



# KANSAS BOARD OF REGENTS

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Agenda Call  
Fiscal Affairs and Audit Standing Committee  
Tuesday, January 4, 2011  
Noon-1:00pm, Conference Rm B, Teleconference  
Dial in number -- (866) 620-7326  
Conference Code – 476-523-6449

## **BOARD AGENDA ITEMS**

### **FISCAL – WEDNESDAY, JANUARY 19, 2011 - DISCUSSION (Diane)**

- 1. REVIEW GOVERNOR'S BUDGET RECOMMENDATIONS**
- 2. UPDATE ON THE TIERED FUNDING DISTRIBUTION MODEL**
- 3. DETERMINE ALLOCATION OF THE CY 2011 TAX CREDIT PROGRAM FOR STATE UNIVERSITIES AND WASHBURN UNIVERSITY**

### **FACILITIES – JANUARY 20, 2011 AGENDA – CONSENT (Eric)**

#### **1. AUTHORIZE LIBRARY ANNEX EXPANSION – KU**

The University of Kansas requests authorization to construct a 9,600 square foot expansion to the Library Annex on the West Campus of the Lawrence campus.

To address a projected shortfall in space for library collections, the University in 2004 developed an architectural program to build the first phase of a book and archival record depository on the west campus. Full build-out of the site would include three more modules with capacity of 6.4 million volumes. Today, the Library Annex High Density Storage Facility represents the state of the art in library depository design, providing a highly efficient and secure archival environment to house low use, high value research collections in preservation quality space off the central campus, with the goal of freeing core campus facilities for more heavily used current research materials and actively used student and faculty services. The current KU Library Annex, which has a capacity of approximately 1.6 million volumes, is more than half full after only two and one half years after opening. The University expects that the facility will be full in two to three more years so the timing is right to begin plans for expanding the facility to meet the needs of the 2011 through 2015 period.

The University proposes to construct one additional high-density storage module immediately adjacent to the original module. The addition, like the original module, will be constructed to maximize utilization of space including the shelving of volumes by size, rather than by content or subject matter, and to enhance the safekeeping of valuable research materials. The capacity of the addition will be approximately 1.6 million volumes in 9,600 gross square feet. The estimated cost of the project is \$4 million and will be funded with funds on deposit at the University of Kansas Center for Research, Inc. The university will fund maintenance on the addition from general university operating funds.

## **2. AMEND FY 2011 CAPITAL IMPROVEMENT PLAN – KSU**

Kansas State University requests approval to modify its FY 2011 Capital Improvements Plan to add a \$550,000 project to upgrade the John C. Pair Center in Wichita. This project would correct major ADA deficiencies, replace the roof and add 3,000 square foot to an existing building to expand the office, teaching and meeting spaces for the existing facility. The John C. Pair Center is a research farm that also provides local extension services and university outreach to the communities surrounding Wichita. With the addition of distance learning technology, the Center will be able to connect with the main campus to enhance research-based exchange and training. The cost of this project is \$550,000 and will be paid with private funds and research and extension funds.

### ***FACILITIES – JANUARY 20, 2011 AGENDA – DISCUSSION (Eric)***

- 1. REPORT ON INVENTORY OF PHYSICAL FACILITIES AND SPACE UTILIZATION – FALL 2010**
- 2. REPORT ON STATE UNIVERSITY DEFERRED & ANNUAL MAINTENANCE – FALL 2010**

### **OTHER COMMITTEE BUSINESS**

1. Upcoming Committee Meeting – Wednesday, January 19, 11:00am-Noon
  - a. Processes related to Board Policy – New Financial Reporting Requirements (see attached) – State University Internal Auditors
  - b. Other topics?

## NEW FINANCIAL REPORTING REQUIREMENTS

- Jan. 1: University internal auditors or audit departments report to Board's Standing Committee on Fiscal Affairs and Audit Committee. Report should summarize the prior year's activities and audit plans for the coming year. Beginning January 2012, the report should also include review of the 990's of the controlled affiliated corporations, using the most recent 990 that is available. [§ B.2.b.(2)]. Route reports to Board Finance Unit – Linda Wood – for collection, distribution to FA&A members and filing. FA&A could also offer to make time during its January meeting for auditors to present their summary reports directly to the Committee, to give an opportunity for direct contact.
- Jan. 1: Beginning January 2012 with reports on FY2011 activities, University non-controlled corporations share with Board President and CEO (at request of and through University CEO) report of independent audit review of actual or potential conflicts of interest involving unrestricted, non-public funds under the authority of the university CEO or the CEO's direct subordinates, including review of fund transfers and other transactions between and among the university, its affiliated corporations and external entities reported on SSIs. [B.2.c.(6)]. (Board President & CEO should route reports to Board Finance Unit –Linda Wood—for review and filing)
- Jan. 1: University CEOs provide Board a list of all affiliated corporations and a description of their respective governing boards and management structure. [B.2.c.(2)] (Route to Board General Counsel for collection, distribution to FA&A members and filing)
- July 1: File with Board President and CEO any plans produced pursuant to university review of roles of university CEO's direct subordinates in/with affiliated corporations and initiated to eliminate or manage any conflicts of interest. [B.2.c.(3)]
- Sept 1: Board President and CEO will report to Board Chair and Vice Chair on his/her review of state university CEOs' roles in/with affiliated corporations and, if appropriate, a plan to eliminate or manage any conflicts of interest. [B.2.c.(4)]

2013: First two periodic Board contracted external management reviews of use and expenditure of non-public, unrestricted funds held by the university or an affiliated corporation of the university and under the direction of each state university CEO and/or each state university CEO's direct subordinates.