

AN ACT relating to a board of directors of a college within the Kentucky Community and Technical College System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

□ Section 1. KRS 164.350 is amended to read as follows:

- (1) The government of each of the state universities and the Kentucky Community and Technical College System is vested in its respective board of regents. Each board of regents, when its members have been appointed and qualified, shall constitute a body corporate, with the usual corporate powers, and with all immunities, rights, privileges, and franchises usually attaching to the governing bodies of educational institutions. Each board may:
 - (a) Receive grants of money and expend the same for the use and benefit of the university or college;
 - (b) Adopt bylaws, rules, and regulations for the government of its members, officers, agents, and employees, and enforce obedience to such rules;
 - (c) Require such reports from the president, officers, faculty, and employees as it deems necessary and proper from time to time;
 - (d) Determine the number of divisions, departments, bureaus, offices, and agencies needed for the successful conduct of the affairs of the university or college; and
 - (e) Grant diplomas and confer degrees upon the recommendation of the president and faculty.
- (2) Each board of regents shall periodically evaluate the institution's progress in implementing its missions, goals, and objectives to conform to the strategic agenda. Officers and officials shall be held accountable for the status of the institution's progress.
- (3) In addition to the duties required in subsections (1) and (2) of this section, the board of regents for the Kentucky Community and Technical College System, upon

recommendation of the president of the system, shall:

- (a) Develop and implement guidelines for the preparation of biennial budget requests by the administrators of the colleges within the system. The guidelines shall **require the**~~[define the processes for review and]~~ approval **of the requests** by the boards of directors for the colleges **prior to submission to the board of regents**;
- (b) Adopt a biennial budget request for the Kentucky Community and Technical College System upon the recommendation of the president of the system;
- (c) Adopt an allocation process for distributing funds to the colleges within the system;
- (d) Consider recommendations from the boards of directors of the colleges to improve the overall budget planning and allocation processes;
- (e) Designate each college with a name;
- (f) Encourage and accept donations of land and funds to be used in the acquisition, construction, or operations of colleges in the system. **The local board of directors of the college for which a donation is offered shall have final approval to accept or reject the donation.** The board may commemorate donations from private persons or corporations with suitable memorials, **following approval of the local board of directors of the college for which a donation was accepted**; and
- (g) Accept federal grants when deemed appropriate to be used in the acquisition, construction, or operations of colleges in the system.

The board of regents shall **ensure**~~[assure]~~ that the budget planning and implementation processes are consistent with the adopted strategic agenda and biennial budget **approved by the respective local board of directors of each college within the system** and with the missions of the **colleges**~~[institutions]~~ within the system.

□ Section 2. KRS 164.600 is amended to read as follows:

- (1) As used in this section, unless the context requires otherwise:
 - (a) "Chief executive officer" means a president or the head administrator of a college within the Kentucky Community and Technical College System;
 - (b) "College" means a community college, a technical college, or a community and technical college within the system;
 - (c) "President" means the chief executive officer of the system;
 - (d) "Relative" means father, mother, brother, sister, husband, wife, son, daughter, aunt, uncle, son-in-law, and daughter-in-law; and
 - (e) "System" means the Kentucky Community and Technical College System.
- (2) There shall be a board of directors for each community college or community and technical college under the Kentucky Community and Technical College System, except as provided in KRS 165.160. The board of regents may designate that a local board of directors serve more than one (1) college. Each board of directors shall:
 - (a) Recommend one (1) candidate for college chief executive officer from three (3) candidates provided by the president. The president shall have the authority to make the final appointment and shall not be bound by the recommendation from the board of directors;
 - (b) Evaluate the college chief executive officer and advise the president of his or her performance. The president has final authority for the appointment and termination of the college chief executive officer;
 - (c) Approve budget requests for recommendation to the Kentucky Community and Technical College System;
 - (d) Adopt and amend an annual operating budget and submit it to the board of regents for approval as to the compliance with its guidelines; ***and***
 - (e) Approve a strategic plan that is developed in coordination with local employers, civic leaders, campus constituents, and other postsecondary

institutions in the region and that is consistent with the strategic agenda of the General Assembly.

