

KANSAS BOARD OF REGENTS

MINUTES

June 23-24, 2010

The June 23-24, 2010, meeting of the Kansas Board of Regents was called to order by Chairman Jill Docking at 1:30 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:

Jill Docking, Chairman
Gary Sherrer, Vice Chairman
Jerry Boettcher
Christine Downey-Schmidt
Dick Hedges
Dan Lykins
Ed McKechnie
Janie Perkins
Donna Shank

APPROVAL OF MINUTES

Regent Sherrer moved that the minutes of the May 19-20, 2010 meeting be approved. Following the second of Regent Lykins, the motion carried.

GENERAL REPORTS

REPORT FROM CHAIR

Chairman Docking stated the Board of Regents received a note from the University of Texas System thanking the Board for its letter regarding the Big XII Conference. She was proud of the State of Kansas and its leaders for the way they approached the issue in a unified manner and is now looking forward to focusing on being leaders in the Big XII academically.

REPORT FROM PRESIDENT AND CEO

President Tompkins reported that he is visiting the institutions around the state. He also thanked the Board for the opportunity to work with Reggie during this transition period.

INTRODUCTIONS

Regent Hedges recognized Dr. Richard Burke, President, Dodge City Community College, and Jim Stringer, former President, Hutchinson Community College. Both men will be retiring and Regent Hedges thanked them for their years of service.

P-20 COUNCIL REPORT

Regent Downey-Schmidt reported that the P-20 Council met earlier this month. The Council received presentations on both workforce development needs and Common Core Standards. Additionally, the Council received an update from the gap analysis teams who have been

working on defining the skills necessary for high school graduates to succeed in entry-level college math and English courses.

APPROVAL OF CONSENT AGENDA

Regent Hedges moved, with the second of Regent Perkins, that the Consent Agenda be approved. The motion carried.

Academic Affairs

ADDITIONAL DEGREE GRANTING AUTHORITY FOR CONCORDE CAREER COLLEGE

Approval was given to Concorde Career College to offer an Associate of Applied Science in Nursing. This degree will be offered at the Kansas City, MO campus.

ADDITIONAL DEGREE GRANTING AUTHORITY FOR BRYAN COLLEGE

Bryan College received approval to offer an Associate of Applied Science Degree in Criminal Justice and an Associate of Applied Science in Medical Administrative Specialist.

ADDITIONAL DEGREE GRANTING AUTHORITY FOR PINNACLE CAREER INSTITUTE

Pinnacle Career Institute received approval to offer an Associate of Applied Science in Health Information Technician. This degree will be awarded on the Lawrence campus.

DEGREE AND CERTIFICATE PROGRAMS FOR DODGE CITY COMMUNITY COLLEGE AND COLBY COMMUNITY COLLEGE

Dodge City Community College received approval to offer Electrical Transmission System Technician (CIP 46.0303) at the Technical Certificate level. The program will prepare individuals with the skills needed to support construction of the Kansas V-Plan. The College established a proposed budget of \$113,940 and will reallocate existing resources to fund the program.

Colby Community College received approval to offer an Associate of Applied Science Degree in Sustainable/Renewable Energy (CIP 14.9999) and two Technical Certificates in Sustainable/Renewable Energy and Small Wind Technology. The College has funding to support program start-up costs through grant funding, reallocation of operational funds and the pledged support of industry partners. A proposed budget of \$200,000 has been established by Colby Community College.

CONSIDERATION OF DISCUSSION AGENDA*Academic Affairs***NEW DEGREE GRANTING AUTHORITY FOR EVEREST UNIVERSITY, ORLANDO FLORIDA**

Gary Alexander, Vice President for Academic Affairs, presented Everest University's request for degree granting authority for 15 degrees. The degrees will be offered on-line. Regent Docking moved to approve. Followed by a second from Regent Shank, the motion carried. The following degrees were approved:

Associate

- 1) Associate of Applied Science – Accounting
- 2) Associate of Applied Science – Applied Management
- 3) Associate of Applied Science – Business
- 4) Associate of Applied Science – Computer Information Science
- 5) Associate of Applied Science – Criminal Investigation
- 6) Associate of Applied Science – Criminal Justice
- 7) Associate of Applied Science – Medical Insurance Billing and Coding
- 8) Associate of Applied Science – Paralegal

Bachelor

- 1) Bachelor of Science – Accounting
- 2) Bachelor of Science – Applied Management
- 3) Bachelor of Science – Business
- 4) Bachelor of Science – Computer Information Science
- 5) Bachelor of Science – Criminal Justice
- 6) Bachelor of Science – Paralegal

Master

- 1) Master of Business Administration

NEW DEGREE GRANTING AUTHORITY FOR EVEREST COLLEGE, PHOENIX

Vice President Alexander reported that Everest College, Phoenix requested degree granting authority for eight (8) degrees. These degrees are attained through on-line distance education programming. Regent Hedges made a motion to approve. Following Regent Downey-Schmidt's second, the motion carried. The following degrees were approved:

Associate

- 1) Associate of Applied Science – Accounting
- 2) Associate of Applied Science – Business
- 3) Associate of Applied Science – Criminal Investigations
- 4) Associate of Applied Science – Criminal Justice

Bachelor

- 1) Bachelor of Science – Business Administration

- 2) Bachelor of Science – Business Administration Degree Completion Option
- 3) Bachelor of Science – Criminal Justice
- 4) Bachelor of Science – Criminal Justice Degree Completion Option

NEW DEGREE GRANTING AUTHORITY FOR EVEREST COLLEGE, KANSAS CITY, MO

Vice President Alexander presented Everest College's request for degree granting authority for an Associate of Applied Science in Criminal Justice. The degree will be offered at the Kansas City, Missouri campus. Regent Perkins moved to approve and Regent Boettcher seconded. The motion carried.

PERFORMANCE REPORTS

The performance reports for 2009 were reviewed by Board staff and the Board Academic Affairs Standing Committee. Following discussion, Regent Docking moved to adopt the funding recommendations. Regent Lykins seconded, and the motion carried. The recommendation as it relates to K.S.A. 74-3202d(e) and the Board's policy on performance and new state funding is as follows:

Institution	Year	Recommended Action
Allen County Community College	Year 3 of 3	Full funding
Barton Community College	Year 1 of 3	Full funding
Butler Community College	Year 3 of 3	Full funding
Cloud County Community College	Year 3 of 3	Full funding
Coffeyville Community College	Year 2 of 3	Full funding
Colby Community College	Year 2 of 3	Full funding
Cowley County Community College	Year 1 of 3	Full funding
Dodge City Community College	Year 1 of 3	Full funding
Fort Scott Community College	Year 1 of 3	Full funding
Garden City Community College	Year 3 of 3	Full funding
Highland Community College	Year 1 of 3	60% funding
Hutchinson Community College	Year 2 of 3	Full funding
Independence Community College	Year 3 of 3	Full funding
Johnson County Community College	Year 1 of 3	Full funding
Kansas City Kansas Community College	Year 2 of 3	80% funding
Labette Community College	Year 1 of 3	Full funding
Neosho County Community College	Year 1 of 3	Full funding
Pratt Community College	Year 2 of 3	Full funding
Seward Community College	Year 3 of 3	Full funding
Flint Hills Technical College	Year 2 of 3	Full funding
Manhattan Area Technical College	Year 3 of 3	Full funding
North Central Kansas Technical College	Year 2 of 3	Full funding
Northwest Kansas Technical College	Year 3 of 3	Full funding
Salina Area Technical College	Year 1 of 3	Full funding
Wichita Area Technical College	Year 1 of 3	Full funding

