope of projects by category) were obtained from the 2026-2032 Capital Planning System, Version 4 (although the request category for a few projects has been corrected). Some projects included in the asset preservation project lists may be shifted to another category, depending on eligibility criteria established for any appropriated funds.

Table 1

CPE Proposed 2026-2028 General Fund Capital Investment

	<u>FY 2026-27</u>	<u>FY 2027-28</u>	<u>Biennial Total</u>
New Construction	\$1,729,400,000	\$0	\$1,729,400,000
Asset Preservation	\$350,000,000	\$350,000,000	\$700,000,000
IT/Equipment	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$2,079,400,000	\$350,000,000	\$2,429,400,000

*Note: Asset preservation recommendation does not include an institutional match.

Table 2

CPE Preliminary Proposed 2026-2028 New Capital Construction Projects

Institution	Project	Total Scope	General Fund	Restricted	Private	Federal
EKU	Construct Health Innovations Center	330,000,000	300,000,000	5,000,000	25,000,000	-
KSU	Construct Health Sciences Center	54,000,000	50,000,000	-	-	4,000,000
MoSU	Construct New Applied Science Building	79,400,000	79,400,000	-	-	-
MuSU	Construct Emergency Veterinary & Teaching Clinic	48,500,000	48,500,000	-	-	-
NKU	Expand/Renovate Business Academic Building	155,000,000	150,000,000	-	5,000,000	-
UK	Construct Research Facility	500,000,000	450,000,000	50,000,000	-	-
UofL	Construct - STEM Building	142,000,000	142,000,000	-	-	-
WKU	Construct Potter College Arts & Letters Fac	280,000,000	280,000,000	-	-	-
KCTCS						
	Const Student Services Bldg. DT Ph. I-JCTC	47,300,000	47,300,000	-	-	-
	Replace Student & Academic Support-Maysville CTC	25,400,000	25,400,000	-	-	-
	Expand Springfield Campus-Elizabethtown CTC	9,000,000	9,000,000	-	-	-
	Construct Diesel Tech/CDL Bldg-Hopkinsville CC	4,500,000	4,500,000	-	-	-
	Expand Transpark Campus-Southcentral KY CTC	29,900,000	29,900,000	-	-	-
	Expand Glasgow Campus-Southcentral KY CTC	20,000,000	20,000,000	-	-	-
	Expand/Relocate CDL Program-Gateway CTC, Boone	9,300,000	9,300,000	-	-	-
	Construct Newtown Parking Garage-Bluegrass CTC	36,900,000	36,900,000	-	-	-
	Construct Skills Trade Center-Hopkinsville CC	13,000,000	13,000,000	-	-	-
	Construct Allied Health Building-Gateway CTC	34,200,000	34,200,000	-	-	-
KCTCS Subtotal		229,500,000	229,500,000	-	-	-
System Total		1,818,400,000	1,729,400,000	55,000,000	30,000,000	4,000,000

