

KANSAS BOARD OF REGENTS

MINUTES

April 16-17, 2008

The April 16, 2008, meeting of the Kansas Board of Regents was called to order by Chairman Christine Downey-Schmidt at 1:35 p.m. The meeting was held in Board offices located in the Curtis State Office Building, 1000 S.W. Jackson, Suite 520, Topeka. Proper notice was given according to law.

MEMBERS PRESENT: Christine Downey-Schmidt, Chairman
Donna Shank, Vice Chairman
Jerry Boettcher
Dick Hedges
Dan Lykins
Janie Perkins
Gary Sherrer
Bill Thornton

MEMBERS ABSENT: Jill Docking

APPROVAL OF MINUTES

Regent Perkins moved that the minutes of the March 12-13, 2008, meeting be approved. Following the second of Regent Thornton, the motion carried. Regent Boettcher moved, with the second of Regent Perkins, that the minutes of the March 25, 2008, special conference call meeting be approved. The motion carried.

INTRODUCTIONS

President Wefald introduced Lydia Peele, who has been chosen to serve as Kansas State University's student body president for the upcoming year.

REPORTS

REPORT FROM CHAIR

Chairman Downey-Schmidt reported that she was not able to participate in some recent events due to family health issues. However, she plans to attend the investiture ceremony and reception for Dr. Thomas K. Schulz on April 22 at Wichita. She also will be attending the final meeting of the Kansas Educational Leadership Commission on April 28.

The Chairman reported that Regent Docking was absent from the meeting because she accepted an invitation to speak to Congress regarding financial literacy.

REPORT FROM OTHER REGENTS

Regent Shank thanked President Beggs and Wichita State University, as well as Dean Dismuke, and the KU School of Medicine-Wichita, for hosting the Board for campus visits the previous day. She also congratulated the University of Kansas and its basketball team for its recent victory in the final four championship game and noted that the experience of attending the event was memorable.

Regent Lykins attended the University of Kansas basketball competition and enjoyed the occasion. He was pleased to see a billboard poster of the 95-year old Fort Hays State University graduate, Nola Ochs, in San Antonio. Regent Lykins also reported on a recent breakfast meeting of representatives from governing boards of the institutions represented by the Big 12 Conference. The meeting was beneficial and plans are underway to meet again next year in Oklahoma. Regent Lykins just returned from a meeting of the Association of Governing Boards in Boston where he represented the Washburn Board of Regents.

Regent Sherrer reported that he and the Admissions Task Force members recently met for its first meeting. The group plans to meet each month between now and October. Plans are to invite people to speak to the Task Force about what aspects of state university admissions are working and areas that need improvement.

REPORT FROM PRESIDENT AND CEO

Since the last Board meeting, President Robinson spent some time addressing legislative topics. He recently participated in an all faculty gathering at Butler County Community College. He thanked Drs. Jackie Vietti and Leann Ellis for the invitation to spend time with faculty members to reflect on the Five Strategic Questions and respond to related questions. President Robinson spoke to a group of students at Fort Hays State University who participated in an American Democracy project. The project encourages students to engage in community activities. Mr. Robinson also attended the SHEEO executive committee meeting where the group discussed higher education policy issues that could be shared with the presidential candidates. The committee drafted a white paper outlining areas identified as critical to higher education policy.

Mr. Robinson called attention to a recent Executive Order from Governor Sebelius establishing a P-20 Council. Both the Board of Regents and the State Board of Education have endorsed such a council to encourage educational alignment and seamlessness.

President Robinson thanked Don Beggs and Ed Dismuke, as well as their staffs, for coordinating the recent campus visits.

APPROVAL OF CONSENT AGENDA

Regent Shank moved, with the second of Regent Perkins, that the Consent Agenda be approved. The motion carried. The following requests were approved:

Academic AffairsREQUEST OF VATTEROTT COLLEGE FOR AN INFORMATION SYSTEMS SECURITY PROGRAM

Vatterott College was authorized to add Information Systems Security to its program offerings. The program is sixty weeks in length for a total of 72 quarter credit hours and will be awarded at Vatterott's Wichita campus. Any reference in the Vatterott College publications or communication to the Kansas Board of Regents should refer to the Board's approval of degree-granting authority. Additionally, Vatterott College must apply annually for its Certificate of Approval to operate a school and grant degrees in Kansas. Vatterott College will comply with new regulations, which may include regional accreditation, when those regulations are in place.

