

WASHBURN UNIVERSITY OF TOPEKA
BOARD OF REGENTS
MINUTES
June 26, 2019

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, Mr. Hoferer, Mr. Klausman, Mr. McGivern, Mrs. Parks, Mrs. Sourk and Mrs. Van Etten. Ms. De La Isla and Mr. Sneed were not present.

III. FY 2020 Public Budget – Publish Notice of Hearing

Chairperson Hoferer noted that the public budget would be presented at the July board meeting and so notice of the meeting needed to be published. It was moved by Regent McGivern and seconded by Regent Parks to approve publication of notice of the public hearing for the budget at the July board meeting. Motion passed unanimously.

IV. Approval of Minutes of the April 3, 2019 meeting

Chairperson asked if there were any changes to be made to the minutes of the April 3, 2019, board meeting. No changes were offered so the Chairperson declared the Minutes to stand as presented.

V. Election of Officers and Special Officers

Nominating Committee Chair Sourk reported the committee met and recommended that Chairperson Hoferer and Vice Chairperson Beck be nominated to serve a second year in their positions. It was moved by Regent Sourk and seconded by Regent Van Etten to elect Regent Hoferer as chairperson and Regent Beck as vice chairperson. Motion passed unanimously.

Regent Sourk then reported that the committee also recommended the following persons be elected for their stated special officer positions: Jim Martin as Treasurer, Marc Fried as Secretary and Cynthia Holthaus as Assistant Secretary. It was moved by Regent Sourk and seconded by Regent McGivern to elect these persons to their respective offices. Motion passed unanimously.

VI. Officer Reports

A. Chair's Report

There was no Chair's report.

B. President's Report

President Farley invited Vice President for Administration and Treasurer Jim Martin to introduce a couple of people, saying Washburn invests a lot in its facilities. Mr. Martin introduced Facilities Director Rich Connell who is retiring and moving to Texas, and the new Facilities Director Eric Just. He comes with a lot of project experience although not in higher ed. He will be working with Rich over next few weeks.

Dr. Farley asked Rich to stand up to be recognized.

President Farley introduced Zach Surrit and Jim Henry past president and vice president of Washburn's Student Government Association (WSGA). He said the current president and vice president are doing internships out of town. Zach said on behalf of the WSGA, they appreciate the support of the Board for student government activities. At the end of the year, WSGA makes a point to recognize those who support students having a role in shared governance. WSGA passed a unanimous resolution thanking the Board of Regents for their support. Zach read the statement of goals for the new president and vice president, including bringing more free textbooks for students; bringing in a big-name food provider on campus; and, a lounge for all students to use. Chairperson Hoferer thanked them for their help this past year.

Dr. Farley said Whitney Bergman, a May Biochemistry graduate and Sibberson award nominee, won a national graduate fellowship for \$8,500 from Phi Kappa Phi. He said she has been accepted into a PhD program at the University of Colorado.

President Farley reported more than 550 students qualified for the President's honor roll, including 48 student athletes. To qualify, a student must complete at least 12 hours of semester credit and earn a 4.0 gpa.

Dr. Farley said through generous gifts of alumni, \$110,000 was raised to purchase 200 new marching band uniforms.

President Farley said currently on campus is the 33rd annual Sunflower Music Festival. Musicians from all over the country and the world participating.

Dr. Farley said last week we held the grand opening of Washburn Tech East. Many people came out during the bad weather. Dr. Farley thanked Dean Coco for his work.

President Farley reported the School of Nursing was awarded a grant of \$2.4 million over four-year period. Focuses on preparing nurse practitioners in the rural communities.

Dr. Farley said emeriti faculty members Shirley Dinkel and Carolyn Szafran were at the meeting. He asked them stand to be recognized.

C. Committee Report(s)

1. Budget/Finance Committee

Chairperson Hoferer announced that the committee report would be deferred to the action item on the budget.

VII. New Business

A. Consent Agenda

It was moved by Regent Sourk and second by Regent Parks to approve the Consent Agenda. Motion passed unanimously.

As approved by action of the Board:

- 1. Liquidated Claims Approval – March 2019**
- 2. Liquidated Claims Approval – April 2019**
- 3. Emeriti**

bestow the title Lecturer Emerita to Mrs. Carolyn Szafran and Professor Emerita to Dr. Shirley Dinkel and Dr. Monica Scheibmeir.

