

KENTUCKY POSTSECONDARY FUNDING

FY 2020 ENACTED BUDGET COMPARED TO
FREE CONFERENCE COMMITTEE REPORT FY 2021 BUDGET PROPOSAL
AMOUNTS SHOWN IN MILLIONS OF DOLLARS

POSTSECONDARY • GENERAL FUND

	FY 2020 Enacted Budget	FY 2021 FCCR Budget	2020 to 2021 Change	Percent Change
Council on Postsecondary Education (without Adult Education)	\$22.1	\$8.1	-\$14.0	-63%
Kentucky Higher Education Assistance Authority	\$239.1	\$279.3	\$40.2	17%
Eastern	\$60.2	\$65.3	\$5.2	9%
Kentucky State	\$25.3	\$25.4	\$0.1	0%
Morehead	\$38.5	\$38.3	-\$0.1	0%
Murray	\$44.6	\$43.8	-\$0.8	-2%
Northern	\$48.0	\$51.3	\$3.3	7%
University of Kentucky	\$249.1	\$258.6	\$9.5	4%
University of Louisville	\$123.3	\$124.1	\$0.8	1%
Western	\$69.3	\$72.6	\$3.3	5%
KCTCS	\$166.0	\$171.3	\$5.2	3%
Postsecondary Education Performance Fund	\$38.7	\$15.0	-\$23.7	-61%
Total (without Adult Education)	\$1,124.1	\$1,153.1	\$29.0	3%

Postsecondary Funding Note

Funding for colleges and universities includes funds to be allocated through the Performance Funding Model adopted in 2017, although at reduced levels from the current year and from what both the House and Senate had proposed in earlier versions. The budget includes line-items for “mandated programs” for each campus which are not subject to the performance funding model. Pension relief for regional universities and KCTCS is in Part IV of the budget by freezing the employer contribution rate at 49.47% for fiscal year 2021. Part of the reduction in the Council on Postsecondary Education’s budget relates to a shift of programmatic funds to other agencies (Veterinary and Optometry Contract Spaces to KHEAA; Science and Technology Trust Fund to Economic Development).

ADULT EDUCATION • GENERAL FUND

	FY 2020 Enacted Budget	FY 2021 FCCR Budget	2020 to 2021 Change	Percent Change
Adult Education (Itemized In OSBD Executive Budget)	\$18.4	\$18.4	\$0.0	0%

GENERAL FUND DETAIL ON FINANCIAL AID

	FY 2020 Enacted Budget	FY 2021 FCCR Budget	2020 to 2021 Change	Percent Change
Kentucky Educational Excellence Scholarships (KEES)	\$107.7	\$113.8	\$6.0	6%
College Access Program (CAP)	\$76.1	\$87.6	\$11.4	15%
Kentucky Tuition Grants (KTG)	\$40.4	\$44.1	\$3.7	9%
Kentucky National Guard Tuition Award	\$7.4	\$7.4	\$0.0	0%
Dual Credit Scholarships	\$5.0	\$13.2	\$8.2	163%
Work Ready Scholarships:	\$2.5	\$7.3	\$4.8	192%
Teacher Scholarships	\$0.0	\$0.0	\$0.0	n/a
Veterinary Contract Spaces	\$0.0	\$5.2	\$5.2	n/a
Optometry Contract Spaces	\$0.0	\$0.8	\$0.8	n/a
Financial Aid Total	\$239.1	\$279.3	\$34.2	14%

Lottery Revenue Note

All but \$750,000 of net lottery proceeds are being committed to student financial aid. The Consensus Forecasting Group's official estimates were \$277 million in 2021. By statute, \$3 million is deducted "off the top" for the Collaborative Center for Literacy Development and the Reading Diagnostic & Intervention Fund. Net lottery proceeds equaling \$273.25 million in 2021 are appropriated to student financial as indicated above (except for the Veterinary and Optometry Contract Spaces which are not funded with "lottery proceeds" but regular General Fund dollars). The other \$750,000 is being distributed to support these other education-related programs: the Jobs for America's Graduates Program at the Department of Education and the Support Higher Education Project at the University of Kentucky.

KEES Note

KEES funding above reflects the General Fund portion only from lottery receipts. Total funding is \$123.8 million in 2021 when including restricted funds appropriation of \$10 million from unclaimed lottery prizes.