REQUEST OF BELLEVUE UNIVERSITY FOR ADDITIONAL DEGREE-GRANTING AUTHORITY FOR A MASTER OF BUSINESS ADMINISTRATION

Degree-granting authority was authorized for Bellevue University for a Master of Business Administration. The degree will be awarded on the University's Johnson County campus. Any reference in the institution's publications or communications to the Kansas Board of Regents should refer to the Board's approval of degree-granting authority. Bellevue must apply annually for its Certificate of Approval to operate a school and grant degrees in Kansas.

REQUEST OF BELLEVUE UNIVERSITY FOR ADDITIONAL DEGREE-GRANTING AUTHORITY FOR A BACHELOR OF SCIENCE IN HEALTHCARE MANAGEMENT

Bellevue University received approval to offer a Bachelor of Science in Healthcare Management with the degree being awarded at its Johnson County campus. Any reference in the institution's publications or communications to the Kansas Board of Regents should refer to the Board's approval of degree granting authority. Bellevue must apply annually for its Certificate of Approval to operate a school and grant degrees in Kansas.

REQUESTS OF COMMUNITY COLLEGES, TECHNICAL COLLEGES, AND TECHNICAL SCHOOLS FOR APPROVAL OF CERTIFICATE AND DEGREE PROGRAMS

Butler County Community College received approval to offer the following two new programs:

- A. Accounting Assistant (CIP 52.0302) at the certificate and Associate of Applied Science degree (A.A.S.) levels. The certificate consists of 33 credit hours and the degree consists of 68 credits with a budget of \$1567.50 funded through tuition and fees.
- B. Surveying Technology (CIP 15.1102) at the certificate and Associate of Applied Science degree (A.A.S.) levels. The certificate consists of 39

credit hours and the degree consists of 64 credits with a budget of \$16,270 funded through tuition and fees.

CONSIDERATION OF DISCUSSION AGENDA

Academic Affairs

REQUEST OF WRIGHT BUSINESS SCHOOL FOR DEGREE-GRANTING AUTHORITY FOR AN ASSOCIATE OF APPLIED SCIENCE DEGREE IN SURGICAL TECHNOLOGY

Vice President Gary Alexander presented the request from Wright Business School, indicating that this is the School's first request for degree-granting authority, which is why the topic appears on the Discussion (rather than Consent) Agenda. He confirmed that Board staff conducted a thorough site review of the school and its proposal. Regent Perkins moved that the Board authorize degree-granting authority to Wright Business School to offer an Associate of Applied Science Degree in Surgical Technology. Following the second of Regent Hedges, the motion carried.

REQUEST FOR MERGER AGREEMENTS FOR SOUTHWEST KANSAS TECHNICAL SCHOOL/SEWARD COUNTY COMMUNITY COLLEGE AND NORTHEAST KANSAS TECHNICAL COLLEGE/HIGHLAND COMMUNITY COLLEGE

Vice President Blake Flanders introduced the topic of merger arrangements for both Southwest Kansas Technical School and Northeast Kansas Technical College. He reported that the 2007 Legislature adopted Senate Substitute for House Bill 2556, which required that governing bodies for both institutions submit a plan to merge or affiliate with a postsecondary education institution or become an accredited technical college with an independent governing board by July 1, 2008. Northeast Kansas Technical College chose not to pursue a plan to seek independent governance, and in February 2008 submitted a preliminary plan to merge with Highland Community College. Also in February 2008, the governing boards of Southwest Kansas Technical School and Seward County Community College submitted an agreement for consolidation.

President Robinson acknowledged the institutional efforts involved in reaching agreement and noted that student opportunities will be greatly enhanced through these agreements. Regent Downey-Schmidt moved, with the second of Regent Thornton, that the Board approve the merger plans submitted by Northeast Kansas Technical College and Southwest Kansas Technical School for implementation by July 1, 2008. The motion carried.

REQUEST FOR APPLICATION FROM SALINA AREA TECHNICAL SCHOOL TO BECOME A TECHNICAL COLLEGE

Salina Area Technical School (SATS) is another institution impacted by Senate Substitute for House Bill 2556. Vice President Flanders reported that in January 2008, SATS communicated its decision to seek independent technical college status and an application to pursue that status was submitted in February 2008. Questions followed regarding the need to monitor the institutional progress and Dr. Flanders reported that Board staff will identify appropriate timeline, noting that it could take 2-3 years to attain the status.

