

WASHBURN UNIVERSITY OF TOPEKA
BOARD OF REGENTS
MINUTES
September 26, 2018

I. Call to Order

Chairperson Hoferer called the meeting to order at 4:00 p.m. in the Kansas Room of the Memorial Union on the Washburn University campus.

II. Roll Call

Present were: Mr. Beck, Mayor De La Isla (arrived 4:34), Mr. Hoferer, Mr. Klausman, Mr. McGivern, Mrs. Parks, Mr. Sneed, Mrs. Sourk and Mrs. Van Etten (arrived 4:03).

III. Approval of Minutes of the July 26, 2018 meeting

It was moved by Regent Sourk and seconded by Regent Parks to approve the Minutes of the July 26, 2018 meeting. Motion passed.

IV. Officer Reports

A. Chair's Report

Chairman Hoferer called attention to the Board that there will be a work session scheduled for the strategic plan.

B. President's Report

President Farley said a plaque was received from the Topeka Capital Journal Best Of contest. Washburn won best University.

Dr. Farley announced we received a diversity and inclusion award for the campus from Kansas Society for Human Resource Management (SHRM) organization. He said we work hard at it, and Dr. Pam Foster, Equal Opportunity Director, has led the process for receiving this recognition.

President Farley reported the Washburn Men's Cross Country team made history after being ranked eighth in the Central Division of NCAA Division II as ranked by the U.S. Track & Field and Cross Country Coaches Association. It is our first time ever in the rankings. He said additionally, Jacob Klemz was named Division II National Athlete of the Week, the first such recognition for an Ichabod.

Dr. Farley said the Kansas Small Business Development Center (SBDC) announced Karl Klein as the Kansas SBDC State Star for 2018 for exemplary work performance, significant contribution to the organization's economic development efforts, and strong commitment to small businesses.

Dr. Farley reported Associate Professor of English Eric Henry was acknowledged in an article published in the New York Times for discovering the true birth year of Langston Hughes.

Dr. Farley said as part of the Family Day celebration, we had 17 students bring 21 siblings to participate in Sibling Day activities.

Regent Van Etten arrived at 4:03 p.m.

President Farley said the College Hill neighborhood was recognized for being one of the top neighborhoods in Kansas. College Hill spent extra money to have the neighborhood markers match our campus.

Dr. Farley reported that Washburn Tech received a \$400,000 grant from Dane Hansen to help with providing virtual technology education to rural Kansas counties.

President Farley said a Community BBQ will be held at Washburn Tech East on October 12 at 6:00 p.m. Chairman Hoferer stated for clarification that we are not involved directly in the construction of the building, we will merely be tenants. President Farley said we are still excited about the project and look forward to being there.

Regent Sourk noticed that several Washburn athletes appeared at her son's school and they will be returning and it created a lot of buzz at the school.

C. Committee Report(s)

1. Audit Committee

Committee Chair Regent Sneed advised that the Committee met with the auditors to receive information about the plan to proceed with the audit and anticipate receiving a final report in December.

V. New Business

A. Consent Agenda

It was moved by Regent Sneed and seconded by Regent Sourk to approve the Consent Agenda. Motion passed.

As approved by action of the Board:

- 1. Liquidated Claims Approval – July 2018**
- 2. Liquidated Claims Approval – August 2018**

3. Faculty/Staff Personnel Actions

Change Jeffrey Stromgren, Head Golf Coach, from .50 FTE to .75 FTE with annual salary of \$37,898 effective September 27, 2018; update position responsibilities of Jane Hanni, Assistant Curator of Education, Mulvane Art Museum, with annual salary increased to \$40,000 effective October 1, 2018; recruit for vacant positions: Communications Specialist Supervisor, University Police, at an annual salary of \$32,240 effective September 27, 2018; Administrative Specialist, Washburn Tech, at an annual salary of \$26,998 effective September 27, 2018; Adult Education Instructor-ESL, Washburn Tech, at an annual salary of \$35,00, effective September 27, 2018; recruit for new positions: Academic Advisor, School of Applied Studies, at an annual salary of \$39,000, effective September 27, 2018; Visiting Professor, School of Business, at an annual salary of \$70,000 effective January 1, 2019; Clinic Attorney, School of Law, at an annual salary of \$75,000 effective 1, 2019.