- (3) The chief executive officer of each college shall have full authority and discretion regarding the use and management of the budget approved by the board of regents for the Kentucky Community and Technical College System under KRS 164.350.
- (4) (a) Each board of directors shall consist of ten (10) members, seven (7) of whom shall be appointed by the Governor from nominees of the respective college nominating commission established under KRS 164.602 for a term set by law pursuant to Section 23 of the Constitution of Kentucky. The other three (3) board members shall be one (1) member of the teaching faculty, one (1) member of the staff, and one (1) member of the student body. ~~[- An appointed member's term shall be six (6) years.]~~
 - (b) *Members appointed after January 1, 2018, shall serve four (4) year terms or until a successor is appointed.*
 - (c) *Vacancies in membership shall be filled for the unexpired term in accordance with the procedures established for original appointments.*
- (5) The faculty member shall be on the teaching or research faculty of the college. The faculty member shall be elected by secret ballot of all full-time faculty members of the college. Faculty members shall serve for terms of three (3) years and until their successors are elected and qualified. Faculty members shall be eligible for reelection, but they shall be ineligible to continue to serve as members of the boards if they cease to be members of the teaching staff of the college. Elections to fill vacancies shall be for the unexpired term in the same manner as provided for original election.
- (6) The staff member shall be a classified or midmanagement employee who does not hold faculty rank and who does not hold an upper administrative position *in which he or she reports directly to the college chief executive officer.* The staff member

shall be elected by secret ballot of all full-time staff members of the college. Staff members shall serve for terms of three (3) years and until their successors are elected and qualified. Staff members shall be eligible for reelection, but shall be ineligible to continue to serve as members of the boards if they cease to be members of the staff of the college. An election to fill a vacancy for an unexpired term shall be held in the same manner as an election to an original full term.

- (7) The student member shall be elected by secret ballot from the student body of the college to serve a term of one (1) year. The student member shall **maintain a minimum of six (6) credit hours per semester and maintain**~~[be a full-time student who maintains]~~ permanent residency in the Commonwealth of Kentucky.
- (8) If a board of directors is designated by the board of regents to serve more than one **(1)** college as permitted under subsection (2) of this section, the board of regents shall define procedures for the selection of the faculty, staff, and student representatives to the board of directors to ensure that there is opportunity for all colleges to be represented.
- (9) The members of the board of directors shall receive no compensation for their services but shall be paid for their actual and necessary expenses.
- (10) No citizen member of the board of directors shall have a conflict of interest in accordance with KRS 45A.340 or be a relative of any employee of the college under its jurisdiction. A person who is a member of the board on July 15, 1998, who is a relative of an employee of the college may finish out the appointed term of office but the member may not be reappointed.

(11) (a) A member of a local board of directors shall be held harmless and indemnified by the college for all proper actions and votes taken as a board member.

(b) The Kentucky Community and Technical College System shall provide a local board of directors with independent legal counsel upon a request of a

majority vote of the local board members for transactions or any potential legal matters between the local board of directors and the Kentucky Community and Technical College System.

(12) Any outside agency or foundation associated with any college within the Kentucky Community and Technical College System shall:

- (a) Provide notice of each meeting of the foundation to the local board of directors at least twenty-four (24) hours prior to the time of the meeting;
- (b) Conduct agency or foundation business in an open meeting and make all records of the meeting available for public review;
- (c) Publicly disclose all financial documents, including actual amounts donated or raised. The name of an individual donor who wishes to remain anonymous shall not be disclosed;
- (d) Publicly disclose all moneys expended by the agency or foundation, including supplemental compensation and benefits to the chief executive officer of the college and capital expenditures on behalf of the college. The local board of directors shall approve by majority vote all expenditures included in this paragraph; and
- (e) Prohibit any citizen member of the agency or foundation who is serving in a decision-making or managerial position from having a conflict of interest, as applicable to an employee of an agency or state board or commission as prescribed in KRS 45A.340, or from being a relative of any employee of the college with which the agency or foundation is associated.