Regent Sherrer moved that the application from Salina Area Technical School to become a technical college be approved. Following the second of Regent Boettcher, the motion carried.

The following representatives from SATS and the Salina community were introduced: Duane Custer, SATS Director, Dr. Rob Winter, Superintendent of Schools, and Gary Denning and Phil Black, school board members.

Other Matters

REPORT FROM KANSAS POSTSECONDARY TECHNICAL EDUCATION AUTHORITY

Vice President Flanders reported that Kathy Hund has been hired to serve as the liaison between the Board of Regents and the Department of Commerce.

At its recent meeting, the Technical Authority discussed program standards and the alignment framework. That topic will be referred to the Board's Academic Affairs Standing Committee to review alignment of technical programs and tying those to industry-based certification. The Authority discussed financing technical education in Kansas and will be looking at how Kansas compares to other states. Marketing was also discussed.

Discussion followed. Responding to a question regarding differences between standardizing and centralizing, and respect for past efforts while working to raise the quality, Dr. Flanders noted that the Authority has discussed those issues. While the initial thought was to standardize all courses within the programs, Authority members are seeing the wisdom of maintaining some amount of flexibility at the regional level. It may work to add standardization to the short-term certificate programs. There has been discussion about standardization of prerequisites and institutional faculty has interacted to establish a core standardized curriculum, yet maintain appropriate institutional flexibility in the full program. Dr. Flanders indicated that this will take time to work with both faculty and industry committees. Another question related to establishment of Centers of Excellence that would limit specified training to geographical areas of the state. Dr. Flanders stated that place is important to some industries; however, it is important to be sensitive to student access. If an institution was designated as a Center of Excellence for Workforce Development, the institution could have a lead, coordinating role for a specified field, but the program would also be available at other sites. It might mean that the first year of an equipment-intensive program could be delivered in regional areas, followed by the second year being offered in a common location.

VENDOR SELECTION FOR RFP #11124 MARKETING RESEARCH, TECHNICAL EDUCATION

Dr. Flanders provided background information on the recommendation from the Technical Authority to award a contract to Corporate Communications Group, Inc. at a cost of \$75,000. The feedback from the vendor is expected to address the Authority's goal to establish a robust technical education system that would bring greater awareness and an enhanced image to young people and individuals who have been displaced. The Authority's Marketing Committee reviewed the vendor proposals, selected three companies for interview, and forwarded its recommendation to the Authority for consideration at its April 2 meeting. Plans call for the

vendor to share its marketing approach with the Authority's Marketing Committee in July, with a final recommendation to the Authority at its meeting on August 5-6.

Responding to a question regarding anticipated outcome, Dr. Flanders reported that the goal is to have more qualified employees for Kansas businesses and more enrollees for technical education.

Regent Boettcher moved that Corporate Communications Group, Inc. be awarded the contract for marketing research for technical education. Following the second of Regent Shank, the motion carried.

LEGISLATIVE REPORT

Kip Peterson, Director of Government Relations and Communications, provided a legislative update. He congratulated Regents Boettcher, Docking, Hedges, Sherrer and Thornton for the April 1 confirmation of their respective appointments to the Board.

In terms of budgetary measures, the House and Senate approved the "mega" appropriations bill with provisions for the postsecondary operating grant (\$10 million), Kan-ed funding (\$7.5 million), KU School of Pharmacy (\$6 million SGF-FY09; \$22.5 million ELARF-FY10; and \$11.5 million ELARF-FY11), and WCGME (\$1 million). Appropriations pending are the State employee pay plan, KAMS funding, additional funding for the postsecondary operating grant and Kan-ed, technical education technology and equipment grants, the comprehensive grant program, STEM teachers scholarship, and state university deferred maintenance.

Mr. Peterson provided a status report on the following initiatives. Senate Bill 404-Implementation of the Kansas Academy of Mathematics and Science and SB 384-Investment of state university idle funds are awaiting the Governor's approval. The conference committee recommendation of raising the cap by \$1 million each year over the next three fiscal years for House Bill 2343-Adjustment to the Partnership for Faculty of Distinction Program cap has received Senate approval. Senate Bill 415-Deferred maintenance program amendments, and House Bill 2611-University support staff and classified staff benefits clarification were both eliminated in the conference committee, following approval by the Senate. Senate Bill 436-Local option sales tax to reduce property taxes and House Bill 2610-SGF payments to eliminate crumbling classrooms debt received no action. Senate Bill 391-Kan-ed connectivity is in conference committee.