Washburn University	Year 2 of 3	Full funding
Washburn Institute of Technology	Year 1 of 3	Full funding
Emporia State University	Year 1 of 3	Full funding
Fort Hays State University	Year 1 of 3	Full funding
Kansas State University	Year 3 of 3	Full funding
Pittsburg State University	Year 2 of 3	Full funding
University of Kansas	Year 3 of 3	Full funding
University of Kansas Medical Center	Year 3 of 3	Full funding
Wichita State University	Year 3 of 3	Full funding

Fiscal Affairs and Audit

DISTRIBUTION OF FY 2011 FEDERAL ARRA/SFSF APPROPRIATIONS TO INDIVIDUAL STATE UNIVERSITIES, COMMUNITY COLLEGES, TECHNICAL COLLEGES, AND WASHBURN UNIVERSITY

Regent Boettcher moved that the FY 2011 allocation of the State Fiscal Stabilization Fund (\$40 million) to the sector/institutions be the same dollar amount as the FY 2010 allocation and moved that the institutions utilize the federal agreement as a condition of receiving the funds. Following the second of Regent Docking, the motion carried.

The approved distributions are as follows:

**Kansas Board of Regents
ARRA Federal Stimulus Funding Distribution**

Institution	FY 2011 ARRA Funding Distribution
University of Kansas (including Medical Center)	\$12,853,922
Kansas State University	\$9,441,070
Wichita State University	\$3,598,974
Emporia State University	\$1,870,960
Pittsburg State University	\$2,185,266
Fort Hays State University	\$2,201,791
Subtotal State Universities	\$32,151,983
Washburn University	\$756,280
Subtotal Washburn University	\$756,280
Allen County Community College	\$251,672
Barton County Community College	\$410,376
Butler County Community College	\$711,332
Cloud County Community College	\$233,835
Coffeyville Community College	\$141,888

Colby Community College	\$151,794
Cowley County Community College	\$424,400
Dodge City Community College	\$135,650
Fort Scott Community College	\$170,377
Garden City Community College	\$141,780
Highland Community College	\$327,590
Hutchinson Community College	\$462,524
Independence Community College	\$109,776
Johnson County Community College	\$1,187,394
Kansas City Kansas Community College	\$535,724
Labette Community College	\$157,482
Neosho Community College	\$139,944
Pratt Community College	\$143,940
Seward County Community College	\$192,508
Subtotal Community Colleges	\$6,029,986

Flint Hills Technical College	\$128,711
Manhattan Technical College	\$132,935
North Central KS Technical College	\$200,546
Northwest KS Technical College	\$155,035
Salina Area Technical College	\$114,344
Wichita Area Technical College	\$330,181
Subtotal Technical Colleges	\$1,061,752

TOTAL **\$40,000,001**

DISTRIBUTION OF FY 2011 STATE APPROPRIATIONS TO INDIVIDUAL STATE UNIVERSITIES, COMMUNITY COLLEGES, TECHNICAL COLLEGES, AND WASHBURN UNIVERSITY

Diane Duffy, Vice President for Finance and Administration, presented the proposed distribution of the FY 2011 state appropriations to individual state universities, community colleges, technical colleges, and Washburn University. Vice President Duffy stated the overall state appropriations to postsecondary education sectors were held flat from the FY 2010 appropriations levels except for the slight adjustment (0.3%) to restore to the base the Governor's November 2009 allotment reduction. The Regents decided to vote on each distribution separately.

Note: All the motions below include the language that the Board authorizes staff to make any technical adjustments to the distributions that will be necessary once final adjustments and enrollments are known.

State University Distributions

Regent Boettcher moved to adopt the preliminary State University Distributions. Following the second of Regent Lykins, the motion carried. The following are the approved distributions:

State University Distributions (Preliminary)			
University	FY 2010 Revised State Funding	Legislative Changes	Estimated Classified Longevity Bonus Lapse
KU	\$135,601,903	\$364,262	\$0
KUMC	\$107,248,931	\$288,099	(\$143,786)
KSU	\$104,021,282	\$279,428	(\$432,425)
KSU-ESARP	\$48,998,459	\$130,820	(\$136,795)
KSU-VMC	\$9,947,893	\$27,766	(\$23,380)
WSU	\$65,831,285	\$176,840	(\$286,093)
ESU	\$31,352,716	\$84,222	(\$150,755)
PSU	\$34,024,818	\$91,399	(\$100,972)
FHSU	\$33,132,874	\$843,756	(\$113,750)
Total	\$570,160,161	\$2,286,592	(\$1,387,956)

Community College Operating Grant Distribution

Vice President Duffy stated the Community College Operating Grant's distribution is calculated based upon statutory formula provisions. Ms. Duffy noted that this distribution could potentially be impacted by pending litigation between three community colleges and the Board. Regent Docking moved, followed by a second from Regent Hedges, to approve the preliminary Community College Operating Grant Distribution. The motion carried. The following distributions were approved:

Community College Operating Grant Distribution (Preliminary)			
Community College	FY 2010 Operating Grant	FY 2011 Operating Grant	Increase/ (Decrease)
Allen County Community College	\$4,821,833	\$4,620,281	(\$201,552)
Barton County Community College	\$7,832,039	\$7,328,336	(\$503,703)
Butler County Community College	\$12,677,360	\$14,104,893	\$1,427,533
Cloud County Community College	\$3,958,772	\$4,282,099	\$323,327
Coffeyville Community College	\$1,984,523	\$1,740,899	(\$243,624)
Colby Community College	\$2,541,064	\$2,072,201	(\$468,863)
Cowley County Community College	\$5,413,077	\$6,488,117	\$1,075,040
Dodge City Community College	\$2,225,350	\$2,479,592	\$254,242
Fort Scott Community College	\$3,112,410	\$3,170,224	\$57,814
Garden City Community College	\$2,621,285	\$2,559,826	(\$61,459)

Highland Community College	\$4,667,873	\$4,217,828	(\$450,045)
Hutchinson Community College	\$7,159,297	\$7,325,768	\$166,471
Independence Community College	\$1,828,965	\$2,011,202	\$182,237
Johnson County Community College	\$19,752,789	\$19,132,224	(\$620,565)
Kansas City Kansas Community College	\$6,782,064	\$6,717,909	(\$64,155)
Labette Community College	\$2,922,244	\$2,599,600	(\$322,644)
Neosho County Community College	\$2,440,695	\$2,546,285	\$105,590
Pratt Community College	\$2,716,183	\$2,182,951	(\$533,232)
Seward County Community College	\$1,447,384	\$1,586,367	\$138,983
Total	\$96,905,207	\$97,166,602	\$261,395

Technical College Aid for Technical Education Distribution

Vice President Duffy presented the Technical Education Authority's recommendation to distribute the FY 2011 appropriations to each technical college with the same amount of state funds it received in FY 2010. Following discussion, Regent McKechnie moved to approve the distributions. Regent Sherrer seconded and the motion carried. The Regents requested that the Technical Education Authority present a range of options for the new approach to state funding for technical education at the Board's September 2010 meeting.

