

WASHBURN UNIVERSITY OF TOPEKA
BOARD OF REGENTS
MINUTES
May 11, 2007

I. Call to Order

Chairperson Warren called the meeting to order at 3:07 p.m. in the Washburn B Room of the Memorial Union.

II. Roll Call

Present were: Mr. Blair, Mr. Bunten, Mr. Gaines, Mr. Lagerberg, Mrs. Parks, Mrs. Paul, Mr. Roth, Mr. Storey, and Mrs. Warren

III. Approval of Minutes of March 16, 2007 meeting as mailed.

It was moved and seconded to approve the Minutes of the March 16, 2007 meeting as mailed. Motion passed.

IV. Officer Reports

A. Chair's Report

Chairperson Warren said she had only two items to report. She announced she has appointed Regents Bunten and Parks to serve as the Nomination Committee for nomination of chair and vice chair for the ensuing year; and the appointment of Regents Parks and Paul to serve as the Presidential Review and Compensation Task Force.

Chairperson Warren reported that one person had asked to address the Board.

The Board Secretary reported that Mary Lou Herring wished to speak on two items in the Budget/Finance Committee Report, the Fiscal Year 2008 Budget, and Capital Projects and Equipment from the Debt Retirement and Construction Fund. Chairperson Warren recognized Ms. Herring and requested she limit her comments on each item to not more than four minutes on each.

Ms. Herring's comments on the proposed FY 2008 Budget that she had four concerns. One, the tuition differential for the School of Business and School of Nursing has not resulted in increased funding for the programs comparable to the increase in tuition. Two, two areas of the budget are misclassified – the employee wellness within Student Services and educational technology and academic support. She claimed Faculty Senate has asserted the administration is insensitive to the needs of the faculty. Three, that Dr. Farley in December indicated the operating expense budget would increase and that has not occurred. And, last, what is the Washburn Transformational budget? On the Capital Budget item, Ms. Herring asserted the University's interpretation of the statutory grant of authority for its 3 mill Debt Retirement and Construction Fund levy is too liberal and that expenditures in some areas are really part of the Operating Budget.

B. President's Report

President Farley said he had three items, the first being the adoption of a deferred maintenance program by the Kansas Legislature. He said the program's comprised of three components. The first is \$90 million allocated for deferred maintenance projects at the six Kansas Board of Regents higher education institutions. He reminded the Board that the initial request for deferred maintenance was \$700 million which was subsequently reduced to \$600 million. The second component is the state will be issuing \$100 million in bonds. The proceeds will be made available to the community colleges, technical schools and Washburn University and that the institutions will be repaying the bond proceeds at no interest. Third, the program includes tax credits for donors who make contributions for deferred maintenance projects. He said with respect to the allocation of the bond proceeds and the tax credits we don't know what the details will be, but when we get them he will share them with the Board.

Dr. Farley indicated that at a January meeting of the Budget/Finance Committee the subject of a Greek Village was discussed. He said the proposal has been worked on for well over a year. He said after consultation with the sororities and fraternities, no sorority indicated they wished to participate. He said the Alpha Delta Fraternity wishes to stay where it is and that Kappa Sigma doesn't have sufficient support for the proposal. He said the latter is becoming a non-residential fraternity this fall. He said the Phi Delta Theta and Sigma Phi Epsilon fraternities have indicated their willingness and desire to participate and that the proposal now includes renovation of the Kappa Sigma house which would be occupied by Sigma Phi Epsilon. He said the Washburn Endowment Association has a consultant working on a feasibility study for fund raising for the project which is nearly complete. He said some 50-60 persons have been contacted in conjunction with the study. He said he proposes the liaison committee comprised of representatives from both the Board of Regents and the Washburn Endowment Association meet to discuss whether the Washburn Endowment Association should proceed with actual fund raising.

Dr. Farley said the last item he wished to mention is the Whiting Field House project. He said the administration is currently reviewing the architect's cost estimates in light of the dreams of the folks involved for the project and looking to determine refined numbers for the projects and we're looking to see how we can use the facility. He said the dollar cost for funding the "dream" is greater than the funding available. In response to a query from Regent Storey, Dr. Farley said the regents could look for a report on the Whiting project in the next several weeks.