Discussion followed. Reference was made to the legislative measure that passed both houses, which permits high school sophomores to take classes for college credit. It was not known whether that measure will impact the Board's concurrent enrollment policy.

(PowerPoint Filed with Official Minutes)

CEO AssessmentANNUAL CAMPUS REPORT – FORT HAYS STATE UNIVERSITY

President Hammond identified the FHSU theme for the year as "Dare to Dream." He reported that the University focused on high tech/high touch issues from 1990 to 2000, but has now moved its focus during 2000 to 2010 to affordable success. The University looked at enrollment growth vs. tuition increases with emphasis on efficiency as it worked to maintain accessibility. Another component has been to change the employee mix by decreasing non-teaching positions and increasing teaching faculty.

In the past ten years, the University has experienced increased enrollment for Kansas students. President Hammond called attention to student success in undergraduate writing skills and improved learner outcomes in computing. Students have been exposed to a mobile learning environment and increased international experiences. In closing, President Hammond identified FHSU goals, as aligned to the Board's Five Strategic Questions.

(PowerPoint Filed with Official Minutes)

EXECUTIVE SESSION

At 3:30 p.m., Regent Shank moved that the meeting recess into executive session for one hour for the discussion of personnel matters of non-elected personnel, annual assessment of President Ed Hammond. Following the second of Regent Downey-Schmidt, the motion carried. Participating in the closed session were members of the Board, President Robinson, and President Hammond. At 4:30 p.m., Regent Shank moved, with the second of Regent Thornton, that the meeting return to open session.

At 4:31 p.m., Regent Shank moved that the Board continue its executive session regarding CEO assessment for 45 minutes. Following the second of Regent Thornton, the motion carried. At 5:15 p.m., Regent Shank moved, with the second of Regent Thornton, that the meeting return to open session. The motion carried.

RECESS

Chairman Downey-Schmidt recessed the meeting at 5:15 p.m., to resume the following morning at 9:30 a.m.

RECONVENE

Chairman Downey-Schmidt reconvened the meeting at 9:35 a.m. on Thursday, April 17.

MEMBERS PRESENT:

Christine Downey-Schmidt, Chair
Donna Shank, Vice Chair
Jerry Boettcher
Jill Docking
Dick Hedges
Dan Lykins
Janie Perkins

Gary Sherrer
Bill Thornton

INTRODUCTIONS

Several students from Kansas State University and the University of Kansas were recognized for academic accomplishments. President Wefald introduced Will Carlson and Scott McCall, who have been awarded Goldwater scholarships. Also awarded a Goldwater scholarship, but not in attendance was Michelle Higgins. Nick Long was congratulated for winning a Udall scholarship. Iris Wilson also won the Udall scholarship but was not able to be present. Jessy Ohl was recognized as the Speech Squad National Champion by winning in the categories of Extemporaneous Speaking, Informative Speaking, Communications Analysis, and Sweepstakes winner for all categories. Craig Brown, Head Coach, and Bobby Imbody, Assistant Coach, were introduced on behalf of the Forensics Team.

Chancellor Hemenway recognized Rebecca Lynn Totten for winning a Goldwater scholarship. Rachel Debes was also acknowledged for winning a Goldwater scholarship, but was unable to be present. Agata Karolina Kaminska was congratulated for winning a Fulbright fellowship. The Chancellor acknowledged Sue Lorenz, associate director of the Honors Program. The KU Debate Team completed its season ranked #1 in the Country in the National Debate Tournament Varsity debate rankings. Four members of the team were introduced: Brett Bricker, Andrew Jennings, Nathaniel Johnson, and Christopher Stone. Scott Harris, KU Debate Coach, was also introduced.

REPORTS

REPORT FROM COUNCIL OF PRESIDENTS

President Lane, Chair of the Council of Presidents, briefed the Board on the council meeting held the previous day. COPs received a report from the System Council of Chief Academic Officers that the review of general education outcomes and related definitions is continuing. The Council of Chief Academic Officers reported approval on several academic programs, which will be forwarded to COPs in May. COCAO discussed a Test of Spoken English, particularly for graduate teaching assistants who will be teaching classes, to more effectively assess qualifications and remediate when there are issues.

