

Board of Regents Meeting

Kansas Room, Memorial Union

Thursday, 2/4/2021

4:00 - 6:00 PM CT

I. Call to Order

II. Roll Call

Mr. Beck
Ms. Buhler
Mr. Hoferer
Mr. Hulse
Mr. Klausman
Mr. Padilla
Mrs. Parks
Mrs. Sourk
Mrs. Van Etten

III. Approval of Minutes of Past Meeting(s)

A. Approval of the Minutes of the October 29, 2020 Meeting

October 29, 2020 Board of Regents Minutes - Page 3

IV. Officer Reports

A. Chair's Report

B. President's Report

V. New Business

A. Consent Agenda

1. Liquidated Claims Approval - October 2020 - Chris Kuwitzky

Liquidated Claims - October 2020 - Page 8

2. Liquidated Claims Approval - November 2020 - Chris Kuwitzky

Liquidated Claims - November 2020 - Page 9

3. Liquidated Claims Approval - December 2020 - Chris Kuwitzky

Liquidated Claims - December 2020 - Page 10

4. Changes to Washburn University Policy, Regulation and Procedure Manual Section E. Benefits. Personal Leave - RATIFICATION - Chris Kuwitzky

Personal Leave Item - Ratification - Page 11

Personal Leave.WUPRPM Policy E. Benefits 3 - Ratification - Page 13

Personal Leave.WUPRPM Current Version Policies E. Benefits 3 - Ratification - Page 14

5. Washburn Institute of Technology - Classroom Technology - RATIFICATION - Chris Kuwitzky

WIT Classroom Technology - Ratification - Page 16

B. Action Items

1. Academic Sabbaticals 2021-2022 - JuliAnn Mazachek

Academic Sabbaticals - Page 18

2. Resolution of Intent to Issue Bonds to Finance the School of Law Building and Refund the Series 2010, Series 2014, and a Portion of the Series 2015AB Bonds - Chris Kuwitzky

SOL Building Bond Issuance - Page 20

SOL Building Bond Resolution.Exhibit A - Page 22

SOL Bond Resolution of Intent - Page 27

3. Expenditures over \$50,000

a. TouchNet Marketplace Software - Chris Kuwitzky

TouchNet MarketPlace - Page 29

b. Benton Hall 3rd & 4th Floor HVAC Improvements - Chris Kuwitzky

Benton Hall HVAC Improvements - Page 30

c. Skill Boss Trainer Equipment - Chris Kuwitzky

Skill Boss Trainer Equipment - Page 32

d. BinaxNOW Covid-19 Testing - Eric Grospitch

BinaxNow Covid-19 Testing - Page 33

C. Information Item(s)

1. Quarterly Financial Analysis for period ended December 31, 2020 - Chris Kuwitzky

Quarterly Financial Analysis December 31, 2020 - Page 34

Quarterly Financial Analysis End 12.31.20 - Page 38

**WASHBURN UNIVERSITY OF TOPEKA
BOARD OF REGENTS
MINUTES
October 29, 2020**

I. Call to Order

Chairperson Beck 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, *Ms. Buhler, Mr. Hoferer, Mr. Hulse, Mr. Klausman, *Mrs. Parks, Mrs. Sourk and Mrs. Van Etten. Mr. Padilla did not respond.

* Present via Zoom teleconference call.

III. Approval of Minutes of the September 17, 2020 meeting

Motion by Regent Parks and second by Regent Hoferer to approve the Minutes of the September 17, 2020 meeting. Motion passed.

IV. Officer Reports

A. Chair's Report

Chairperson Beck reported he attended the reception for Mike Manning who made a generous gift to the Law school fund of \$1 million. Washburn is very appreciative of this gift.

Beck said the Indoor Athletic Facility ribbon cutting will be on November 12 and we are looking to have as many Board members present as possible. He requested invitations for the ribbon cutting be sent to former Regents Sneed and McGivern as they were instrumental in getting this facility built.

He said next week the campus is serving as a polling place for the election to help with increased involvement by students.

Beck encouraged dropping off canned food to help with local food banks during these difficult times. Normally this is part of the Emporia State football contest.

He said Washburn will be having football games this fall, although a small season of only two games.