C. Committee Report(s)

1. Budget/Finance Committee

The Chair of the Budget/Finance committee, Regent Storey, reported the Committee met May 4 and heard the recommendations and reports on the allocation Debt Retirement and Construction Fund and the Fiscal Year '08 General Fund Budget. He reported the Committee unanimously voted to recommend the adoption of the proposed budget. It was moved and seconded to approve the adoption of **a. the Fiscal Year 2008 Budget and b. the Capital Projects and Equipment from the Debt Retirement and Construction Fund.**

In response to a question from Regent Parks, Dr. Farley said the issue of differential tuition has been studied for a number of years. He reported other institutions, notably KU and K-State, have adopted additional credit hour tuition for programs. He said that under the University's previous computer system, it wasn't possible for the institution to have differential tuition. Now with the new Banner system we do. He said the item was discussed with the Deans and concluded that a differential tuition for the School of Business and the School of Nursing would be appropriate and viable to pursue. The recommendation, he said, is \$15 an hour differential tuition for the Nursing program and \$25 per credit hour for the School of Business Program. Dr. Farley also said that the University front loaded revenue for the Business School for accreditation purposes in terms of compensation for personnel. With Nursing, he said, part of the Legislative program for ensuring nurses availability in the state of Kansas is providing matching funds for increased enrollment in the School of Nursing. He reported the University increased its enrollment in the Nursing program the academic year now concluding and is doing it again this year. He said the increase will help us get matching funds. He said that in both programs there are serious market salary issues in being able to attract and retain faculty. He noted that the budget already includes an increase of \$450,000 for faculty salaries in the School of Nursing. He said the University's School of Nursing will have the largest nursing program in the state, he believes. Dr. Farley also reported that the dollars generated by the differential tuition will be allocated for the University salary program so as to be able to provide competitive salaries. With respect to the operating expenses, Dr. Farley said the institution had a choice between allocating funds for the salary program or increasing operating budget and chose to allocate the funding for the salary program.

Mayor Bunten said that this is his third year on the Board of Regents and it's been a great honor. He said in his three years he's expressed his concern about the other side on the increase in tuition, the cost to the individual students. He said the increase results in two things for students, some choosing not to attend the University or taking fewer classes. He also noted that students now incur substantial debt. He said he appreciates the need to pay faculty and to meet the needs for equipment. He said he was hopeful that we might find other ways to pay for the faculty compensation program and ensuring adequate equipment. He said he is not supportive in the increase in tuition and said we need to look at other ways to not place the burden on individual students even though the education is a "darned good investment."

In response to a query from Regent Parks, Dr. Farley noted financial aid for students is a substantial part of the University's budget and that, with respect to tuition, we are a modest priced school. We are below tuition levels of both national and regional institutions and of the other public four-year educational institutions in the state of Kansas, only one has tuition rates less than Washburn University. He said the University and Washburn Endowment Association have grown the financial aid program and that 80% of the funds provided the institution from Washburn Endowment Association is used for providing students financial aid. He said the recommended tuition increase is the lowest increase we've had in a number of years and the University takes great effort to control cost. He said the major cost of the institution is in delivering education to the students, faculty.

Regent Roth said he agrees with much of what Mayor Bunten said, that kids do owe a lot of money following their educational career. He said it is tough to increase tuition. He said he wanted to see what the increase in tuition was over a ten-year period for both Washburn and other schools in our area, and that Washburn has increased less than every other educational institution with the exception of Fort Hays State University and they're close. He said the highest, more expensive are the University of Kansas and Kansas State University. He said he also asked for information concerning fees charged to students and that Washburn has the lowest fee structure of all of the state schools. He said if we want to provide good instruction for students we're going to have to pay and that Washburn is doing more at less cost. He said he believes it shows that Washburn is doing a good job raising the pay schedule at the same time not increasing tuition at the rate of others. He said that while he agrees with the sentiment expressed by the Mayor, he is supportive of the adoption of the budget.

Upon vote of the motion, motion passed with Regent Bunten voting no.

Following vote of the motion for the adoption of the Fiscal Year Budget and the Capital Projects and Equipment items, Regent Blair said one thing that concerns him is the projected decrease in the number of student credit hours for the ensuing fiscal year. He said we need to put more emphasis in on selling this great institution across the state of Kansas. He said this is important to emphasize recruitment because there is a decline in the near future in the high school graduation rate in the state of Kansas. He said he doesn't believe it is asking too much to get an increase in the neighborhood of 300 to 500 students each year. He said we need to be getting the story of Washburn out.