The Council of Business Officers reported that its May meeting will be dedicated to insurance-related issues with a review of the quotes that will be available at that time. COBO will consider the feasibility of purchasing insurance on behalf of the universities. At its recent meeting, COBO discussed adjustments to the capital plans due to changes in the expected interest earnings. The use of a 3 percent adjustment appears unlikely so the estimates are being revised to reflect more of a flat rate over the next few years. COBO members expressed concern regarding FY 2009 and implementation of the Hay Group study because there will be little lead time between an ultimate legislative decision and the beginning of the fiscal year on June 16. Vice President Duffy visited with COBO regarding format and background information related to the upcoming tuition proposals. Since there is no legislative budget decision as yet, most

universities are using the Governor's recommendation as the basis on which to build a tuition increase. President Lane noted that COPs is looking to the Board for confirmation of that strategy or whether there should be an alternative strategy. COPs plans to forward the classified annual leave proposal to the Board in May. The Council briefly discussed budget issues and strategies and President Robinson will provide a summary of the legislative overview presented to the Board the previous day.

The Board briefly discussed the issue related to tuition proposals and consensus was that the university tuition proposals should be based on the Governor's budget recommendation since legislative appropriations will not be resolved by the time universities need to submit tuition proposals to the Board office for inclusion in the May agenda.

REPORT FROM COUNCIL OF FACULTY SENATE PRESIDENTS

Dr. Harvey Foyle, Chair of the Council of Faculty Senate Presidents, started his report with a preamble statement from the Council congratulating the University of Kansas for its Final Four basketball victory.

The Council shared information about the make-up of each faculty senate group. Another discussion topic related to the Five Strategic Questions. The Council is looking forward to the clarification of goals and university implementation of those goals.

REPORT FROM STUDENTS' ADVISORY COMMITTEE

Courtney George, Chair of SAC, reported that institutional representatives are currently engaged in discussions related to tuition and fees for the next year. New student leaders are being elected at each campus and those new members will be attending the May meeting. She reported that student leaders from four universities submitted written testimony opposing the legislative initiative related to student textbooks.

SAC will be finalizing Kansas Corps proposals next month. The Committee is working on a transition packet for next year's student representatives. SAC voted to forward discussion of electronic transcripts to next year's student leaders due to lack of time to adequately address this year.

Brief discussion followed. Chairman Downey-Schmidt proposed that Board members meet with newly elected SAC members to brief them on the process for initiating legislative initiatives. President Robinson suggested that the Board might want to consider whether there is an appropriate and meaningful role for the Board related to textbook pricing, either through Board policy or legislation.

APPROVAL OF CONSENT AGENDA

Regent Docking moved that the Consent Agenda be adopted. Following the second of Regent Lykins, the motion carried. The following requests were approved:

Academic AffairsREQUEST FOR A SECONDARY MAJOR IN BIOLOGICAL ENGINEERING (14.9999) – KSU

Kansas State University was authorized to offer a Secondary Major in Biological Engineering. The program will be funded through internal reallocation.

Fiscal Affairs and AuditPROGRAM STATEMENT FOR THE REPLACEMENT OF HVAC SYSTEM AT THE ENGINEERING BUILDING – WSU

Wichita State received approval of its program statement for the replacement of HVAC systems at the Engineering Building. This is an approved Deferred Maintenance Project and initial funding for the engineering design and preparation of construction documents was approved for FY 2008 by the Joint Committee for State Building Construction on August 22, 2007. The latest cost estimate for system replacement is \$2,098,718.

PROGRAM STATEMENT FOR THE REPLACEMENT OF HVAC SYSTEM AT GRACE WILKIE HALL AND GRACE WILKIE ANNEX – WSU

Approval was given to Wichita State University for the program statement to replace the HVAC systems at Grace Wilkie Hall and Grace Wilkie Annex. This is an approved Deferred Maintenance project, and the initial funding for engineering design and preparation of construction documents was approved for FY 2008 by the Joint Committee for State Building Construction on August 22, 2007. The latest cost estimate for system replacement is \$2,527,534.

AMENDMENT OF REHABILITATION & REPAIR LIST FOR FY 2008 TO REPLACE SYNTHETIC FLOOR IN AHEARN FIELDHOUSE – KSU

Kansas State University received approval to amend its FY 2008 Rehabilitation and Repair plan to include replacement of the synthetic floor surface in Ahearn Fieldhouse at an estimated cost of \$350,000. Funding for the project will be provided by Athletic Department funds on deposit at the KSU Foundation.