B. Actions Items

1. Renewal of Insurance Policies

Vice President for Administration and Treasurer Jim Martin said this item deals with all things insurance other than employee health insurance. This is Vice President Martin's third time presenting this renewal since becoming vice president, and each year we have had a decline in premiums. He said Worker's Compensation insurance continues to go down, decreasing about \$12,000 in Workers Compensation, with an overall reduction of \$7,000. He gives a shout out to Dorothy Hedman. It was moved to approve renewal of the insurance policies by Regent Beck and seconded by Regent Parks. Motion passed.

2. Health Plan Renewal

Regent Klausman announced he had a conflict and left the room while the matter was considered. Vice President for Administration and Treasurer Jim Martin presented the item. He said Washburn's health insurance program is tiered based on income. The plan is self-funded with administration up to now by Blue Cross Blue Shield of Kansas (BCBSKS). We did an RFP this summer and a committee reviewed the proposals. He said competition in the bidding was good. The winning bid will provide \$300,000 in savings per year for three years. The bid locks in administrative costs for three years and stop loss for two years. BCBSKS won the bid. Vice President Martin said additional improvements and options include a \$300 waiver on labs for physicals, which had been removed from the plan last year. The new plan will introduce a new high deductible, lower premium option paired with a Washburn funded health savings plan. These additions all come with no increase in premiums to employees.

In response to a question about if the high deductible option is experimental, Vice President Martin told that experience shows claims tend to be lower from those employees. However, if no one utilizes the option, or if claims are too expensive, Washburn has the option to pull out at the end of each year.

In response to a question about most employees paying nothing, Vice President Martin responded that if an employee makes \$50,000 or less in annual salary and is single, he/she pays no premium.

In response to a question about if employees overall are treated well, Vice President Martin answered that most employees comment they are happy and because we don't pay the highest salaries, this benefit is good for attracting and retaining employees. It was moved to approve the Health plan renewal by Regent Parks and seconded by Regent Sourk. Motion passed.

Regent Klausman returned to the meeting.

3. **A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF REVENUE BONDS OF WASHBURN UNIVERSITY OF TOPEKA, SHAWNEE COUNTY, KANSAS; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH**

Vice President for Administration and Treasurer Jim Martin presented the item. He said at the July board meeting, the Board granted authority to sell bonds to finance the construction of the indoor practice facility. Financing was fast-tracked, even though construction is not scheduled until Spring 2019, because of other circumstances. In the two months since authorization, there has been a 30 basis points, or .3 %, increase in the interest rates. The sale of the bonds yielded good interest rates. The underwriter, advisor and bond counsel worked to conduct a sale on September 25. Face Value of the bonds sold was \$10,155,000. Annual all-in interest for the bonds is 3.68%. The term for the bond issuance is 20 years. There is a call provision to beginning in year eight to call the bonds at par value. Funds from the sale, pending Board approval of this item, will be released to Washburn on October 17. The bond rating was raised from A to AA because Washburn chose to insure the bonds. Final documentation for the transaction was made available this morning. The only changes since draft documents were provided to the Board last week are the financing costs and interest rate. Per the bond agreement, Washburn will invest the proceeds in a very safe return of about 2%. No restrictions were put on our business that are different than our previous bond issues.

Regent Sourk complimented Vice President Martin on communication about the transaction. Vice President Martin acknowledged Rhonda Thornburg's help in the process. It was moved to approve the agreements related to the sale of the bonds and receipt of the proceeds by Regent Sneed and seconded by Regent McGivern. Motion passed.