Table 3

2026-2028 Asset Preservation Projects with a Request for State General Funds

	Institution/Project Title/Ranking	Total Scope	General Fund	Restricted	Agency Bonds	Private	Federal
Eastern Kentucky University							
2	2026-2028 Asset Preservation Pool (Phase III)	\$75,000,000	\$75,000,000	-	-	-	-
4	Begley Building Comprehensive Maintenance and Ex	\$150,000,000	\$110,000,000		\$40,000,000		
5	Renovate Roark Building	\$75,000,000	\$75,000,000	-	-	-	-
7	Utility and Energy Infrastructure Redundancy	\$10,000,000	\$10,000,000	-	-	-	-
	Subtotal	\$310,000,000	\$270,000,000	-	\$40,000,000	-	-
Kentucky Community and Technical College System							
1	KCTCS College Safety and Security Pool	\$30,000,000	\$30,000,000	-	-	-	-
2	Renovate Mayo Campus-Big Sandy CTC	\$4,500,000	\$4,500,000	-	-	-	-
3	Upgrade Prestonsburg Campus Bldgs-Big Sandy CTC	\$7,400,000	\$7,400,000	-	-	-	-
4	Renovate Leestown Building A-Bluegrass CTC	\$21,000,000	\$21,000,000	-	-	-	-
6	Renovate Hartfield Library-Henderson CC	\$10,300,000	\$10,300,000	-	-	-	-
7	Renovate Main Campus Ph. II-Southcentral KY CTC	\$17,300,000	\$17,300,000	-	-	-	-
8	Replace HVAC System Phase III-Owensboro CTC	\$6,300,000	\$6,300,000	-	-	-	-
9	Replace Elevators -Ashland CTC, College Drive	\$1,500,000	\$1,500,000	-	-	-	-
10	Renov Smith Admin Bldg, Lees Cmps, Hazard CTC	\$5,000,000	\$5,000,000	-	-	-	-
11	Renovate Harlan Campus-Southeast KY CTC	\$10,000,000	\$10,000,000	-	-	-	-
12	Replace Magoffin LRC Roof-Big Sandy CTC	\$1,200,000	\$1,200,000	-	-	-	-
14	Renovate and Expand Lawrenceburg - Bluegrass CTC	\$29,200,000	\$29,200,000	-	-	-	-
15	Renovate Lincoln Trail Bldg.-Elizabethtown CTC	\$5,500,000	\$5,500,000	-	-	-	-
16	Upgrade Mechanical Equip & Controls-Somerset CC	\$5,400,000	\$5,400,000	-	-	-	-
17	Renovate Administration Building-Henderson CC	\$15,300,000	\$15,300,000	-	-	-	-
19	Replace Anderson Cooling Tower-West KY CTC	\$2,000,000	\$2,000,000	-	-	-	-
20	Renovate Leestown Building N-Bluegrass CTC	\$16,100,000	\$16,100,000	-	-	-	-
21	Roof Replacements-Southeast KY CTC	\$6,100,000	\$6,100,000	-	-	-	-
22	Roof Replacements North Campus-Madisonville CC	\$3,000,000	\$3,000,000	-	-	-	-
23	Replace Roofs Somerset/Laurel North-Somerset CC	\$3,800,000	\$3,800,000	-	-	-	-
24	Renovate Skilled Craft Center - West KY	\$14,100,000	\$14,100,000	-	-	-	-
25	Relocate Downtown Infrastructure-Jefferson CTC	\$5,000,000	\$5,000,000	-	-	-	-
26	Upgrade HVAC Maysville Campus-Maysville CTC	\$3,500,000	\$3,500,000	-	-	-	-
29	Renovate Anderson Building-West Ky CTC	\$1,500,000	\$1,500,000	-	-	-	-
30	Upgrade ADA/Elevators Industrial Ed.-Hazard CTC	\$2,500,000	\$2,500,000	-	-	-	-
32	ADA Upgrades - Southeast KY CTC	\$3,900,000	\$3,900,000	-	-	-	-
33	Site Improvements and Wayfinding-Big Sandy CTC	\$3,000,000	\$3,000,000	-	-	-	-
34	Renovate Health Science Programs-Somerset CC	\$5,600,000	\$5,600,000	-	-	-	-
35	Replace Windows and Doors-Somerset CC	\$2,200,000	\$2,200,000	-	-	-	-
37	Renovate Winchester 1919 Rollings Hills - BCTC	\$27,900,000	\$25,300,000	\$2,600,000	-	-	-
38	ADA Upgrades -Owensboro CTC	\$3,100,000	\$3,100,000	-	-	-	-
39	Upgrade Tech Dr. Parking/Security-Ashland CTC	\$2,200,000	\$2,200,000	-	-	-	-
40	Roof Replace/Repairs Main Campus-Owensboro CTC	\$2,200,000	\$2,200,000	-	-	-	-
41	Exterior Improvements Southwest Ph I-JCTC	\$3,000,000	\$1,000,000	\$2,000,000			
42	Exterior Improvements Lees Campus-Hazard CTC	\$3,500,000	\$3,500,000	-	-	-	-
43	Upgrade Entrance Ways & Parking, Ashland CTC	\$4,000,000	\$4,000,000	-	-	-	-
44	Renovate Flexible Training Cntr.-Hopkinsville CC	\$2,500,000	\$2,500,000	-	-	-	-
46	Upgrade Exterior Industrial Education-Hazard CTC	\$2,500,000	\$2,500,000	-	-	-	-
48	Site Development Improvements-Elizabethtown CTC	\$3,700,000	\$3,700,000	-	-	-	-
49	Renovate Boone Campus-Gateway CTC	\$4,400,000	\$4,400,000				
51	Capital Renewal & Deferred Maintenance Pool	\$32,000,000	\$32,000,000	-	-	-	-
	Subtotal	\$333,200,000	\$328,600,000	\$4,600,000	-	-	-