AMENDMENT OF PICKEN HALL RENOVATION PROJECT BUDGET – FHSU

Fort Hays State University was authorized to increase its project budget for the Picken Hall Renovation project from \$4.8 million to \$5.39 million. The proposed increase will fund a 1,600 S.F. building addition, which will provide a new, singular main entrance to the east elevation. This is an approved Deferred Maintenance project, with deferred maintenance allocations accounting for \$3,845,000 of the required funding. FHSU will be responsible for the remaining finish upgrades and building addition cost, which is estimated to be \$1,545,000. FHSU will also advise the Joint Committee on State Building Construction of the increased cost.

AMENDMENT OF REHABILITATION AND REPAIR LIST FOR FY 2008 TO INCLUDE REMODLING OF SEVERAL LABS IN SMISSMAN HALL – KU

Approval was given to the University of Kansas to remodel lab rooms 158, 159, and 164 in Smissman Hall. The estimated cost of the project is \$373,200. KUEA gift funds of \$186,600 and Educational Building Funds of \$186,600 will fund the project.

PURCHASE OF REAL PROPERTY/1604 S. JOPLIN STREET – PSU

Pittsburg State University was authorized to proceed with requisite procedures provided by K.S.A. 76-147 relative to the purchase of real property located adjacent to the main campus. The house on the property will be razed and the land converted to campus parking. The purchase will initially be made from existing University funds with reimbursement from parking bond proceeds, which will be issued in FY 2009. The purchase price is to be negotiated at no more than \$62,000, as supported by two separate appraisals. Final acquisition is contingent on Board staff approval and is expected to occur during July, 2008. Listed below is a more specific description of the land:

Kenneth and Cheryl Giefer – 1604 South Joplin Street, Pittsburg, KS.

Legal Description: The South 50.5 feet of the East 60 feet of Lot One (1), Block Seven (7) in Broadway Park Addition to the City of Pittsburg, Crawford County, Kansas.

PURCHASE OF REAL PROPERTY/214 EAST WILLIAMS – PSU

Pittsburg State University received authorization to proceed with requisite procedures provided by K.S.A. 76-147 relative to the purchase of real property located adjacent to the main campus. The house on the property will be razed and the land converted to campus parking. The purchase will initially be made from existing University funds with reimbursement from parking bond proceeds, which will be issued in FY 2009. Purchase price is to be negotiated at no more than \$91,350, as supported by two separate appraisals. Final acquisition is contingent on Board staff approval and is expected to occur during July, 2008. The specific description of the land is as follows:

Jim and Nancy Bishop – 214 East Williams, Pittsburg, KS.

Legal Description: The West 10 feet of Lot One (1), and the East 40 feet of Lot Three (3), Block Seven (7) in Broadway Park Addition to the City of Pittsburg, Crawford County, Kansas.

Regent Sherrer mentioned his continuing interest in university efforts related to sustainability. President Robinson noted that Facilities Director Eric King provided a sustainability report to the Board. Chairman Downey-Schmidt proposed that Mr. King work with the Council of Business Officers and Council of Presidents to establish a timeline for development of Board policy related to "sustainability."

CONSIDERATION OF DISCUSSION AGENDA**Academic Affairs****REQUEST FOR EXTENSION PROGRAMS IN KC METRO - ESU**

Vice President Alexander introduced the request for extension programs in the Kansas City metro area. He noted that following Board policy regarding off-campus, face-to-face academic extension courses offered in that area, Emporia State University submitted three program proposals for Board consideration. Regent Docking moved, with the second of Regent Boettcher, that Emporia State be authorized to offer face-to-face programs at its Johnson County metro center including a Master of Science in Curriculum and Instruction, a Master of Science in Educational Administration, and a Master of Science in Special Education with Adaptive Concentration. The motion carried.

REAPPOINTMENT OF RETIREMENT PLAN COMMITTEE MEMBERS

Madi Vannaman, Staff Affiliate to the Board, provided an overview regarding the work of the Retirement Plan Committee (RPC). She reported that the nine voting members serving on the RPC have staggered three-year terms. In April 2007, the Board voted to extend each member's appointment by an additional year to enable the RPC to utilize the knowledge it had gained to better address the final 403(b) regulations that are expected to be issued in the fall of 2007.