4. **2018 Winter Closing Schedule**

Vice President for Administration and Treasurer Jim Martin presented the item, saying that historically when Christmas Day falls on a Tuesday, the administration seeks approval that the Monday prior be declared a holiday to close Washburn and Washburn Tech except for essential personnel.

It was moved to declare December 24 a holiday by Regent Sourk and seconded by Regent Parks. Motion passed.

5. Washburn Tech Academy of Cosmetology – Student Consumable Supplies

Vice President for Administration and Treasurer Jim Martin presented the item and said typically Washburn Tech purchases supplies for each student in the program and then bills students for those costs. Historically the total cost is less than \$50,000 but because of increase in enrollment to 77 students, this transaction now requires Board approval. The bill for the supplies was due before this meeting and so it was discussed with the Board Chair who approved to go ahead and pay this cost to start classes and seek ratification from the Board. It was moved to ratify the purchase of supplies for the Cosmetology program by Regent Parks and seconded by Regent Sourk. Motion passed.

6. Mabee Library Immersive Classrooms and Math Emporium Project - #C19008

Vice President for Academic Affairs JuliAnn Mazachek presented the item and said in July the Board approved contracts for construction of these improved learning environments at Mabee library. This item is for technology and furniture to be used in these new learning spaces. Payments are made from private funds donated by people who support improved process for Mabee library.

Regent De La Isla arrived at 4:34 p.m.

In response to a question about why this is being placed in the Mabee Library, Vice President Mazachek stated that because of the hours of operation for the library, this made it most accessible to students.

In response to a question if this is the same as one of the information items below, Vice President for Administration and Treasurer Jim Martin answered that he believes it is the same but he will double check. It was moved to approve the purchase of furniture and technology by Regent Sneed and seconded by Regent Beck. Motion passed.

C. Information Item(s)

1. Freshman Residence Hall Requirement Proposal

Vice President for Student Life Eric Grospitch reported that data shows that students who live on campus retain at a higher rate and have a higher GPA than those who do not. Because of this data, combined with the increased capacity due to Lincoln Hall, the administration is proposing a freshman on-campus residency requirement. The proposal would also allow Greek living to meet the requirement, which is unique to most campus residency requirements. This is due to the history of Washburn Greek entities having good retention and grades, and because its chapters have not had the problems seen across campuses nationally.

In doing research, all MIAA conference institutions have such a requirement now, except for two institutions that do not have the on campus housing capacity to support such a requirement.

Administration will continue to look at ways to help financial needs for students to meet housing and meal plan requirements. Vice President Grospitch explained that it should help enrollment because it should increase retention of freshman students.

Vice President Grospitch explained there will be an appeal process to address issues and plan to have a broad spectrum of campus folks on appeal committee.

The proposal would only apply to full-time first time direct-from-high-school students. He said we looked at last year's numbers and based on current proposed exceptions, approximately 100 students would have required to live on campus that didn't.

People who live off campus don't tend to return and lose experiences in interacting with faculty and organizations and events, so even living at College Hill, the benefits of living on campus would be lost and so that wouldn't count as living on campus.

President Farley informed the Board this was discussed when the LLC was added 18 years ago. The Administration wanted to wait to see how the residence hall capacity would fill out before implementing this type of program. Now that the Administration knows adequate capacity for such a program exists, we are looking to move forward.

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

Regent Sneed asked when the last time the Board raised the approval limit was and said maybe it is time to raise it higher than \$50,000.

3. Washburn University Website Update

Director of Public Relations Patrick Early made a presentation on the new website.

Before adjourning the meeting, Dr. Farley advised the Board that Bill Finley had started his position as the new director of Strategic Analysis and Reporting.

It was moved to adjourn. Motion passed. The meeting adjourned at 5:03 p.m.

Marc Fried
Secretary, Board of Regents