The following distribution was approved:

Technical College Aid for Technical Education Distribution			
Institution	FY 2010 Funding	FY 2011 Funding	Increase/ (Decrease)
Flint Hills Technical College	\$2,283,276	\$2,289,424	\$6,148
Manhattan Area Technical College	\$2,358,343	\$2,364,693	\$6,350
North Central KS Technical College	\$3,559,194	\$3,568,777	\$9,583
Northwest KS Technical College	\$2,751,073	\$2,758,480	\$7,407
Salina Area Technical College	\$2,028,072	\$2,033,533	\$5,461
Wichita Area Technical College	\$5,862,028	\$5,877,811	\$15,783
TOTAL	\$18,841,986	\$18,892,718	\$50,732

Other Institutions Aid for Technical Education Distribution

Vice President Duffy presented the Technical Education Authority's recommendation to distribute the FY 2011 appropriation to each institution based on a three-year rolling average of enrollments. This distribution could potentially be impacted by the pending litigation. Regent Boettcher moved that the distribution be adopted. Following Regent Perkins second, the motion carried. The following distribution was adopted:

Other Institutions Aid for Technical Education Distribution (Preliminary)			
Institution	FY 2010 Funding	Estimated FY 2011 Funding	Increase/ (Decrease)
Coffeyville Community College	\$997,513	\$1,151,532	\$154,019
Highland Community College	\$1,473,856	\$1,348,939	(\$124,917)
Hutchinson Community College	\$1,227,123	\$1,177,742	(\$49,381)
Johnson County Community College	\$1,394,528	\$1,560,203	\$165,675
Kansas City Kansas Community College	\$3,072,372	\$2,952,568	(\$119,804)
Seward County Community College	\$1,664,971	\$1,484,813	(\$180,158)
Washburn University	\$2,342,553	\$2,529,895	\$187,342
TOTAL	\$12,172,916	\$12,205,692	\$32,776

Vocational Education Capital Outlay Aid Distribution

Regent Boettcher moved, followed by a second from Regent Perkins, that the preliminary distribution be adopted. The motion carried. The distributions are as followed:

Vocational Education Capital Outlay Aid Distribution (Preliminary)			
Institution	FY 2010 Funding	Estimated FY 2011 Funding	Increase/ (Decrease)
Coffeyville Community College	\$128,934	\$135,220	\$6,286
Cowley County Community College	\$197,613	\$162,485	(\$35,128)
Dodge City Community College	\$133,924	\$138,570	\$4,646
Flint Hills Technical College	\$132,196	\$130,638	(\$1,558)
Highland Community College	\$138,686	\$131,688	(\$6,998)
Hutchinson Community College	\$222,118	\$230,374	\$8,256
Johnson County Community College	\$311,685	\$312,307	\$622
Kansas City Kansas Community College	\$224,041	\$219,572	(\$4,469)
Manhattan Area Technical College	\$142,665	\$136,012	(\$6,653)
North Central Kansas Technical College	\$141,367	\$144,451	\$3,084
Northwest Kansas Technical College	\$132,155	\$127,353	(\$4,802)
Pratt Community College	\$131,655	\$133,932	\$2,277
Salina Area Technical College	\$130,133	\$126,526	(\$3,607)
Seward County Community College	\$147,782	\$134,598	(\$13,184)
Washburn University	\$135,166	\$136,644	\$1,478
Wichita Area Technical College	\$187,329	\$237,078	\$49,749
Total	\$2,637,449	\$2,637,448	

Technology Grant Distribution

Regent Boettcher moved to approve the preliminary distribution. Regent Perkins seconded and the motion carried. The following distributions were approved:

Technology Grant Distribution (Preliminary)			
Institution	FY 2010 Technology Grant	FY 2011 Technology Grant	Decrease
Allen County Community College	\$14,337	\$14,337	\$0
Barton County Community College	\$19,717	\$19,717	\$0
Butler County Community College	\$25,093	\$25,093	\$0
Cloud County Community College	\$17,027	\$17,027	\$0
Coffeyville Community College	\$17,027	\$17,027	\$0
Colby Community College	\$17,027	\$17,027	\$0
Cowley County Community College	\$19,717	\$19,717	\$0
Dodge City Community College	\$17,027	\$17,027	\$0
Fort Scott Community College	\$17,027	\$17,027	\$0
Garden City Community College	\$17,027	\$17,027	\$0
Highland Community College	\$18,821	\$18,821	\$0
Hutchinson Community College	\$25,987	\$25,987	\$0
Independence Community College	\$17,027	\$17,027	\$0
Johnson County Community College	\$39,432	\$39,432	\$0
Kansas City Community College	\$25,987	\$25,987	\$0
Labette Community College	\$14,341	\$14,341	\$0
Neosho Community College	\$17,027	\$17,027	\$0
Pratt Community College	\$12,550	\$12,550	\$0
Seward County Community College	\$17,027	\$17,027	\$0
Washburn University	\$34,052	\$34,052	\$0
TOTAL	\$403,277	\$403,277	\$0

ALLOCATION OF FY 2011 TAX CREDIT PROGRAM – STATE UNIVERSITIES AND WASHBURN UNIVERSITY

Vice President Duffy presented the proposed FY 2011 Tax Credit Allocation. The Regents asked staff to review what the restrictions are for the state universities regarding the tax credit program. Following discussion, Regent Boettcher moved to approve the allocation. Regent Perkins seconded and the motion carried. The following allocations of the tax credit were authorized:

University of Kansas	\$ 4,108,177
University of Kansas – Medical Center	1,569,255
Kansas State University	4,331,681
Wichita State University	1,477,011
Emporia State University	865,281
Pittsburg State University	989,093
Fort Hays State University	989,922
Washburn University	669,580
TOTAL	<u>\$15,000,000</u>

APPROVAL OF CONSENT AGENDA

Regent Downey-Schmidt moved, with the second of Regent Hedges, that the Consent Agenda be approved. The motion carried.

*Academic Affairs***MASTER OF SCIENCE IN HEALTH INFORMATICS (51.2706) – KUMC**

The University of Kansas Medical Center received approval to offer a Master of Science in Health Informatics (51.2706). The program will be funded through internal reallocation.

MASTER OF SCIENCE IN INSTRUCTIONAL LEADERSHIP (13.0404) – ESU

Approval was given to Emporia State University to offer a Master of Science in Instructional Leadership (13.0404). The program will be funded through internal reallocation.

*Fiscal Affairs and Audit***LEASE AGREEMENT WITH THE KU ENDOWMENT ASSOCIATION – KU**

The University of Kansas received authorization to enter into a lease agreement with the KU Endowment Association for a parking lot adjacent to the Medical center parking lot #95. The Medical Center will use Parking Revenue funds to pay \$80,000 for the first year and the approximately \$3,000 in subsequent years of the lease to the KU Endowment Association.

LAND LEASE TO KANSAS WHEAT COMMISSION (KWC) FOR CONSTRUCTION OF KWC FACILITY – KSU

Kansas State University received authorization to enter into a fifty (50) year renewable lease with the Kansas Wheat Commission (KWC). The KWC will construct a KWC facility on the property identified below. At the end of the lease, KSU has the right to either accept the buildings or have the lease property restored to its original condition.