Regent Lykins moved that the Board appoint President Ed Hammond, Lindy Eakin, Gary Leitnaker, and Rick Robards to serve out the remaining two years of the three-year terms associated with the positions to which they are currently appointed. Following the second of Regent Perkins, the motion carried.

ADOPTION OF RETIREMENT PLAN COMMITTEE CHARTER

Ms. Vannaman presented a Charter drafted by Deloitte Consulting, which responds to the RPC inquiry about documentation of best practices for retirement plan committee activities. Regent Lykins moved, with the second of Regent Boettcher, that the Board approve the draft Charter. The motion carried.

(Charter Filed with Official Minutes)

RECOMMENDATIONS FOR ING'S FUND INVESTMENT OPTION LINE-UP IN THE BOARD'S MANDATORY RETIREMENT PLAN

Ms. Vannaman noted that the Board approved an RPC Vendor Management Document that establishes the protocol for any proposed fund changes by ING and TIAA-CREF and an Investment Policy Statement to be used in assessing fund changes proposed for the Board's Mandatory Retirement Plan. ING submitted a request for consideration of five new fund options. A Deloitte consultant reviewed each proposed option against the Board's Investment Policy Statement. Based on the Deloitte recommendation, the RPC recommended to the Board that three fund proposals, which would have replaced existing funds, not be accepted, and that two fund proposals, which would add new funds to the lineup, be accepted for inclusion in the Board's mandatory program, and that ING be permitted to resubmit the unsuccessful proposed changes for consideration during the next annual cycle.

Regent Lykins moved that ING be authorized to add PIMCO Real Return-A fund and PAX World Balanced fund to the Board's mandatory fund offerings. Following the second of Regent Downey-Schmidt, the motion carried.

RECOMMENDATIONS FOR THIRD PARTY ADMINISTRATION OF THE BOARD'S 403(b)

Recent 403(b) regulations issued by the Internal Revenue Service impact the Board's oversight of its mandatory and voluntary retirement plans. The RPC sought input from its two mandatory plan providers, ING and TIAA-CREF, regarding third party compliance solutions. Both companies offered solutions and Ms. Vannaman presented highlights from both options. The RPC recommended that the Board approve ING's Planwithease.com option because it will best address the regulation compliance requirements, it is presently being utilized by other Plan Sponsors and vendors, it will handle all transactions, including transfers and distributions, it offers on-line educational opportunities for plan participants, and it provides proactive, tailored reporting to assist KBOR with oversight of the retirement plan.

Regent Lykins moved that the Board enter into an agreement with Planwithease.com to address the Board's compliance requirements for its 403(b) plans. Following the second of Regent Thornton, the motion carried.

Staff will work with Planwithease.com to secure service agreements that stipulate that the data can only be used to respond to participant initiated distribution requests, annual limit monitoring, or other reporting requested by KBOR, and will not be used in any other way or by any other vendor, including ING. Additionally, KBOR staff will work with ING to include language in the contract that no fees for this third party service will ever be assessed to plan participants, to KBOR, or to the state universities, either now or in the future. Appropriate liability or indemnification information will be contained in the contract with the third party administrator to address non-compliance with the KBOR plan document and/or IRS regulations and limitations.

RECESS

Chairman Downey-Schmidt announced a recess at 11:00 a.m. The meeting resumed at 11:15 a.m.

Fiscal Affairs and Audit

RECEIVE INFORMATION REGARDING STATE UNIVERSITY SECURITY ISSUES—
WEAPONS POLICIES, EMPLOYEE BACKGROUND CHECKS, SECURITY
CONSULTANT RFP

President Robinson briefed the Board on the topics regarding security-related issues on the university campuses. Supporting his remarks was background information compiled by General Counsel Julene Miller related to concealed carry statutes, a summary of concealed carry posting policies at state universities, a summary of state university practices regarding background checks for university employees and the RFP specifications to seek expert review of the current state university policies and procedures related to security issues.

According to Mr. Robinson, there were significant changes to the concealed carry statutes in 2007. Among those is the provision that sites such as community colleges, colleges, or university facilities must now be posted according to rules and regulations adopted by the Kansas Attorney General in order to reflect that a concealed weapon is prohibited within buildings and facilities on the premises. While the statutes permit public and private employers to restrict or prohibit their employees from carrying a concealed weapon while on the premises of the employer's business, the new language specifically precludes employers from prohibiting an employee's possession of a firearm in a private vehicle, even if parked on the employer's premises. Cities, counties and political subdivisions may restrict or prohibit licensees from carrying concealed weapons in a building of the entity.