B. President's Report

President Farley said the Office for Civil Rights of the Department of Education conducts a periodic audit of our facilities coordinated through the Kansas Board of Regents. This results from programs receiving Perkins Grant funds. He said Dr. Foster coordinated this work for Washburn.

Dr. Foster noted that Eric Just and Lynn Schofield were very helpful in addressing the findings. The audit made 17 findings, mostly lower cost items like location of toilet paper roll holders. A couple of bigger items were curb cuts for parking lot 5 and looking at adding a unisex toilet in Lee Arena. President Farley noted that while location of toilet paper holders seems small, it can be a difficult situation for someone with a disability, and so it is important to address.

Dr. Farley reported the ITS folks have expanded wifi coverage across campus so students have access in parking lots. ITS has also added laptop kiosks at three locations across campus where students can check one out if needed.

President Farley said the first event at the Indoor Athletic Facility will be a meeting of the Washburn University Foundation Trustees and Alumni board this weekend.

Some individual recognitions: Vice President for Academic Affairs Dr. JuliAnn Mazachek and staff have worked to have a ceremony recognizing graduating students for what they have accomplished. Washburn missed the opportunity to celebrate graduates in Spring 2020, so we are moving forward with recognition for Fall 2020. The event will not be called a graduation because it won't look like a traditional graduation. This recognition be over five days with each school having its own ceremony on a different day. It will be in Lee Arena with students and visitors socially distanced. Each student will be allowed to have two family members attend. Social distancing guidelines will be enforced and students and family will be required to register. The recognition events will also be streamed so others who are unable to attend may watch.

Vice President for Student Life Dr. Eric Grospitch spoke about homecoming. At Dr. Farley's request, Student Life is looking for other ways to engage students on campus. The home football game on November 7 will be the kick off of the schedule of events. There will be activities in the theatre with online interactive functions. A blood drive as well as the food drive that was mentioned by Regent Beck will be part of the activities. One unique event planned is on Friday the 13th a golf cart parade will be held on campus. Students will get two hours to decorate a golf cart and then drive around campus. The winning Top Bods candidates will be crowned at the end of the parade.

President Farley added that the Student Life staff has been working hard to make the semester a good experience for students on campus. Dr. Farley also noted that the Alumni Association hosted an online event last Thursday starring a stand-up comedian, Nicole Burch, who is an alum of Washburn.

Athletic Director Loren Ferre announced that the football home opener, and only home game, will be 3:00 p.m. on November 7 versus NW Missouri State. The game will be more like a scrimmage, with 1st string playing 1st half, and then both teams will use back-ups in 2nd half. Both teams and staffs will be tested on Wednesday per NCAA protocols. 1,700 tickets were available overall and are almost sold out. The game will be streamed online through the conference streaming channel. Concessions will be available but with a limited number of pre-packaged items. No cash will be accepted. Food drive donations will be requested as folks enter the game.

Washburn University President Marshall Meek spoke about alumni. Meek mentioned the large gift from Mike Manning which brings to a close the fundraising program for the law school project. Meek stated that a year ago, the project had raised \$10 million. In the last year, the project received an additional \$4.2 million in donations, and over 1,400 donors contributed to the project. Meek stated he is looking forward to groundbreaking around next May. Dr. Farley commented that the Foundation has done a great job in raising money for this project.

Chairman Beck stated his thanks for the presentations by staff and thanked them for all they do for Washburn.

C. Committee Report(s)

1. Audit Committee

Committee Chair Regent Sourk presented. The committee has met twice since the last meeting. Items from the October 19 meeting will be addressed in the Executive Session. Other items will be addressed in the Action Item later in the meeting.

V. New Business

A. Consent Agenda

Motion by Regent Sourk and second by Regent Hoferer to approve the Consent Agenda. Motion passed.

As approved by action of the Board:

- 1. Liquidated Claims Approval – August 2020**
- 2. Liquidated Claims Approval – September 2020**

B. Action Items

1. Fiscal Year 2020 External Audit Report

Vice President for Administration and Treasurer Chris Kuwitzky presented the item. Kuwitzky said the auditors presented to the committee at its meeting

prior to the Board meeting and will give an abbreviated statement at this meeting.

Regent Hulse leaves the meeting at 4:32 p.m..