Legal Description:

A tract of land in the Southeast Quarter of Section 1, Township 10 South, Range/East of the Sixth Principal Meridian on the Kansas State University Campus, Riley County, Kansas described as follows: Beginning at a point that is N90°00'00"E 1908.00 feet from the Southwest Corner of the Southeast Quarter of said Section 1, said point of beginning being on the South Line of the Southeast Quarter of said Section 1; thence N00°00'00"E 427.00 feet; thence S90°00'00"W 60.00 feet; thence N00°00'00"E 162.00 feet; thence N90°00'00"E 228.40 feet; thence S00°00'00"W 589.00 feet to the South Line of the Southeast Quarter of said Section 1; thence S90°00'00"W 168.40 feet to the point of beginning, containing 2.50 acres. Subject to easements and restrictions of record.

ENERGY CONSERVATION CONTRACT – KSU

Authorization was given to Kansas State University to proceed with an energy performance contract with Johnson Controls. The estimated cost of the project totals \$23,388,400. Johnson Controls will guarantee that the actual amount of energy savings attributable to the energy conservation measure be not less than the cost of the energy conservation measure over the time specified including financing costs.

CONSIDERATION OF DISCUSSION AGENDAAcademic AffairsCONCURRENT ENROLLMENT COMPLIANCE REVIEW

Vice President Alexander presented a report on concurrent enrollment compliance. In Spring 2009, postsecondary institutions were asked to provide a list of high schools involved in Concurrent Enrollment Partnership (CEP) agreements. Staff reviewed the information and concluded that the institutions participating in CEP are in compliance with board policy and are taking the necessary steps to ensure the quality of the courses offered under the program. Staff is currently working on developing a report that tracks the postsecondary success of students who have taken coursework through Concurrent Enrollment Partnerships. Following discussion, Regent Sherrer asked to receive the admission standards from each institution involved with concurrent enrollment partnerships.

BREAK

The Chairman called for a short break at 3:00 p.m. and resumed the meeting at 3:11 p.m.

SPOKEN ENGLISH LANGUAGE COMPETENCY OF FACULTY AND GRADUATE TEACHING ASSISTANTS REPORT FOR ACADEMIC YEAR 2008-2009

Vice President Alexander presented a report on spoken English language competency for faculty and graduate teaching assistants. In the 2008-2009 academic year, the state universities hired 603 faculty and 1,604 graduate teaching assistants. No faculty members were found deficient and 33 graduate teaching assistants were deemed potentially deficient in English. Those assistants either underwent successful remediation or were not placed in instructional positions. Vice President Alexander stated that all the reports submitted met the requirements of the Board policy.

POLICY AMENDMENT TO AUTHORIZE AWARDING OF HONORARY DEGREES

Regent Hedges moved to adopt the Awarding of Honorary Degrees policy. Regent Boettcher seconded and the motion carried.

The following policy was adopted:

CHAPTER IV**COORDINATION AND SUPERVISION POLICIES AND PROCEDURES ADOPTED
AFTER JULY 1, 1999**

14. DEGREES

~~All degrees are expected to conform to the definitions and standards of this policy by August 1, 2003.~~

The following applies to all institutions governed, supervised, or coordinated by the Board of Regents:

...

c. Standards

In order to receive and hold authorization to offer a given degree, an institution must remain open to inspection at all times and continuously satisfy each of the following standard requirements as written, except where the Office approves modification in writing.

...

(2) Curriculum.

...

- (f) “Honorary degree” is a special degree that is awarded as an exceptional honor bestowed upon a person without the fulfillment of the usual requirements. It is the policy of the Kansas Board of Regents that no honorary degrees shall be awarded by the State universities. State universities may award honorary degrees upon approval by the Kansas Board of Regents and only in accordance with the following: (12-21-84; 4-17-87; 3-22-90; 9-16-93)

(i) Criteria

- Honorary degrees may be conferred only upon persons of notable intellectual, scholarly, professional, or creative achievement, or service to humanity. A candidate’s qualifications must be deeply grounded in a career of scholarship, research, creative activity, service to humanity or other profession consistent with the academic endeavors of the University awarding the degree.
- Honorary degrees will be awarded only to exceptional candidates. Awarding this degree need not be considered an annual occurrence.
- An honorary degree shall not be awarded for philanthropic activity or service to the University or the State of Kansas.
- An honorary degree shall not be conferred upon any faculty member, administrator, or other official associated with the

University until at least five years after such individual has been separated from the institution.

- An honorary degree shall not be conferred upon any holder of a Kansas elected or appointed public office until at least five years after such individual has vacated office. Exceptions may be made by the Board.

(ii) Process

The chief executive officer of the state university shall nominate to the Board for consideration, in accordance with K.S.A. 76-716, the name of any candidate for an honorary degree at least two months before the commencement at which the degree is to be conferred. The nomination shall include such statements or materials demonstrating that the nominee's achievements and/or service are of such exceptional character as to merit the award of an honorary degree.

- (iii) At the time the agenda item is submitted, the name shall not be included; however, the state university shall send the proposed nomination, statement and materials individually to Regents and the President and CEO at the same time the state university sends its agenda material requests to the Board office for the Board meeting at which the nomination is to be considered. No public communication of a proposed nomination shall be made until the name is presented for consideration to the open meeting of the Board.

ACADEMIC CALENDAR – KSU

Vice President Alexander presented Kansas State University's request to revise its academic calendar. The proposed change involves moving the start date for the spring semesters to the Tuesday after the Martin Luther King Jr. holiday. Regent Boettcher moved to approve. Following a second from Regent Perkins, the motion carried.

(Calendar filed with Official Minutes)

OTHER MATTERS

Vice President Duffy provided the Board with the additional information they asked for last month during the tuition discussion. This information includes the following: 1) Analysis of Projected and Actual Tuition Revenue Increases FY 2006-FY 2010; 2) Additional Information from Wichita State University on New and Current Course Fees for the College of Health Professions; and 3) Analysis for FY 2011 Tuition Setting.

(Handout filed with Official Minutes)

EXECUTIVE SESSION

At 3:55 p.m., Regent Sherrer moved, followed by a second from Regent Boettcher, that the Board of Regents recess into executive session for 60 minutes to discuss personnel matters of non-elected personnel, the annual CEO assessment of Chancellor Gray-Little. Participating in the executive session were members of the Board, President Tompkins, and Chancellor Gray-Little. At 4:55 p.m., the meeting returned to open session.

RECESS

Chairman Docking recessed the meeting at 4:55 p.m., to resume the following morning at 8:30 a.m.

RECONVENE

The Chairman reconvened the meeting at 8:30 a.m. on Thursday, June 24.

MEMBERS PRESENT:

- Jill Docking, Chairman
- Gary Sherrer, Vice Chairman
- Jerry Boettcher
- Christine Downey-Schmidt
- Dick Hedges
- Dan Lykins
- Ed McKechnie
- Janie Perkins
- Donna Shank

INTRODUCTIONS

President Lane introduced Emporia State University's new Student Government Vice President, Ashley McCullough. President Scott introduced Barbara McClaskey, Pittsburg State University's new Faculty Senate President, and President Beggs introduced Wichita State University's new Student Government President, Temmuz Coskun.

REPORTS**REPORT FROM COUNCIL OF PRESIDENTS**

President Hammond briefed the Board on the Council of Presidents' meeting. The Council received an update on both the net price calculator and campus property insurance quotes. The Council supported the request to create a council for unclassified employees and will forward a proposed policy amendment to the Board for consideration at its September meeting. Additionally, the July 15th deadline for institutions to submit performance agreements to the Board was discussed. The Council asked the Board to delay the deadline for this year to September 1st. This delay will allow the institutions the opportunity to better align the performance agreements with the Board's strategic agenda.

