

KANSAS BOARD OF REGENTS

MINUTES

April 15-16, 2015

The April 15, 2015, meeting of the Kansas Board of Regents was called to order by Chairman Kenny Wilk at 1:45 p.m. The meeting was held in the Board Office located in the Curtis State Office Building, 1000 S.W. Jackson, Suite 520, Topeka. Proper notice was given according to law.

MEMBERS PRESENT:

Kenny Wilk, Chairman
Shane Bangerter, Vice Chairman
Joe Bain
Ann Brandau-Murguia – by conference call
Bill Feuerborn
Fred Logan
Robba Moran
Zoe Newton
Helen Van Etten

EXECUTIVE SESSION

At 12:30 p.m., Regent Bangerter moved, followed by the second of Regent Logan, to recess into executive session for 60 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were members of the Board and Vice President Flanders. At 1:30 p.m., the meeting returned to open session.

BREAK

The Chairman called for a break at 1:30 p.m. and resumed the meeting at 1:45 p.m.

APPROVAL OF MINUTES

Regent Logan moved that the minutes of the March 11, 2015 regular meeting and the April 7, 2015 campus visit meeting be approved. Following the second of Regent Moran, the motion carried.

INTRODUCTIONS

President Shonrock introduced Emporia State University's newly elected student body president, Janet Weaver, and vice president, Mikala Sharlow. President Schulz announced the Association of University Technology Managers' Animal Health and Nutrition Partnering Forum will be held September 1-2, 2015 in Kansas City, Missouri.

Chancellor Gray-Little introduced the KU students who were awarded the Harry S. Truman scholarship, the Barry M. Goldwater scholarship, and the Ernest F. Hollings Undergraduate scholarship. She also recognized students who received the Fulbright fellowship and the National Science Foundation Graduate Research fellowship. The Board congratulated all the students for their accomplishments.

GENERAL REPORTS

REPORT FROM PRESIDENT AND CEO

President Tompkins announced he will be retiring at the end of this fiscal year. He thanked everyone for their support throughout his career.

REPORT FROM CHAIR

On behalf of the Board and the State of Kansas, Chairman Wilk thanked President Tompkins for his 46 years of public service. Each Regent expressed their appreciation and thanked President Tompkins for his years of service.

AMEND AGENDA

Regent Wilk moved to amend the agenda to add as the first discussion item an update on the ESU presidential search and the Board's President and CEO position. Regent Logan seconded and the motion carried.

REPORT FROM COUNCIL OF PRESIDENTS

President Bardo presented the Council of Presidents' report. The Council received updates from the Council of Chief Academic Officers, the Council of Business Officers, the Council of Government Relations Officers, the Council of Student Affairs Officers, and the Council of University Support Staff. President Bardo noted the Council approved Fort Hays State University's request to offer a Doctor of Nursing Practice (DNP). This program will be forwarded to the Board for consideration.

REPORT FROM COUNCIL OF FACULTY SENATE PRESIDENTS

Mehmet Barut presented the Council of Faculty Senate Presidents' report. The Council discussed the proposed two-year tuition freeze the Legislature is considering and the impact it would have on the campuses. He noted the proposed tuition freeze without additional funding will negatively impact students by potentially decreasing scholarship funds, increasing class sizes, and eliminating the hiring of new faculty members in critical programs where enrollments have increased.

REPORT FROM STUDENTS' ADVISORY COMMITTEE

The Students' Advisory Committee report was presented by Reagan Kays. The Committee discussed the impact of the proposed religious freedom legislation (SB 175), and Mr. Kays noted three university student body senates passed resolutions opposing it. The lifeline 911 legislation (SB 131) the students have been advocating for continues to move through the legislative process. The Committee also discussed the potential tuition freeze and the proposed reallocation of the Kansas Comprehensive Grant Program that would require 60% of the funds to be distributed to the students attending independent and private colleges. The Committee believes the fund should be split 50-50 between students attending public institutions and students attending independent and private colleges. Additionally, last month the Board asked the Committee to discuss student decorum at athletic events. Mr. Kays reported that a cultural shift is needed and that any changes need to be driven by the students at the separate universities and not from the system level.

STANDING COMMITTEE AND OTHER REPORTS

FISCAL AFFAIRS AND AUDIT

Regent Bangerter reported the Board Fiscal Affairs and Audit Standing Committee reviewed Kansas State University's and Fort Hays State University's Annual Financial Reports. The Committee reviewed the proposed EPSCoR proposals, which are on the Board's agenda for consideration, and approved the Johnson County Educational Research Triangle budgets for the University of Kansas Edwards campus, the University of Kansas Medical Center, and Kansas State University – Olathe campus. Additionally, the Committee had a lengthy discussion on tuition and the potential impact of a two-year tuition freeze. The Committee will continue to discuss tuition next month.