Mr. Robinson reported that universities have responded to the 2007 laws based on legal interpretation of the law, in conjunction with the local area laws. Thus, there are varying practices. Mr. Robinson asked if Board members were comfortable with the level of consistency among the universities' practices.

Discussion followed. While there was acceptance of the posting policies, concern was expressed about substantive efforts to protect students. University personnel confirmed that security provisions are addressed in student orientation programs, handbooks, and in residence hall information. Responding to a question of whether the regulations of the Attorney General adequately cover all bases, General Counsel Miller stated that the guidance from the Attorney General only determines what the sign looks like and designates that the sign be in a conspicuous location. Ms. Miller noted that the statute is susceptible to varying interpretations and thus there are variances among the universities with regard to treatment of parking lots, entrances, and campus perimeters. Responding to whether there was an argument against establishing a uniform policy, Ms. Miller noted that it is a complicated legal issue and difficult to address in one or two sentences.

Regent Boettcher moved that the Board adopt a policy that the six state university campuses be weapon-free and that Board staff be directed to develop policy language to delineate that broad policy statement. The motion was seconded by Regent Sherrer. Discussion followed with University CEOs indicating that the campuses already have related policies and it is difficult to have a uniform, specific policy due to the uniqueness of each campus. Some Regents also expressed interest in enacting Board policy after more specifics are available. A vote was taken and the motion carried.

The topic then moved to the issue of background checks. Attention was called to the table containing background information included in the Board agenda and setting out the current state university practices. Some university representatives expressed concern about the cost of requiring background checks for every position. Vice Chancellor Barbara Atkinson reported that the Medical Center conducts a background check for both faculty and students to protect students and patients.

Regent Sherrer moved that it be the policy of the Board of Regents that the six state universities conduct criminal background checks on all new hires, excluding student employees, with staff developing implementation language to further detail coverage. Following the second of Regent

Shank, the motion carried. President Robinson indicated that a number of other states have a similar policy and the need for such investigations is receiving national attention.

Continuing with discussion related to security issues, President Robinson briefed the Board on the Request for Proposals (RFP) that was posted March 21. University CEO's reviewed their respective campus security procedures and following a review of the various practices, a Checklist for Crisis Management was developed by Board and university legal staff. The RFP seeks to have a professional review of the Checklist and each state university's security plan with additional opportunities to seek feedback on the weapons issue and security background checks. Responses to the RFP are due by April 30.

Other Matters

ANNUAL CAMPUS REPORT – EMPORIA STATE UNIVERSITY

In his annual report to the Board, President Michael Lane called attention to the ESU goals for the past year. The goal of completing a new strategic plan is underway and following Steering Committee efforts over the summer, the President will present a draft to the ESU General Assembly in August. A comprehensive fundraising campaign has begun and will continue until 2013, the year the University will celebrate its 150th birthday. The President reported that ESU has been successful in its goal to establish new and significantly improved student learning outcomes in math and literacy skills. Reorganization of administrative units has been addressed and economic development work continues with the Emporia and Lyon County communities. President Lane closed his report by highlighting the goals for the coming year.

(PowerPoint Filed with Official Minutes)

RECESS

Chairman Downey-Schmidt announced a recess at 12:45 p.m. The meeting resumed at 1:00 p.m.

EXECUTIVE SESSION

At 1:00 p.m., Regent Shank moved, with the second of Regent Thornton, that the meeting of the Board recess into executive session for approximately one hour to discuss personnel matters of non-elected personnel and the annual assessment of President Lane. The motion carried. Participating in the executive session were members of the Board, President Robinson, and President Lane. At 2:00 p.m. Regent Shank moved that the meeting return to open session. Following the second of Regent Thornton, the motion carried.

At 2:01 p.m., Regent Shank moved that the executive session be resumed. Regent Thornton seconded the motion and the motion carried. At 2:30 p.m., Regent Shank moved, with the second of Regent Thornton, that the Board return to an open meeting. The motion carried.

ADJOURNMENT

Chairman Downey-Schmidt adjourned the April meeting at 2:30 p.m.

Reginald L. Robinson, President and CEO

Christine Downey-Schmidt, Chair