B. Action Items

1. FY 2020 General Fund Budget – Washburn University and Washburn Institute of Technology

Vice President for Administration and Treasurer Jim Martin presented the budget item. A thorough conversation regarding the budget occurred at the Budget/Finance committee meeting on Monday, June 24. The proposed budget supports a 2.7% tuition increase. On the revenue side, Washburn is pleased to see support from the Governor and the legislature, awarding Washburn an increase of \$500,000. Sales tax collections are slightly off and the budget does not project them increasing next year. Tuition is the last and largest item of revenue. The Kansas Board of Regents' (KBOR) institutions didn't raise in-state tuition, but did increase out-of-state tuition and some fees, leading that some campuses will see a greater revenue increase than generated by our 2.7%. The KBOR institutions will also receive a larger increase in their State funds award and will be working on salary programs for their campuses.

On the costs side, the budget reflects reduced costs in several programs, KTWU and in health insurance costs. There is also some increase in costs in other areas, the largest being in salaries. It would take a 13.4% salary increase to meet the national benchmark for the faculty. This is the furthest behind the benchmark in 18 years. The program involves a 2% increase across the board and .5% funds available for market adjustments.

In response to a question if a tuition increase is the only way to raise salaries, Martin responded that other revenue streams are locked in, so the only variable now is tuition. The administration is working on revising some cost structures over time, but those will not have impact this year.

In response to a question about the sales tax projection, Martin stated that sales tax revenue this past year was about \$22 million but a significant amount was used to pay off existing bond debt.

In response to a question about the salary benchmark, Martin answered that at one point, Washburn was as close as 5% to the benchmark. Over the last 10 years, we have given five increases.

In response to a question about what programs does the 2.7% increase apply, Martin responded that the increase applies to all undergraduate and graduate except law, which is 1%. Additionally, Washburn Tech will have a 2.5% increase for post-secondary.

In response to a question if there was a salary increase budgeted last year that was scratched, Martin stated that there was a salary increase in last year's budget, but enrollment numbers didn't hit target so we had to cancel the raise, and instead gave all employees a one-time stipend.

Regent Beck stated although he does not like tuition increases he doesn't see any alternative as folks at Washburn are working hard and deserve a raise.

In response to a question if the budget included an increase in student fees, Martin answered that the student fees did not change, and that they are \$55 per semester. Budget Director Rhonda Thornburg noted that student fees go entirely to the students, none into the general fund.

Chairperson Hoferer invited Dr. Farley to comment. Dr. Farley commented that Washburn follows a different business model than other schools in the state. Washburn does not receive as much from the state as the state institution, but Washburn is grateful for what it receives and Washburn thanks them for that. All Washburn student fees go to students. Other institutions use a portion of their student fees to cover costs. President Farley stated he believed the tuition rate is reasonable. The Washburn business model makes Washburn very dependent on tuition but administration tries to keep any tuition increases modest. The goal is to keep tuition increases relatively consistent without high peaks and low valleys so parents can anticipate reasonably what costs will be. Additionally, Washburn provides much in the way of scholarship money through the good fundraising work of the Washburn Foundation. From 1999–2010, the administration worked to raise faculty salaries to get within 5% of benchmark, but has been falling behind each year thereafter. If Washburn does not work to bring salaries up, it will catch up with the University in trying to get good teachers to come to Washburn. Dr. Farley then urged the Board to approve the budget with 2.7% tuition increase.

Budget/Finance Committee Chairperson McGivern reported that when the committee met on Monday, by the end of the meeting, the committee did not have a quorum to vote to make a recommendation on the budget as presented just now. It was moved by Regent McGivern and seconded by Regent Van Etten to approve the budget as presented including the 2.7% tuition increase. Motion passed unanimously.

Committee Chairperson McGivern then stated it was important to get faculty salaries up.

2. Renewal of Property Insurance

Vice President for Administration and Treasurer Jim Martin presented the item. The property insurance premium will increase from \$194,000 to \$225,000. Washburn has a good loss record, but because of costs to others in 2018, i.e. KSU library, Hurricanes, wildfires and hail storms, and because Washburn is part of a consortium, the premium still increases. In response to a question about the deductible, Martin answered that the deductible for hail and wind damage is going from \$50,000 to \$300,000, and that the increase is market driven. It was moved by Regent Sourk and seconded by Regent Parks to approve the renewal of the property insurance. Motion passed unanimously.