APPROVAL OF CONSENT AGENDA

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

*Retirement Plan***NEW RETIREMENT PLAN COMMITTEE MEMBER**

The Board appointed Ed Wilson, Director of the University of Kansas Medical Center's Strategic Human Resources Initiatives, to the Board's Retirement Plan Committee. Mr. Wilson's term will expire on June 30, 2016.

FUND INVESTMENT SHARE CLASS CHANGES IN THE BOARD'S MANDATORY RETIREMENT PLAN AND CONSULTANT CONTRACT EXTENSION

The Board approved the following changes to the Board's Mandatory Retirement Plan lineup: 1) move to the Voya Fixed Account with a guaranteed minimum of 1.0%, 2) move to lower share classes for several investment options, and 3) reduce the add-on to the Vanguard Target Retirement funds to 0.15%. These changes will take effect on July 1, 2015. Additionally, the Board approved extending for five years the current contract with the investment consultant firm, Segal Rogerscasey.

*Fiscal Affairs & Audit***LEASE AGREEMENT WITH THE KANSAS UNIVERSITY ENDOWMENT ASSOCIATION FOR THE RAINBOW MENTAL HEALTH PROPERTY ADJACENT TO KUMC – KU**

The University of Kansas received authorization to enter into a lease agreement with the Kansas University Endowment Association for the Rainbow Mental Health property, which is adjacent to the University of Kansas Medical Center. The Medical Center will lease the property for \$3 million with interest at the Prime Rate (currently 3.25%) plus 1% for a five-year term. It will be funded with a combination of funds on deposit at the KU Endowment and parking revenue funds.

AMEND THE FY 2015 REHABILITATION AND REPAIR PROJECTS – KU

The University of Kansas received approval to amend its FY 2015 Rehabilitation and Repair Projects to include a project to convert the existing computer classroom

in Fraser Hall into a laboratory for the Laboratory of Biological Anthropology. The estimated cost of the project is \$580,000, which will be funded with tuition revenues.

KU ENDOWMENT ASSOCIATION TO RENOVATE DOUTHART SCHOLARSHIP HALL AS AUTHORIZED BY K.S.A. 76-757 – KU

The University of Kansas received approval to allow the KU Endowment Association, as authorized by K.S.A. 76-757, to renovate Douthart Scholarship Hall for the Student Housing Department. The estimated cost of the project is \$1.6 million, which will be funded with private funds on deposit with the KU Endowment Association.

CONSIDERATION OF DISCUSSION AGENDA

Other Matters

UPDATE ON EMPORIA STATE UNIVERSITY PRESIDENTIAL SEARCH AND BOARD PRESIDENT AND CEO POSITION

President Tompkins stated the process of recruiting the Emporia State University Presidential Search Committee and hiring a search consultant has begun. The Board will be calling a special meeting within the next two weeks to approve the committee members, approve the charge to the committee, and approve the hiring of a search consultant.

Regent Bangerter moved that the Kansas Board of Regents appoint Dr. Blake Flanders as the next Board President and CEO effective July 1, 2015, and authorize the Chair to finalize the letter of appointment with Dr. Flanders. Regent Newton seconded. Regent Logan stated it makes sense that a member of the current Board staff be selected as the next Board President and CEO because of the culture of service that has been created at the Board office. Regent Logan went on to highlight the many accomplishments of Dr. Flanders' career. Regent Wilk stated the decision to hire Dr. Flanders was not made quickly nor lightly. He noted Dr. Flanders is committed to leading and moving higher education forward. Following the discussion, the motion carried.

Dr. Flanders thanked the Board and Dr. Tompkins. He stated he wants the state's higher education system to give Kansans the same opportunity he had – an excellent education that is affordable. He noted higher education needs to continue to press on to increase attainment for all of Kansas, which is a goal of the Board's Foresight 2020 strategic plan.

Academic Affairs

PROGRAM REVIEW REPORT

Gary Alexander, Vice President of Academic Affairs, reported the state universities are required to review approved programs at least once every eight years to ensure academic quality. The universities submit to Board staff an executive summary of their annual review and recommendations for each program. For the 2013-2014 review cycle, Fort Hays State University, Pittsburg State University, and the University of Kansas Medical Center reviewed a total of 15 academic programs at the baccalaureate, master's and doctoral levels. Vice President Alexander

stated Emporia State University, Kansas State University, the University of Kansas, and Wichita State University completed the current review cycle early. Following discussion, Regent Moran moved to accept the report. Regent Van Etten seconded, and the motion carried.