Regent Sherrer moved to delay the required performance agreement submission for 2010 from July 15th to September 1st. Following the second of Regent Docking, the motion carried.

The Council of Presidents' also discussed the Board's policy on the Rotation of Council or Committee Chair. The Council recommended amending the rotation of the policy by moving Fort Hays State University to the end of the rotation. President Hammond stated that the University of Kansas will chair the Council of Presidents next year.

Regent Boettcher moved to amend the Rotation of Council or Committee Chair policy. Regent Perkins seconded and the motion carried.

REPORT FROM COUNCIL OF FACULTY SENATE PRESIDENTS

Betsy Cauble presented the Council of Faculty Senate Presidents report. The Council met with Vice President Gary Alexander and discussed concurrent enrollment and the program review process.

REPORT FROM STUDENTS' ADVISORY COMMITTEE

The Students' Advisory Committee report was presented by Michael Smith. The SAC discussed methods to become more visible and more involved on campuses. Mr. Smith stated that the SAC retreat will be held in July.

CONSIDERATION OF DISCUSSION AGENDA

Fiscal Affairs and Audit

FY 2011 TUITION AND FEE PROPOSALS FOR STATE UNIVERSITIES

Diane Duffy, Vice President for Finance and Administration, presented the FY 2011 ARRA Federal Stimulus Funding distribution for state universities. Ms. Duffy explained the difference between the same dollar amounts as FY 2010 distribution and the 2/3 deferred maintenance, 1/3 tuition mitigation distribution. Following discussion, Regent Downey-Schmidt moved to approve the same dollar amounts as FY 2010 distribution, which equates to a 60/40 split between deferred maintenance and tuition mitigation efforts. Regent Perkins seconded and the motion carried.

(Handout filed with Official Minutes)

The tuition discussion continued with the FY 2011 tuition and fee proposals for the state universities. President Lane reminded the Board that ½ of the "new" ESU Memorial Union fee was approved by the Board last year, so only ½ is really "new" this year. Chancellor Gray-Little noted that the new technology fee for KU is across the board and a component of the tuition. President Scott reminded the Board that PSU's proposal included expanding the Gorilla Advantage program and adding a legacy tuition waiver program. The Regents discussed the proposals and made the following motions:

Regent Boettcher moved to approve the University of Kansas proposal as presented. With a second by Regent Lykins, the motion carried.

Regent Boettcher moved, followed by Regent Lykins second, that the University of Kansas compact proposal be approved as presented. The motion carried.

Regent Boettcher moved that the Kansas State University proposal be approved as presented. Followed by Regent Lykins second, the motion carried. Regent McKechnie noted his understanding that the new university wide course fees would be distributed and used at the direction of President Schulz

Regent Boettcher moved to approve Kansas State University-Salina proposal as presented. Followed by Regent Lykins second, the motion carried.

Regent Boettcher moved that the Wichita State University tuition and fee proposal be approved as presented. Regent Lykins seconded, and the motion carried.

Regent Boettcher moved to approve the tuition and fee proposal by Emporia State University as presented. With a second by Regent Lykins, the motion carried.

Regent Boettcher moved to approve Pittsburg State University proposal as presented. Regent Lykins seconded, and the motion carried.

Regent Boettcher moved, followed by a second from Regent Lykins, that the Fort Hays State University tuition and fee proposal be approved as presented. The motion carried.

Regent Boettcher moved to approve the University of Kansas Medical Center non-medical tuition and fee proposal as presented. Following Regent Lykins second, the motion carried.

A summary of tuition and fees approved are as follows:

TABLE I
STATE UNIVERSITIES' SELECTED TUITION RATES, BOARD APPROVED, JUNE 24, 2010
(TUITION ONLY, EXCLUDES REQUIRED STUDENT CAMPUS PRIVILEGE FEES AND COURSE FEES REQUIRED OF ALL STUDENTS)

FY 2011 TUITION FOR FULLTIME UNDERGRADUATE STUDENTS, PER SEMESTER									
	KU Lawrence (Standard)	KU Lawrence (Compact)	KU –Med. Non-medical	KSU	KSU-Salina	WSU	ESU	PSU	FHSU
Resident Undergraduate									
FY 2010 Approved Tuition	\$3,283.50	\$3,679.50	\$3,283.50	\$3,093.00	\$2,922.00	\$2,248.50	\$1,713.00	\$1,826.00	\$1,473.00
FY 2011 Proposed Tuition	3,583.50	3,937.50	\$3,513.00	3,186.00	\$3,009.00	\$2,361.00	\$1,807.00	\$1,934.00	\$1,517.25
Proposed \$ Increase	\$300.00	\$258.00	229.50	\$93.00	\$87.00	\$112.50	\$94.00	\$108.00	\$44.25
Proposed % Increase	9.1%	7.0%	7.0%	3.0%	3.0%	5.0%	5.5%	5.9%	3.0%
Non-resident Undergraduate									
FY 2010 Approved Tuition	\$8,625.00	\$9,663.75	\$8,625.00	\$8,446.50	\$7,980.00	\$6,265.50	\$6,315.00	\$6,088.00	\$5,549.25
FY 2011 Proposed Tuition	\$9,075.00	\$10,340.25	\$9,228.75	\$8,700.00	\$8,220.00	\$6,378.00	\$6,662.00	\$6,304.00	\$5,715.75
Proposed \$ Increase	\$450.00	\$676.50	\$603.75	\$253.50	\$240.00	\$112.50	\$347.00	\$216.00	\$166.50
Proposed % Increase	5.2%	7.0%	7.0%	3.0%	3.0%	1.8%	5.5%	3.5%	3.0%

FY 2011 TUITION FOR FULLTIME GRADUATE STUDENTS, PER SEMESTER									
	KU Lawrence	KU-Med. School	KU-Med. Non-medical	KSU	KSU-Vet. School	WSU	ESU	PSU	FHSU
Resident Graduate									
FY 2010 Approved Tuition	\$3,246.00	\$12,573.10	\$3,246.00	\$3,358.80	\$8,520.00	\$2,500.20	\$2,077.00	\$2,106.00	\$1,761.00
FY 2011 Proposed Tuition	\$3,546.00	\$13,201.75	\$3,473.40	\$3,459.60	\$8,776.00	\$2,590.20	\$2,191.00	\$2,230.00	\$1,813.80
Proposed \$ Increase	\$300.00	\$628.65	\$227.40	\$100.80	\$256.00	\$90.00	\$114.00	\$124.00	\$52.80
Proposed % Increase	9.2%	5.0%	7.0%	3.0%	3.0%	3.6%	5.5%	5.9%	3.0%
Non-resident Graduate									
FY 2010 Approved Tuition	\$7,755.00	\$22,297.20	\$7,755.00	\$7,726.80	\$20,052.00	\$7,116.00	\$6,432.00	\$5,765.00	\$5,218.20
FY 2011 Proposed Tuition	\$8,295.00	\$23,412.05	\$8,298.00	\$7,958.40	\$20,654.00	\$7,206.00	\$6,786.00	\$6,013.00	\$5,374.80
Proposed \$ Increase	\$540.00	\$1,114.85	\$543.00	\$231.60	\$602.00	\$90.00	\$354.00	\$248.00	\$156.60
Proposed % Increase	7.0%	5.0%	7.0%	3.0%	3.0%	1.3%	5.5%	4.3%	3.0%

Notes:

1. Tuition rates for full-time undergraduate students are based upon 15 credit hours (KU, KSU, WSU, and FHSU charge tuition on a per credit hour basis. ESU and PSU charge a semester rate).
2. Tuition rates for full-time graduate students are based upon 12 credit hours, except medical students (semester rate) and veterinary medical students (20 credit hours).
3. KU Compact tuition rates are for first-time, degree-seeking freshmen only. The proposed FY 11 Rates are for freshmen entering KU in Fall 2010, and would be fixed for FY 11-14.
4. See individual university proposals for rates of KU Pharm. D, Edwards; FHSU virtual college and international; and FHSU, PSU, ESU contiguous states.
5. See individual university proposals for other fee-related credit hour proposals for specific academic schools/programs.