D. Treasurer's Report

Vice President for Administration and Treasurer, Wanda Hill, noted the items were included in the original mailing of the agenda packet but that with the exception of the Liquidated Claims Approval for April, 2007 which she said has been handed out this evening. She said she asks that the Regents accept the report as presented.

- 1. Depository Security Transactions**
- 2. Liquidated Claims Approval – March, 2007**
- 3. Liquidated Claims Approval – April, 2007**
- 4. Public Fund Investments – March, 2007**
- 5. Quarterly Report for Quarter Ended March 31, 2007**

It was moved and seconded to accept the Treasurer's Report as presented. Motion passed.

V. New Business

A. Consent Agenda:

Chairperson Warren first inquired whether there were any items on the New Business agenda which presents a conflict for any Regent and whether any Regent wished to discuss a single item within the Consent Agenda. Hearing none, the Board solicited a motion.

It was moved and seconded to approve the Consent Agenda. Motion passed.

As approved by action of the Board:

1. Personnel

a. Faculty/Staff Personnel Actions

grant tenure to Dr. Barbara DeSanto, Chair and Professor of Mass Media; promote Richard Johnson, Instructor-Criminal Justice, to Assistant Professor; hire Rory Bahadur as Associate Professor, School of Law, 9-month, tenure track position at an annual salary of \$88,000; hire Lori McMillan as Associate Professor, School of Law, 9-month, tenure track position at an annual salary of \$92,000; increase adjunct faculty maximum rate offered for special situations ;

b. Designate Judy Diffley Professor Emeritus

bestow the title Professor Emeritus to Dr. Judy Diffley;

c. Permission to Grant Tenure

award of tenure granted to Dr. Barbara DeSanto, Chair and Professor of Mass Media Department;

d. Voluntary Phased Retirement: Prof. Jack Decker

voluntary Phased Retirement to Prof. Jack Decker, Assoc. Prof. of Computer Information Sciences, for academic years 2009-2010, 2010-2011 and 2011-2012 effective August 1, 2009, appointment to be at 50% for each fiscal year;

e. Voluntary Phased Retirement: Dr. Gary Schmidt

voluntary Phased Retirement to Dr. Gary Schmidt, Prof. of Computer Information Sciences, for academic years 2009-2010, 2010-2011 and 2011-2012 effective August 1, 2009, appointment to be at 50% for each fiscal year;

2. Report of Purchases between \$25,001 and \$50,000

purchase of 2007 Chrysler 300 Limited passenger car from Jim Clark Motors in the amount of \$33,500; contract for removal and replacement of existing carpet in the Living Learning Center to Country Carpet in the amount of \$32,900; renewal of Microsoft campus agreement v3.1 through Educational Resources in the amount of \$35,692.08; and,

3. Public Budget – Publish Notice of Hearing

publish the Notice of Public Budget Hearing no later than ten (10) days prior to the public budget hearing.

B. Action Items:

1. Computer Purchases

Vice President for Administration and Treasurer, Wanda Hill, reported that the Information Technology Services is seeking approval to purchase computers. She said the number of units were included in the technical equipment budget, in the DRC Capital Projects and Equipment Budget, and that we hope to have the computers in the classrooms and ready for the fall.

In response to a query from Regent Roth concerning why two different computers were bid, Vice President Hill reported that the Apple MacIntosh is a machine typically used in the various fine arts programs.

In response to a query from Regent Gaines about the replacement schedule for computers which he said at his bank was every three years, Dr. Farley said that here at the University the replacement schedule is about every four or five years, although in some instances it is more frequent than that. It was moved and seconded to award a contract to Dell in the amount of \$126,784.40 and Apple Computer in the amount of \$75,531.65. Motion passed unanimously.

2. Nuclear Magnetic Resonance Spectrometer for the Chemistry Department

Vice President Hill reported that the current Nuclear Magnetic Resonance Spectrometer is not really function any more. She said the cost of a new NMR was included in the Stoffer project budget. She said the item was bid and Varian, Inc. presented the lowest bid. It was moved and seconded to authorize the award of a contract to Varian, Inc. for the purchase of the Nuclear Magnetic Resonance Spectrometer in the amount of \$357,600. Motion passed unanimously.