REPORT ON ATTRACTING AND RETAINING OUTSTANDING STUDENTS

Bobby Gandu, Wichita State University's Director of Admissions; Graig Fuchs, Pittsburg State University's Director of the Honors College; and Joel Figgs, Cloud County Community College's Vice President for Enrollment Management, presented a report on attracting and retaining outstanding students. Typically institutions identify "academically outstanding" students based on a student's high school GPA, performance on the ACT or SAT examinations, and class rank. The institutions use a variety of strategies to attract these students including scholarship awards, opportunities to participate in an Honors College, and unique and challenging degree programs. It was noted most of these students are highly recruited nationally and that the prestige of an institution can also be a factor in recruiting.

There are a number of factors that contribute to whether an outstanding student will remain in Kansas after graduation, but the two major factors include job availability in the student's field of interest and further educational opportunities. To help connect students and businesses, the universities build relationships with local and regional employers. Through these connections, students have a wide range of internships and work study opportunities available to them.

BREAK

The Chairman called for a break at 3:10 p.m. and resumed the meeting at 3:25 p.m.

Governance

BOARD POLICY AMENDMENT TO AUTHORIZE DIVISION II STATE UNIVERSITIES TO OFFER MULTI-YEAR APPOINTMENTS TO ATHLETIC DIRECTORS

General Counsel Julene Miller introduced a proposed amendment to the Board's policy on Annual and Multiple Year Appointments regarding athletic directors of Division II state universities. The amendment would allow Division II universities to offer multiple year appointments to athletic directors as long as the appointment is no more than three years at any given time and the salary paid not exceed the monetary salary of the university's Chief Executive Officer. Regent Logan moved to approve, and Regent Bangerter seconded. The motion carried. The following language was adopted:

CHAPTER II: GOVERNANCE – STATE UNIVERSITIES

C CHIEF EXECUTIVE OFFICER, FACULTY AND STAFF

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2. APPOINTMENTS

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b. Faculty and Staff

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vi Annual and Multiple Year Appointments

- (1) Except as provided in this section, all appointments of unclassified non-tenure track and non-tenured personnel shall be annual. Every appointment of more than one year shall be subject, on an annual basis, to appropriations being provided by the Kansas Legislature.

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- (4) Any athletic director or coach of a division I state university may hold a multiple year appointment when the chief executive officer of the university determines such appointment to be in the best interest of the university. Any athletic director or coach of a division II state university may hold a multiple year appointment when the chief executive officer of the university determines such appointment to be in the best interest of the university; however no such appointment shall exceed three years at any given time. Salary shall be determined each year by availability of funds and by merit. The salary of any division II athletic director or coach shall not exceed the monetary salary of the university chief executive officer.

Other Matters

NAMING OF THE HONORS COLLEGE AT WICHITA STATE UNIVERSITY

President Bardo requested naming the Wichita State University Honors College in honor of Dorothy and Bill Cohen. Regent Van Etten moved to approve. Following the second of Regent Feuerborn, the motion carried. The College will be named the Dorothy and Bill Cohen Honors College.

GRANTING OF AN HONORARY DEGREE AT THE UNIVERSITY'S SPRING 2015 GRADUATE SCHOOL COMMENCEMENT – KSU

President Schulz nominated former U.S. Senator Nancy Landon Kassebaum to receive an Honorary Doctorate degree to be conferred at the Graduate School Commencement on May 15, 2015. Regent Moran moved to approve, and Regent Van Etten seconded. The motion carried.

EPSCoR COMPANION PROGRAM PROPOSALS

Blake Flanders, Vice President of Workforce Development, presented the proposed EPSCoR proposals. The EPSCoR Program Review Committee recommends funding the following projects:

- 1) For the Advanced Neuroprosthetics for Functional Restoration after Acquired Brain Injuries project located at the University of Kansas Medical Center, the Committee recommends \$125,000 for FY 2015.
- 2) For the Bioenergetic Manipulation for the Treatment of Alzheimer's Disease project located at the University of Kansas Medical Center, the Committee recommends \$100,000 for FY 2015.
- 3) For the Drone Collision-Avoidance Radar Systems project located at the University of Kansas, the Committee recommends \$75,000 for FY 2015.
- 4) For the Digital Scanning Composite Patch Process project located at Wichita State University, the Committee recommends \$75,000 for FY 2015.

Regent Newton moved to approve the recommendations. Regent Bangerter seconded, and the motion carried.