3. Chartwells Contract Amendment 11

Vice President for Administration and Treasurer presented the item. Martin introduced Tony Hein and Steven Daab from Chartwells. Martin noted that currently the parties are under contract through 2025. The current contract has been amended ten previous times. The last included a \$3M contribution for construction of Lincoln Hall. While there have been issues in the past, their past year's performance was very good.

Two issues are driving this amendment. To help cover unanticipated costs due to lower beds filled, the agreement would extend for an additional five years. The second issue is to allow for bringing onto a campus a name brand food vendor, Chick-Fil-A. The process used to select the vendor was 3 different surveys with students and Chick-Fil-A was the big winner after the three surveys. Chartwell's advised this is consistent with the national trend. Chick-Fil-A is on over 300 campuses in the nation and they only install 30 locations per summer. Chartwells reserved Washburn a spot for 2020. Key components for the contract are that Chartwells will invest \$600,000 over the previous \$300,000 to construct the Chick-Fil-A location in the LLC. Chartwell's will also provide \$225,000 for an upgrade to the audio-visual system in Washburn A & B. Further, Washburn students on a Lincoln meal plan will be allowed to eat a specified number of meals at the Chick-Fil-A. Chartwells additionally will fund scholarships for students and will provide money for students with food insecurities. There is a liquidated damages for every day the Chick-Fil-A is not ready for fall 2020 semester. Chartwells estimates Chick-Fil-A will increase food sales over \$200,000. It was moved by Regent Parks and seconded by Regent McGivern to approve the contract amendment with Chartwells.

In response to a question about Washburn's obligation to Chartwells, Martin stated this agrees to maintain Chartwells as the exclusive food provider for 11 years, to 2030. If Washburn cancels the agreement early, Washburn would reimburse the balance of \$3 million from the earlier contribution. In response to a question about the balance, Martin answered that the balance amortizes down about \$300,000 per year for the balance. In response to a question about the \$200,000 building refresh, Martin responded that the refresh will occur in 2025. Motion passed unanimously.

4. Revised Memorandum of Understanding with Washburn University Foundation

University Counsel Marc Fried presented the item. The Washburn University Foundation Board reviewed the agreement in advance of their meetings in April. Their primary concern was due to some changes in the law relating to endowed funds. The Foundation recommended several changes to be in compliance, and upon review, Washburn made one change for their responsibility. The Washburn Foundation approved the revised agreement at their April Board meeting. It now needs this Board's approval. It was moved by Regent Sourk and seconded by Regent Van Etten to approve the revised Memorandum of Understanding with the Washburn University Foundation. Motion passed unanimously.

5. Expenditures above \$50,000

a. Computer Refresh Program

Vice President for Administration and Treasurer Jim Martin presented the item. The goal is to refresh computers at least every five years but Washburn has some computers that are eight to nine years old. A negotiated five-year lease with Core Vision allows Washburn to upgrade a significant amount of computers and to have benefit of ownership of all computers for faculty and staff. In response to a question about what will happen in five years, Martin stated that Washburn will have to come back either to purchase new computers directly or obtain another lease.

In response to a question about which computers would be replaced, Martin answered the newer ones won't get replaced. Additionally, the company will take the old computers and certify the destruction of hard drives. It was moved by Regent Sourk and seconded by Regent Van Etten to approve the computer refresh program. Motion passed unanimously.

b. Diagnostic Medical Sonography Equipment Purchase

Vice President for Administration and Treasurer Jim Martin presented the item. This will replace and upgrade a very important piece of teaching and outreach equipment. The administration has accumulated budget funds over two years to fund the replacement. It was moved by Regent Parks and seconded by Regent Klausman to approve the purchase. Motion passed unanimously.

c. Henderson 1st Floor Restrooms and Corridor Upgrade C20007 C20025

Vice President for Administration and Treasurer Jim Martin presented the item. This is for two projects at Henderson Learning Center. The projects involve replacing 1970s vintage restrooms with handicapped accessible restrooms and also replacing the central lounge area on the first floor. The projects are funded by capital funds and monies raised by the Foundation. It was moved by Regent Sourk and seconded by Regent Parks to approve the Henderson upgrade projects. Motion passed unanimously.