3. Mediated Classroom Equipment for the Stoffer Science Hall Renovation

Vice President Hill reported the funds were also included in the Stoffer project for mediation of classrooms. It was moved and seconded to approve the award of a contract to Cytek Media Systems for the purchase and installation of mediated classroom equipment, 22 LCD projectors with anti-theft mounts, in the amount of \$80,117. Motion passed.

4. Benton Hall Roof Replacement & Fascia Repair – CO7041 & CO6039

Vice President Hill reported the administration solicited bids for the replacement of the roof and fascia at Benton Hall and that the roofing and fascia repair and repainting was included in efforts to secure a better price for the project. She noted that only one of the five firms which picked up plans for the project bid the project. She said the bid for the standing seam metal roof was higher than was available in the allotted budget, so the administration is recommending an asphalt shingle roof be applied.

Regent Roth expressed concern about the award of a bid when only one of five builders responded and wondered whether the administration should go out for re-bid if only one is responsive or, alternatively, how does the University determine whether the bid is reasonable. Dr. Farley reported that the University had estimates prepared by our A & E staff prior to the bid. The Interim Director of Facilities Services, Keith Palmbach, said in this instance one compares the square footage of the roof being replaced against data available in national publications and, in this instance, he also called a former colleague engaged in the roofing business who reported the square foot cost submitted by J.B. Turner & Sons is in the ballpark. He said the other companies were also asked why they did not bid and responses included that the companies were very busy with other work and couldn't fit the project in, and others indicated the project was too big for them.

In response to a query from Regent Lagerberg whether we could delay the project for six months or so, Vice President Hill said the project is already delayed and that summer time is the best time for such a project as it creates the least interference with the academic programming.

Dr. Farley indicated that price escalation is a concern that any savings might be dissipated by increased prices. Regent Warren noted that asphalt shingle prices, in her experience in construction projects, go up every May. Regent Roth reiterated his concern about having only a single bid and the University should do more to secure more bids. He said in the event the institution is unable to receive more than a single bid, he wants to have information detailing what the administration has done to confirm that a reasonable bid had been received.

It was moved and seconded to approve award of a contract to J. B. Turner & Sons for asphalt shingle roof replacement and fascia repair and repainting in the amount of \$118,408. On vote of the motion, motion passed.

5. School of Business, Henderson Learning Resource Center Renovation Trading Room/Showcase Classroom/Board Room Suite Project

Vice President Hill reported the administration came to the Board of Regents last September initially on this project. She said the initial cost for the project was to be funded by \$400,000 from fund raising and \$50,000 from University reserves. She said the fund raising has been very successful and there is now enough money on hand to go ahead and do the project this summer.

Dr. David Sollars, Dean of the School of Business, said that in the fund raising efforts there have been three major gifts. One from a local donor who is not an alum, one from an alum who is from the community and another donor who wishes to remain anonymous and wishes the gift to be used to honor former professors.

It was moved and seconded to approve the award of a contract to Mohan Construction in the amount of \$306,300 for the Henderson Learning Resource Center Renovation Trading Room/Showcase Classroom/Board Room Suite Project. Motion passed unanimously.

6. KTWU FY2008 Membership Fees

Vice President Hill reported the membership fees for KTWU are an ongoing and recurring item. She said the item is being brought to the Board in May rather than in July in order to be able to take advantage of the discount offered by PBS. She said the budget for KTWU for fiscal year 2008, from which source the dues will be paid, is \$510,000. Dr. Farley said he recommends the Board approve the payment of the 2008 KTWU Membership Fees.

It was moved and seconded to approve the payment of the 2008 KTWU Membership Fees. Motion passed unanimously.

7. Washburn University Policy Regulations and Procedures Manual

Vice President Hill reported that the four topics to be included in the new Washburn University Policy Regulations and Procedures Manual represent no policy changes in the proposed sections attached to the agenda. She said the items have been reformatted to fit the format of the WUPRPM and are ready for distribution to the University.

It was moved and seconded to approve the Revised Drug Free Workplace, Eminentes University, Cash Collections and Sponsored Projects Policy for inclusion in the Washburn University Policy Regulations and Procedures Manual. Motion passed unanimously.

It was moved and seconded to adjourn. The meeting adjourned at 4:08 p.m.

Kenneth P. Hackler
Secretary, Board of Regents