EXECUTIVE SESSION

At 3:45 p.m., Regent Bangerter moved, followed by the second of Regent Logan, to recess into executive session for 60 minutes starting at 4:00 p.m. to discuss personnel matters of non-elected personnel. Participating in the executive session were members of the Board, President Tompkins, and President Scott. At 5:00 p.m., the meeting returned to open session.

RECESS

The Chairman recessed the meeting at 5:00 p.m.

RECONVENE

The Chairman reconvened the meeting at 9:15 a.m. on Thursday, April 16.

MEMBERS PRESENT:

- Kenny Wilk, Chairman
- Shane Bangerter, Vice Chairman
- Joe Bain
- Ann Brandau-Murguia – by conference call
- Bill Feuerborn
- Fred Logan
- Robba Moran
- Zoe Newton
- Helen Van Etten

REPORT

REPORT FROM SYSTEM COUNCIL OF PRESIDENTS

President Heilman presented the System Council of Presidents' report. The Council received an update from the System Council of Chief Academic Officers regarding the progress of the Transfer and Articulation Council and the Diversity Study Workgroup. Additionally, the CEOs received a budget and legislative update from Board staff.

APPROVAL OF CONSENT AGENDA

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

Academic Affairs

ASSOCIATE OF GENERAL STUDIES – HUTCHINSON COMMUNITY COLLEGE

Hutchinson Community College received approval to offer an Associate of General Studies. No additional resources are required to support this program.

DEGREE AND CERTIFICATE PROGRAMS SUBMITTED BY BARTON COMMUNITY COLLEGE AND CLOUD COUNTY COMMUNITY COLLEGE

Barton Community College received approval to offer a Certificate A (18 credit hours) in Carpentry (46.0201). The Carpentry Certificate is designed, through a memorandum of understanding with the Kansas Department of Corrections, to provide technical training to incarcerated individuals for occupations in line with the Kansas Department of Labor job demand and wage information. The estimated cost associated with the program is \$4,420, which is for the adjunct instructor salaries. The College will fund the cost.

Barton Community College received approval to offer a Certificate A (16 credit hours) in Plumbing (46.0503). The Plumbing Certificate is designed, through a memorandum of understanding with the Kansas Department of Corrections, to provide technical training to incarcerated individuals for occupations in line with the Kansas Department of Labor job demand and wage information. The estimated cost associated with the program is \$7,840, which is for the adjunct instructor salaries. The College will fund the cost.

Cloud County Community College received approval to offer a Certificate A (16 credit hours) in Commercial Truck Driving (49.0205). The estimated cost of the program is \$12,800, which will be funded by the College.

CONSIDERATION OF DISCUSSION AGENDA

Academic Affairs

REPORT ON THE IMPACT OF OUT-OF-STATE STUDENTS ON THE KANSAS HIGHER EDUCATION SYSTEM

Vice President Alexander reported one of the Board's goals for this year is to study the impact of out-of-state students on the Kansas higher education system and the state, including a view of the financial impact and the number that stay in Kansas. Researchers have identified three prominent factors that influence a student's decision to attend college out-of-state: 1) high achievement/test scores, 2) family income, and 3) state economic output. Students who decide to attend college out-of-state are highly recruited because they do provide a positive economic benefit for the state in which they enroll. Dr. Alexander reviewed the estimated economic impact of international and non-resident students while they are enrolled in college and after they graduate. In 2013, the systemwide enrollment of international and non-resident students totaled 41,489 and the estimated fiscal impact for Kansas totaled \$955,158,493. After graduation, the data shows 17-18% of international and non-resident students remain in Kansas to work. However, over time that number decreases, as does the corresponding economic impact. President Tompkins noted this trend is not unique to out-of-state students. The last Foresight 2020 report showed that as the average earnings and education level increased, the percentage of graduates employed in Kansas diminishes with each subsequent year of employment and education level. Following discussion of the importance of recruiting and retaining out-of-state students, Regent Wilk added this topic to the Governance Committee's agenda for follow-up discussion.