TABLE II
STATE UNIVERSITIES' SELECTED TUITION AND REQUIRED FEE RATES, BOARD APPROVED,
(INCLUDES REQUIRED STUDENT CAMPUS PRIVILEGE FEES AND COURSE FEES REQUIRED OF ALL STUDENTS)

FY 2011 TUITION AND REQUIRED STUDENT FEES FOR FULLTIME UNDERGRADUATE STUDENTS, PER SEMESTER									
	KU Lawrence (Standard)	KU Lawrence (Compact)	KU-Med. Non-Medical	KSU	KSU-Salina	WSU	ESU	PSU	FHSU
Resident Undergraduate									
FY 2010 Approved Tuition and Fees	\$3,706.85	\$4,102.85	\$3,467.79	\$3,434.75	\$3,221.16	\$2,733.50	\$2,187.00	\$2,296.00	\$1,881.00
FY 2011 Proposed Tuition and Fees	\$4,012.45	\$4,366.45	\$3,706.26	\$3,688.00	\$3,458.16	\$2,945.00	\$2,318.00	\$2,424.00	\$1,958.25
Proposed \$ Increase	\$305.60	\$263.60	\$238.47	\$253.25	\$237.00	\$211.50	\$131.00	\$128.00	\$77.25
Proposed % Increase	8.2%	6.4%	6.9%	7.4%	7.4%	7.7%	6.0%	5.6%	4.1%
Non-resident Undergraduate									
FY 2010 Approved Tuition and Fees	\$9,048.35	\$10,087.10	\$8,809.29	\$8,788.25	\$8,279.16	\$6,750.50	\$6,789.00	\$6,558.00	\$5,957.25
FY 2011 Proposed Tuition and Fees	\$9,503.95	\$10,769.20	\$9,422.01	\$9,202.00	\$8,669.16	\$6,962.00	\$7,173.00	\$6,794.00	\$6,156.75
Proposed \$ Increase	\$455.60	\$682.10	\$612.72	\$413.75	\$390.00	\$211.50	\$384.00	\$236.00	\$199.50
Proposed % Increase	5.0%	6.8%	7.0%	4.7%	4.7%	3.1%	5.7%	3.6%	3.3%

FY 2011 TUITION AND REQUIRED FEES FOR FULLTIME GRADUATE STUDENTS, PER SEMESTER									
	KU Lawrence	KU-Med. School	KU-Med. Non-Medical	KSU	KSU-Vet. School	WSU	ESU	PSU	FHSU
Resident Graduate									
FY 2010 Approved Tuition and Fees	\$3,669.35	\$12,817.96	\$3,430.29	\$3,700.55	\$8,861.75	\$2,891.60	\$2,551.00	\$2,576.00	\$2,087.40
FY 2011 Proposed Tuition and Fees	\$3,974.95	\$13,458.28	\$3,666.66	\$3,931.60	\$9,328.00	\$3,060.80	\$2,702.00	\$2,720.00	\$2,166.60
Proposed \$ Increase	\$305.60	\$640.32	\$236.37	\$231.05	\$466.25	\$169.20	\$151.00	\$144.00	\$79.20
Proposed % Increase	8.3%	5.0%	6.9%	6.2%	5.3%	5.9%	5.9%	5.5%	3.8%
Non-resident Graduate									
FY 2010 Approved Tuition and Fees	\$8,178.35	\$22,542.06	\$7,939.29	\$8,068.55	\$20,393.75	\$7,507.40	\$6,906.00	\$6,235.00	\$5,544.60
FY 2011 Proposed Tuition and Fees	\$8,723.95	\$23,668.58	\$8,491.26	\$8,430.40	\$21,206.00	\$7,676.60	\$7,297.00	\$6,503.00	\$5,727.60
Proposed \$ Increase	\$545.60	\$1,126.52	\$551.97	\$361.85	\$812.25	\$169.20	\$391.00	\$268.00	\$183.00
Proposed % Increase	6.7%	5.0%	7.0%	4.5%	4.0%	2.3%	5.7%	4.3%	3.3%

Notes:

1. Tuition rates for full-time undergraduate students are based upon 15 credit hours (KU, KSU, WSU, and FHSU charge tuition on a per credit hour basis. ESU and PSU charge a semester rate).
2. Tuition rates for full-time graduate students are based upon 12 credit hours, except medical students (semester rate) and veterinary medical students (20 credit hours).
3. KU Compact tuition rates are for first-time, degree-seeking freshmen only. The proposed FY 11 Compact Tuition Rates are for freshmen entering KU in Fall 2010, and would be fixed for FY 11-14.
4. See individual university proposals for rates of KU Edwards; FHSU virtual college and international; and FHSU, PSU, ESU contiguous states.
5. See individual university proposals for other fee-related credit hour proposals for specific academic schools/programs.

BREAK

The Chairman called for a short break at 10:30 a.m. and resumed the meeting at 10:40 a.m.

BOARD MEMBER CONFLICTS OF INTEREST POLICY

General Counsel Julene Miller presented the proposed policy on Board Member Conflicts of Interest. The Board's Fiscal Affairs and Audit Standing Committee was charged with reviewing and developing a policy regarding the service of Board members on advisory and other boards affiliated with the state universities. The Committee determined the charge encompassed the Board's conflicts of interest generally and proposed the following policy. Following discussion, Regent McKechnie moved to adopt the policy. Regent Sherrer seconded and the motion carried.

The following policy was adopted:

A. THE BOARD AND ITS STAFF1. MEMBERSHIP BOARD MEMBERSa. Selection and Composition

There are nine members of the Board of Regents (Board), each of whom is appointed by the Governor subject to confirmation by the Senate. By law, one member shall be appointed from each Congressional district with the remaining members appointed at large. No more than five Regents may be of the same political party, no two members shall reside in the same county at the time of appointment.

b. Term of Office

Terms are staggered and are for a period of four years each, expiring on ~~December 31, June 30~~ except that a member shall continue to serve until a successor is appointed.

c. Compensation and Expenses

~~Pursuant to Kansas law, each member of the Board shall receive \$35 per day for each day of actual attendance at meetings of the Board or of subcommittees authorized by the Board. In addition, each member is allowed all actual travel and other necessary expenses while in the discharge of official duties~~ compensation, subsistence allowances, mileage and other expenses as authorized pursuant to K.S.A. 74-3202a, 75-3212 and appropriations provisos.

d. Conflicts of Interest

The duty of loyalty requires Board members to exercise their powers and duties in the interests of the Board and its institutions as a system, and not in the Board member's own interest or in the interest of another person, an individual institution or other organization. A conflict of interest occurs when there is a divergence between a Board member's private, personal relationships or interests, or commitments to a state university or other entity, and the Board member's obligations to the Board. An apparent conflict of interest occurs when an

independent observer might reasonably question whether the Board member's professional actions or decisions are determined by considerations of personal benefit, gain or advantage, or some interest other than what is best for the Board. Such interests may include, but are not limited to, employment with, ownership of or service on the board of directors of an organization that has or may have relationships with the Board or institutions governed, coordinated or regulated by the Board. A conflict of interest or the appearance of a conflict of interest depends on the situation, and not necessarily on the character or actions of the individual.