Kentucky State University							
2	Asset Preservation Projects Pool	\$40,000,000	\$40,000,000	-	-	-	-
	Subtotal	\$40,000,000	\$40,000,000	-	-	-	-
Morehead State University							
4	Renovate Allie Young Hall	\$15,000,000	\$15,000,000	-	-	-	-
6	Capital Renewal and Maintenance Pool-E&G	\$9,264,000	\$9,264,000	-	-	-	-
7	Replace Electrical Switchgear B	\$7,860,000	\$7,860,000	-	-	-	-
8	Upgrade Campus Fire & Security Systems	\$5,040,000	\$5,040,000	-	-	-	-
9	Repair Camden-Carroll Library	\$14,016,000	\$14,016,000	-	-	-	-
12	Renovate Academic Athletic Center	\$20,892,000	\$20,892,000	-	-	-	-
	Capital Renewal and Maintenance Pool-Univ.						
13	Farm	\$2,352,000	\$2,352,000	-	-	-	-
14	Comply with ADA - E&G	\$5,755,000	\$5,755,000	-	-	-	-
15	Renovate Button Auditorium	\$26,800,000	\$26,800,000	-	-	-	-
18	Renovate Jayne Stadium	\$5,000,000	\$5,000,000	-	-	-	-
20	Campus Drainage & Sewer Project	\$27,840,000	\$27,840,000	-	-	-	-
	Subtotal	\$139,819,000	\$139,819,000	-	-	-	-
Murray State University							
2	Asset Preservation Pool - 2026-2028	\$47,200,000	\$47,200,000	-	-	-	-
3	E&G Building Systems Improvement Pool	\$100,000,000	\$100,000,000	-	-	-	-
5	Renovate Pogue Library	\$15,000,000	\$15,000,000	-	-	-	-
6	Replace Central Cooling Plant Equipment	\$7,000,000	\$7,000,000	-	-	-	-
	Modernize Business Bldg Elec, HVAC &						
7	Classrooms	\$19,000,000	\$19,000,000	-	-	-	-
8	Repair Stewart Stadium - Structural	\$9,200,000	\$9,200,000	-	-	-	-
9	Renovate Wells Hall	\$16,200,000	\$16,200,000	-	-	-	-
10	Renovate Blackburn HVAC Phil	\$7,500,000	\$7,500,000	-	-	-	-
11	Renovate Faculty Hall - Phase I	\$25,000,000	\$25,000,000	-	-	-	-
12	Upgrade Sparks Hall Electrical System	\$3,270,000	\$3,270,000	-	-	-	-
13	Replace Waterfield Windows and Doors	\$3,500,000	\$3,500,000	-	-	-	-
	Subtotal	\$252,870,000	\$252,870,000	-	-	-	-
Northern Kentucky University							
2	Renew/Renovate Nunn Hall	\$105,000,000	\$100,000,000	-	-	\$5,000,000	-
3	2026-2028 Asset Preservation Pool	\$50,000,000	\$50,000,000	-	-	-	-
5	Renew E&G Building Sys Projects Pool	\$45,000,000	\$45,000,000	-	-	-	-
	Subtotal	\$200,000,000	\$195,000,000	-	-	\$5,000,000	-
University of Kentucky							
2	Asset Preservation Pool	\$250,000,000	\$250,000,000	-	-	-	-
	Subtotal	\$250,000,000	\$250,000,000	-	-	-	-
UK has a total of \$3.98 billion in asset preservation projects in the Capital Plan for 2026-28, but only the Asset Preservation Pool identifies funding from the General Fund.							
University of Louisville							
7	Renovation of Miller Building	\$40,000,000	\$28,500,000	-	\$11,500,000	-	-
8	Campus Infrastructure Modernization	\$200,000,000	\$200,000,000	-	-	-	-
9	Classroom & Lab Renovation	\$100,000,000	\$100,000,000	-	-	-	-
11	Renovate - School of Nursing	\$30,000,000	\$30,000,000	-	-	-	-
15	Cyber Range, Secure Enclave, SCIF	\$5,000,000	\$5,000,000	-	-	-	-
	Subtotal	\$375,000,000	\$363,500,000	-	\$11,500,000	-	-
Western Kentucky University							
	Renovate Ogden College of Science &						
3	Engineering	\$250,000,000	\$250,000,000	-	-	-	-
5	Renovate College High Hall	\$48,400,000	\$48,400,000	-	-	-	-
6	Renovate South Campus for Dental Hygiene	\$7,000,000	\$7,000,000	-	-	-	-
8	Renovate Horse Barns Ag Expo	\$3,000,000	\$3,000,000	-	-	-	-
9	Renovate Kentucky Building	\$39,900,000	\$39,900,000	-	-	-	-
10	Renovate Raymond Cravens Library	\$47,600,000	\$47,600,000	-	-	-	-
	Renovate and Expand Innovation Campus						
13	(CRD)	\$101,000,000	\$101,000,000	-	-	-	-
14	Renovate Glasgow Campus	\$28,500,000	\$28,500,000	-	-	-	-
15	Renovate Hardin Planetarium	\$3,000,000	\$3,000,000	-	-	-	-
16	Capital Renewal Pool	\$10,000,000	\$10,000,000	-	-	-	-
17	Renovate WL Terry Colonnade	\$5,000,000	\$5,000,000	-	-	-	-
18	Renovate Central Heat Plant	\$5,000,000	\$5,000,000	-	-	-	-
20	Renovate Grise Hall	\$5,000,000	\$5,000,000	-	-	-	-
21	Renovate Jones Jagers Hall	\$60,000,000	\$60,000,000	-	-	-	-
22	Renovate Jones Jagers Interior	\$1,300,000	\$1,300,000	-	-	-	-
	Repair/Replace Roof at Ctr Research						
23	Development	\$6,000,000	\$6,000,000	-	-	-	-
24	Replace Underground Infrastructure	\$5,000,000	\$5,000,000	-	-	-	-
26	Improve Life Safety Pool/Academic Bldgs	\$34,500,000	\$34,500,000	-	-	-	-
	Subtotal	\$660,200,000	\$660,200,000	-	-	-	-
Institution Total		\$2,561,089,000	\$2,499,989,000	\$4,600,000	\$51,500,000	\$5,000,000	\$0