(PowerPoint filed with Official Minutes)

AMENDMENTS TO THE BOARD'S APPROVAL OF PROGRAMS FOR WASHBURN UNIVERSITY POLICY

Vice President Alexander presented proposed amendments to the Board's Approval of Programs for Washburn University policy. Dr. Alexander stated the proposed language clarifies which Washburn University programs are required to move through the Kansas Board of Regents' review and approval process. Regent Logan moved to approve, and Regent Moran seconded. The motion carried. The following language was adopted:

CHAPTER III: COORDINATION - STATE UNIVERSITIES, COMMUNITY COLLEGES, TECHNICAL COLLEGES, WASHBURN UNIVERSITY AND/OR THE WASHBURN INSTITUTE OF TECHNOLOGY

A ACADEMIC AFFAIRS

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6 APPROVAL OF PROGRAMS FOR WASHBURN UNIVERSITY

The state university process for approval of new academic program proposals, chapter II.A.7.c., shall apply to the review and approval of all ~~non-doctoral~~ graduate programs, and specialized professional baccalaureate degree programs (e.g., engineering, architecture), for Washburn University, except that in lieu of Council of Chief Academic Officers and Council of Presidents review and approval, such programs shall be reviewed by the System Council of Chief Academic Officers and the System Council of Presidents, on the same day, for informational purposes only, and the programs will then be reviewed by the Board's Academic Affairs Standing Committee prior to being placed on the Board agenda for approval.

The state university expedited program review process, chapter II.A.7.e., shall apply to the review and approval of Washburn University programs that meet the criteria for expedited review, except that in lieu of Council of Chief Academic Officers and Council of Presidents review and approval, such programs shall be reviewed by the System Council of Chief Academic Officers and the System Council of Presidents.

INCREASE GED RETEST FEE

Vice President Alexander presented a request to increase the General Education Development (GED) retest fee from \$10 to \$13 for up to two retakes. The revenues produced by this increase will be remitted to the Board to cover administrative expenses associated with the program. Regent Van Etten moved to approve. Following the second of Regent Moran, the motion carried. The increased fee will take effect July 1, 2015.

Other Matters

REPORT FROM KANSAS POSTSECONDARY TECHNICAL EDUCATION AUTHORITY

Vice President Flanders presented the Kansas Postsecondary Technical Education Authority (TEA) report. The TEA continues to review the reclassification of courses and discuss funding including the issue of recentering. Dr. Flanders noted all the institutions are participating in these discussions. Additionally, he presented the TEA's recommendation to expand its charge to review the funding requirement of non-tiered courses. The TEA wants to explore whether the financial assumptions should be the same for both the tiered and non-tiered courses. The Authority believes it is important to understand both funding lines as they continue to discuss the idea of recentering. Regent Feuerborn moved to approve the TEA's recommendation, and Regent Van Etten seconded. The motion carried.

BUDGET AND LEGISLATIVE UPDATE

Elaine Frisbie, Vice President of Finance and Administration, gave an update on the FY 2016 and FY 2017 budget recommendations. Currently, the Conference Committee report contains the following: 1) a tuition freeze at the 2015 rates for FY 16 and 17, 2) \$750,000 for all 3 years (FY 15, 16, and 17) for the high school tuition incentive initiative (SB 155), and 3) a migration of \$1.4 million of the Kansas Comprehensive Grant Program from students who are attending public institutions to students who are attending private institutions. Vice President Frisbie noted the Conference Committee report was not signed and all provisions can be revisited when the Legislature returns to session. Regent Logan urged the Legislature to reconsider the proposed tuition freeze. He stated the Board's Fiscal Affairs and Audit Standing Committee has been reviewing tuition all year to come up with the most reasonable approach possible especially since there will not be an increase in state-based aid. Over the last several years the Board has restrained tuition and the universities have seen increases in enrollment. Additionally, he noted the Legislature placed the authority of setting tuition with the Kansas Board of Regents because the Board is in the best position to make these decisions. He concluded by stating a tuition freeze will harm programs and the economic development in the university communities.

Matt Casey, Director of Government Relations, reviewed the Board's non-budgetary legislative items and legislation that impacts higher education.

(Handout filed with Official Minutes)

EXECUTIVE SESSION

At 10:26 a.m., Regent Bangerter moved, followed by the second of Regent Logan, to recess into executive session for 60 minutes starting at 10:45 a.m. to discuss personnel matters of non-elected personnel. Participating in the executive session were members of the Board, President Tompkins, and President Bardo. At 11:45 a.m., the meeting returned to open session.

EXECUTIVE SESSION

At 11:45 a.m., Regent Bangerter moved, followed by the second of Regent Logan, to recess into executive session for 30 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were members of the Board, President Tompkins, and Provost David Cordle (for a portion). At 12:15 p.m., the meeting returned to open session. Regent Moran moved to extend for 15 minutes, and Regent Van Etten seconded. The motion carried. At 12:30 p.m., the meeting returned to open session.

ADJOURNMENT

The Chairman adjourned the meeting at 12:30 p.m.

Andy Tompkins, President and CEO

Kenny Wilk, Chair