The Board of Regents acknowledges that integrity, accountability, and openness of financial relationships and other relevant interests are essential to responsible and credible administration of the State of Kansas system of higher education. A process for disclosing and considering potential conflicts, and managing any actual conflicts, enhances transparency and confidence in the Board's actions.

(1) Disclosures

- (a) Contracts or Transactions. At the time of taking office and subsequently as the need arises, any member of the Board who has a direct or indirect interest in any contract or transaction with the Board or any educational institution governed, coordinated or regulated by the Board shall disclose this interest to the Board in writing, with a copy sent to the Board President and CEO. This interest shall be set forth in the minutes of the Board, and no member of the Board having such interest shall participate on behalf of the Board in the authorization of any such contract or transaction. (K.S.A. 46-233)
- (b) Memberships and Affiliations. At the time of taking office and subsequently as the need arises, any member of the Board who is appointed to or otherwise invited to serve on the governing board of any institution coordinated or regulated by the Board, or of any affiliated corporation of any institution governed, coordinated or regulated by the Board, shall disclose this interest to the Board in writing, with a copy sent to the Board President and CEO. This interest shall be set forth in the minutes of the Board. The Board member and the Board shall make a determination regarding the permissibility of accepting or retaining such an appointment in accordance with the following guidelines:

- (i) If an independent observer, having knowledge of all the relevant circumstances, would reasonably conclude that the Board member has an actual or apparent conflict of interest in holding such a position, the Board member should not accept or retain the position;
 - (ii) If, however, involvement by the Board member would bring compelling benefit to the institution, the Board may approve such involvement subject to any conditions the Board deems appropriate to assure both propriety and the appearance of propriety.
 - (c) Identified Board member conflicts shall be reviewed by the Board annually at the September meeting.
 - (d) Statements of Substantial Interest. All members of the Board shall file a written statement of substantial interest pursuant to K.S.A. 46-247 et seq. regarding any substantial interests within the meaning of K.S.A. 46-229 that each member may hold.
- (2) Meeting Conduct
- (a) When any matter comes before the Board for discussion or action and a Board member is determined, in accordance with the above, to have an actual or apparent conflict in the matter, the Board member with the conflict shall not vote on the matter.
 - (b) When any matter comes before the Board for discussion or action and a Board member is determined, in accordance with the above, to have an actual or apparent conflict in the matter, the conflicted Board member shall not participate in or attend Board discussion of the matter, unless the Board determines that it would significantly serve the interests of the Board to have the conflicted Board member explain the issue or answer questions. Any such determination and participation shall be recorded in the Board minutes.
- (3) No Private Inurement. No part of the funds of the Board or any state university shall inure to the benefit of, or be distributed to, any member of the Board, except that the Board and the state universities may make reasonable payments for expenses incurred on their behalf relating to any of their lawful purposes. The Board shall be authorized and empowered to pay Board members reasonable compensation for services rendered to or for its benefit relating to any of its lawful purposes, in accordance with subsection 1.c. of this section A.

- (4) Board members shall comply with the governmental ethics laws relating to solicitation or acceptance of gifts, meals, transportation or tickets/access to sporting events and other entertainment or activities as set forth at K.S.A. 46-237 and 46-237a.

BOND RESOLUTION – ENERGY CONSERVATION REVENUE BONDS – KSU

General Counsel Miller introduced a Resolution to authorize the Energy Conservation Projects at Kansas State University to proceed. The revenue bonds will be issued through the Kansas Development Finance Authority and will total \$23,388,400. The Kansas Corporation Commission has authorized KSU to enter into an Energy Performance Contract with Johnson Controls, Inc and the Board approved this contract on Wednesday's Consent Agenda. Regent Boettcher made a motion to adopt the Resolution and to authorize the Chair and the President and CEO to execute the Resolution and related bond documents. Following the second of Regent Lykins, the motion carried.

(Resolution filed with Official Minutes)

AMENDMENTS TO STATE UNIVERSITY PURCHASING POLICY

General Counsel Miller presented the proposed amendment to the State University Purchasing policy. The proposed policy requires each university choosing to utilize the purchasing option to develop university policies and procedures addressing specific areas and submit those policies to the Board's Vice President for Finance and Administration for review. Regent Boettcher moved, followed by a second from Regent Sherrer, to adopt the policy amendments. The motion carried.

The policy was amended as followed:

B. FISCAL MANAGEMENT

10. POLICY FOR PILOT PROJECT ON PURCHASING (2006 Sess. L. Ch. 190 PURSUANT TO K.S.A. 76-769) (1-18-07)
- a. Participating State Universities ———
~~The University of Kansas and Fort Hays State University are hereby designated as universities participating in the pilot project on purchases authorized by 2006 Sess. L. Ch. 190.~~
- e. Guiding Principles
 (1) Each state university ~~participating in the pilot project authorized by 2006 Sess. L. Ch. 190~~ choosing to utilize the provisions of K.S.A. 76-769 shall develop and be guided by procurement policies and procedures that:
- o Focus on the stewardship of public funds;
 - o Advance and support the mission of the institution;
 - o Promote a competitive and fair procurement environment; and

- o Are open and transparent, including adherence to the Kansas Open Records Act.

(2) State universities ~~participating in the pilot project~~ utilizing the provisions of K.S.A. 76-769 are encouraged to engage in cooperative purchasing opportunities with other public universities or other state agencies ~~entities~~ to achieve the lowest competitive price, including purchasing from current State central purchasing contracts, state travel services, and products pursuant to the Prison Made Goods Act, if it is in the best interest of the state university.

~~d.~~b. Requirements for Policies and Procedures

The ~~policies~~ policies and procedures developed by ~~the~~ each state university in accordance with this section ~~participation in the pilot project~~ shall address, at a minimum:

- (1) How the system of administration will advance and support the mission of the state university and provide increased levels of service to university students, faculty and staff as they work collectively to advance the university interest;:
- (2) How the state university intends to promote a competitive procurement environment including a statement regarding what competitive bid limit thresholds will be utilized;:
- (3) How notice of procurement opportunities will be provided to vendors and to the public in general;:
- (4) The criteria to be utilized as contracts and purchase orders are awarded;:
- (5) ~~What~~ The process will to be utilized to resolve vendor protests or requests for information, if any, that are submitted by vendors or the public in general;:
- (6) How the state university intends to cooperate with the State and other state universities as procurement decisions are made;: and
- (7) ~~How the state university intends to track and report cost savings, process efficiencies or issues identified as a result of this pilot project.~~
- (8) ~~How each state university intends to involve the university's internal audit function in the review of purchasing activities.~~
- (9) What steps are taken to ensure that all university procurement officials are guided by a purchasing code of ethics, such as the National Association of Educational Procurement Code of Ethics.