d. CourseLeaf Catalog Engagement

Vice President for Academic Affairs JuliAnn Mazachek presented the item. Mazachek first thanked the Board for approving the budget on behalf of faculty. Washburn is always looking to use fiscal and human resources better. This arrangement will streamline a very intensive manual process to develop the course catalog and also will make it more easily used digitally. It will also allow for integration of the Washburn Tech catalog, which cannot be done with our current system. This is approval of a three-year contract which will be subject to renewal each year. In response to a question about staff utilization, Mazachek responded it will actually use less staff time than the current system and will free them up for other projects. It was moved by Regent McGivern and seconded by Regent Beck to approve the agreement. Motion passed unanimously.

e. Softball Artificial Turf Project – Project #900285

Vice President for Administration and Treasurer Jim Martin presented the item. This is phase 3 of the Softball Field improvement project. It will replace the dirt infield and grass outfield with artificial turf. Three vendors responded and the vendor recommended has the greatest experience with this type of project. The total cost is just over \$671,000. It will be funded by \$500,000 of Foundation commitments, \$100,000 from Pavilion funds, and \$71,000 from reserves. It was moved by Regent Parks and seconded by Regent Beck to approve the softball artificial turf project. Motion passed unanimously.

6. Curriculum/Programs

a. Bachelor of Education, Biology Secondary Education

Vice President for Academic Affairs JuliAnn Mazachek presented the item. This comes from our review that began last year to update our academic programs to allow graduation at 120 hours. This is difficult for education majors because they basically work to a double major. With recent changes in State law, Washburn can now allow for a degree with 120 hours. It was moved by Regent Van Etten and seconded by Regent Sourk to approve this program. Motion passed unanimously.

b. Bachelor of Education, Mathematics Secondary Education

Vice President for Academic Affairs JuliAnn Mazachek presented the item. This program will prepare students to pass two state tests and will allow for exposure to increased pedagogy concepts. It was moved by Regent Beck and seconded by Regent McGivern to approve the program. Motion passed unanimously.

c. Bachelor of Musical Arts

Vice President for Academic Affairs JuliAnn Mazachek presented the item. This provides curricular rigor of other programs while allowing customization for interests of particular students. This type of program is not available anywhere else in the state. It was moved by Regent McGivern and seconded by Regent Beck to approve program. Motion passed unanimously.

d. Bachelor of Science, Forensic Biology

Vice President for Academic Affairs JuliAnn Mazachek presented the item. Mazachek said this Board a few years ago supported development of forensic program. This aims to be the only such accredited program in Kansas. The program does exceed 120 hours to get the degree but only because of accreditation requirements. No other accredited program can be done in 120 hours. The extra hours required will range from an additional four to seven hours. It was moved by Regent Parks and seconded by Regent Van Etten to approve the program.

In response to a question about the KBI building, Mazachek answered that labs at the KBI building will be used for this. This is the first big step for the forensic program. Dean Stephenson added that forensic biology and forensic chemistry were combined but they learned the programs needed to be separated. Regent Sourk stated she appreciates the expansion of the program. Motion passed unanimously.

e. Game Design Minor

Vice President for Academic Affairs JuliAnn Mazachek presented the item. This is a result of faculty having genuine interest and student demand for this program. Local students are interested in this as an education opportunity and also many job opportunities. This minor will be available in many programs as it is intended to be a multidisciplinary program. It was moved by Regent Van Etten and seconded by Regent Sourk to approve the program. Motion passed unanimously. Regent Van Etten commented that Topeka is losing students to the coast for this kind of program.

C. Information Item(s)

1. Class of 2018 Career Status Survey

Kent McAnally presented the Career Status Survey.

2. Public Comment: Craig Schurig

Mr. Schurig spoke on a proposal for addressing safety around campus. Schurig reached the four-minute time limit. It was moved by Regent Hoferer and seconded by Regent Sourk to extend his time by one minute. There was a substitute motion by Regent McGivern and seconded by Regent Klausman to extend his time by five minutes. The substitute motion passed unanimously. Schurig presented a written plan to the Board based on Rockhurst University.

President Farley and the Board thanked Bill Sneed. Sneed has been on the board for eight years, and served as chair for two years. He worked hard and was always prepared and knowledgeable. He has done a great job for Washburn.

It was moved and seconded to adjourn. Motion passed.

The meeting adjourned at 5:42 p.m.

/s/

Marc Fried
Secretary, Board of Regents