*Note: Project list taken from the Capital Planning System, Version 4. Some projects included in this list may be considered ineligible for asset preservation pool funds with the current descriptions and/or requirements in place. Changes in project specification or categorization may also change eligibility for asset preservation pool funds.

Table 4

Kentucky Postsecondary Institutions

Total Scope of Capital Projects Submitted by Category for 2026-2028

	New Capital	Asset	Equipment	Information	Total
EKU	\$783,229,000	\$598,000,000	\$8,600,000	\$24,000,000	\$1,413,829,000
KCTCS	\$211,100,000	\$362,800,000	\$13,000,000	\$14,000,000	\$600,900,000
KSU	\$59,000,000	\$40,000,000	\$0	\$0	\$99,000,000
MoSU	\$291,025,000	\$146,819,000	\$0	\$11,500,000	\$449,344,000
MuSU	\$236,934,000	\$308,287,000	\$0	\$0	\$545,221,000
NKU	\$324,000,000	\$463,500,000	\$0	\$19,450,000	\$806,950,000
UK	\$7,921,000,000	\$5,294,500,000	\$188,000,000	\$927,000,000	\$14,330,500,000
UofL	\$1,910,646,500	\$1,416,100,000	\$0	\$252,500,000	\$3,579,246,500
WKU	\$230,200,000	\$1,205,500,000	\$38,000,000	\$6,000,000	\$1,479,700,000
Campus Total	\$11,967,134,500	\$9,835,506,000	\$247,600,000	\$1,254,450,000	\$23,304,690,500
UK Healthcare	\$7,841,000,000	\$6,495,000,000	\$75,000,000	\$2,280,000,000	\$16,691,000,000

Note: Capital planning system identifies new construction as "Construction - Other" and asset preservation as "Construction - Protect Investment in Plant."