~~e.~~ ~~Each state university participating in the pilot project shall submit a report on an annual basis to the Board of Regents Office in October for approval by the Board in December that identifies:~~

- ~~(1) The amounts and kinds of expenditures made by the state universities;:~~
- ~~(2) What savings were achieved or costs incurred and any issues or problems that were encountered as acquisitions were made by the state universities.~~
- ~~(3) An overall evaluation of the efficacy of the pilot project on purchasing.~~

C. FACILITIES

12. LAND TRANSACTIONS (6-28-07)

- a. Leases (Including Oil and Gas Agreements)

(1) All leases of real property shall be approved by university counsel as to form, shall be submitted to the Board for approval in accordance with paragraph (4) of this subsection, and shall be submitted to other state agencies for approval where required by law. (K.S.A. 75-3739(1), 75-3743, 75-3744, ~~and~~ 76-165, and/or 76-769(a)(6)(C))

(2) No real property owned or controlled by the ~~state~~ State of Kansas shall be leased unless a notice of intention to lease said property has been published at least thirty days prior to execution of any documents; provided, however, that this requirement shall not be imposed on leases with another state agency or a political subdivision. (K.S.A. 75-430a(d))

(3) No lease of land for the production of oil, gas or other minerals shall be for a period of more than ten years and so long as oil, gas or other minerals are produced in paying quantities thereon, shall be awarded only upon competitive bids pursuant to K.S.A. 76-165, and shall retain to the state a royalty interest of not less than one-eighth part of all oil, gas or other minerals produced. When a state university leases land for the production of oil, gas, sand, gravel or any other mineral, the university shall provide information to the state geological survey in accordance with K.S.A. 76-323b. (K.S.A. 76-164 through 76-168)

(4) State university leases of state-owned property to third parties not associated with the state university may be executed by the state university's chief executive officer without Board approval unless

- (a) the lease involves construction on state property;
- (b) the lease is an oil, gas or mineral lease covered by K.S.A. 76-165;
- (c) the lease is for a term of more than 10 years; or
- (d) the lease is for an amount in excess of \$25,000 per year.

(5) Leases with state university endowments, foundations, and other related organizations are governed by subsection e. below.

...

e. Real Property Transactions with State University Endowments, Foundations and Other Related Organizations

(1) State university endowments, foundations and other related organizations are organized under the laws of the State of Kansas and exist to support the state universities. While state law and organizational charters typically impose upon these related organizations special responsibilities for the administration of property received by the organizations, this policy shall establish the basis for all real property transactions described herein between all related organizations, the state universities and the Board. For purposes of this subsection e., the term "related organizations" includes all state university affiliated corporations as defined in Section II.G.6. of this Policy Manual.

- (a) The approval of the Board of Regents shall be required prior to the acceptance by a state university of any gift of property from any related organization.

- (b) In the event any related organization desires to sell to the Board or the university properties held by the related organization as a result of purchase, or a gift or devise which conveyed unrestricted and unqualified fee to the related organization, the purchase price shall not be more than the highest appraised value as determined by two independent real estate appraisers. (K.S.A. 76-147)
- (c) Where trades of real property between the state and any related organization may benefit the state university and disposal of the state property has been approved by the Legislature, the Board of Regents may authorize the state university to negotiate a trade of the realty. The valuation of the related organization's property shall be determined in the same-manner as that of state properties. (K.S.A. 75-3043a or 76-147)
- (d) Leases of real property by the state universities from any related organizations shall be subject to the approval of the Board and to the following limitations:
 - (i) If the related organization holds properties in unrestricted accounts for which no remuneration is required under its fiduciary responsibility, or if the property is held on the basis of a gift or devise which so permits, the related organization may make the property available to the state university on a no-fee basis.
 - (ii) Any occupancy by the state university shall be subject to a written agreement.
 - (iii) For properties held by any related organization as investments for eventual development by the state university, the rental cost shall not exceed an amount calculated to amortize the investment, or the market value in a case where the state university seeks to occupy a property previously leased by the related organization on a private or commercial basis.
- (e) State university transfers of real property received by devise to the state university's endowment or foundation in accordance with K.S.A. 2009 Supp.74-3254 shall be subject to approval by the Board and any conditions imposed by the testator.

(2) Construction of Buildings: When any related organization constructs a building on the organization's property for the state university's use and at the request of the state university, the state university is authorized to enter into lease agreements on an amortizing basis, subject to the advance approval of the Board of Regents. (6-28-90)

(3) Issuing Bonds: In the event any related organization proposes or is requested to issue bonds and the proceeds will be used to fund construction or improvement upon Board owned property, the state university having possession of the property shall obtain Board approval of the project before the bond issuance process is initiated. (9-18-97)

Other MattersUPDATE FROM THE UNIVERSITY OF KANSAS CONCERNING ATHLETICS

Chancellor Gray-Little gave an update on the athletics ticketing operations for the University of Kansas. The University was first notified in December by federal investigators that there were problems with the ticketing operations, and the investigators asked KU not to launch their own review at that time. When the extent of the fraud became clearer in March, KU launched its own review. The University hired independent investigators and auditors to review the situation. Their investigation revealed the persons involved. Those individuals are no longer employed at Kansas Athletics. The investigators also made recommendations on how to address the flaws and blind spots in KU's procedures, and the University is working on implementing those recommendations, which include developing a fraud reporting hotline and a Web-based reporting system. A forensic auditor with a focus on athletics will also be hired. The Chancellor noted that KU will also enhance the transparency in its priority point-system. The Regents asked the Chancellor to provide another update to the Board at the September 2010 meeting.

(Handout filed with Official Minutes)

MEMORANDUM OF AGREEMENT BETWEEN KU AND KANSAS ASSOCIATION OF PUBLIC EMPLOYEES (KAPE), LOCAL #6403, REPRESENTING GRADUATE TEACHING ASSISTANTS

Associate General Counsel Theresa Schwartz presented the Memorandum of Agreement (MOA) between KU and the Kansas Association of Public Employees, Local #6403. Regent McKechnie moved that the MOA be approved and authorized the Chair to execute on behalf of the Board. Following the second of Regent Perkins, the motion carried.

FY 2011 BOARD CHAIR AND VICE CHAIR

Regent Shank moved that Regent Gary Sherrer be elected Chairman of the Board for FY 2011. With the second of Regent McKechnie, the motion carried.

Regent Lykins moved that Regent Ed McKechnie be nominated to serve as Vice Chairman. Following the second of Regent Downey-Schmidt, the motion carried.

Regent Sherrer presented both Regent Docking and Regent Shank with their name plates. He thanked both of them for their service to higher education and the State of Kansas.

EXECUTIVE SESSION

At 11:45 a.m., Regent Downey-Schmidt moved, followed by Regent Perkins second, that the Board of Regents recess into executive session for 60 minutes to discuss personnel matters of non-elected personnel, the annual CEO assessment of President Schulz. Participating in the executive session were members of the Board, President Tompkins, and President Schulz. At 12:45 p.m., the meeting returned to open session.

ADJOURNMENT

The Chair adjourned the meeting at 12:45 p.m.

Andy Tompkins, President and CEO

Gary Sherrer, Chair-Elect