Auditor Kaleb Lilly reported they are substantially done with the field audit and do not expect any changes from the draft report. One change from prior years is that a single audit report will be provided separately from the financial statement audit because there is no guidance yet on auditing CARES Act funds. There are two notes that have been discussed with management. The auditors expect to issue a clean report on both reports. If something changes in CARES Act reports, the auditors will come back to the Board.

Associate Vice President for Finance Luther Lee presented on Washburn's financial position. Even with changes from COVID-19, Washburn finished in a positive financial position. Washburn had slightly less revenue in 2020 than in 2019, but also had fewer expenses. There was an increase in Cash and Cash Equivalents, mostly due to an increase in collection of past years' receivables by the Foundation. Capital assets increased, primarily due to the construction in process of the Indoor Athletic Facility. Debt service coverage ratio was at 2.9. The goal is to be at 2.0 or above. Total revenues were down by 2% from FY'19 but expenses were down 3% compared to FY'19. Employee expenses were 64% of total budget for FY'20. Total net revenues of \$4.1 million for FY'20, which is comparable to result in FY'19.

It was moved by Regent Klausman and seconded by Regent Sourk to receive the report. Motion passed.

2. WUPRPM Policy Revision – Section E. Benefits

Vice President for Administration and Treasurer Chris Kuwitzky presented the item. The Administration recently took a fresh look at the benefits section to see if Washburn is comparable to other institutions for recruiting and maintaining employees. One issue that arose was that Washburn offers one less holiday. Kuwitzky said this item proposes to revise the holiday schedule to add December 24 as a permanent standing holiday. It was moved by Regent Hoferer and seconded by Regent Van Etten to approve the holiday schedule. Motion passed.

3. Softball Complex – Field Lighting Improvements

Vice President for Administration and Treasurer Chris Kuwitzky presented the item. He said significant improvements have been made to the softball field, so Washburn then explored lighting for the field. Washburn engaged architects and engineers to assess the situation. An RFP was advertised for lighting work. The lowest and best bidder is Torgenson Electric. The cost of this project is funded mostly by private donation with the balance funded by reserves.

President Farley advised the Board that in the agenda item they will notice there is a donor who has been a major contributor to all of the softball field improvements, including the lighting, and so this item also includes a recommendation to recognize Bill and Emilie Gahnstrom for their generosity by naming the field Gahnstrom Field. It was moved by Regent Hoferer and seconded by Regent Van Etten to approve the contract for lighting and naming the facility softball facility Gahnstrom Field. Motion passed.

4. Music Recital Hall

Vice President for Administration and Treasurer Chris Kuwitzky presented the item. Kutwitzky reported the project has been resized and the cost is now at \$6.5 million. Private donations will cover the \$6.5 million. He said Washburn is looking to engage Schwerdt Design Group to do architectural documents for the project.

Vice President for Academic Affairs JuliAnn Mazachek stated that this is another example of a project that has been around for a long time, having first been discussed in 2008. Dr. Mazachek added that the environment in which students perform has a significant impact on their performance.

Dr. Craig Treinan, chair of music department stated that he is very excited about this project. The recital hall allows for a more personal environment for the performers. As planned, it will also allow for streaming of performances and recording of events. Dr. Treinan sees this facility as an opportunity to bring in guest performers to perform who would not want to perform in the larger White Concert Hall, creating opportunities for the students. As a musician, Dr. Treinan appreciates the ability for the audience and the performer to interact in a more personal way.

It was moved by Regent Buhler and seconded by Regent Hoferer to approve the recital hall project. Motion passed.

VI. Executive Session

It was moved by Regent Klausman and seconded by Regent Sourk to go into executive session to receive legal advice until 5:15 p.m. Motion passed. The meeting recessed for the Board to go into executive session.

Executive session adjourned 5:14 p.m. and the regular meeting re-opened at 5:17 p.m.

It was moved by Regent Van Etten and seconded by Regent Hoferer to adjourn.

The meeting adjourned 5:17 p.m.

/s/

Marc Fried
Secretary, Board of Regents

**Agenda Item No.
Washburn University Board of Regents**

SUBJECT: Liquidated Claims Approval – October 2020

DESCRIPTION: Listed below is a summary by fund of all claims processed during the month of October 2020.

To the best of my knowledge and belief, I certify that the liquidated claims submitted in this transmittal are in compliance with all applicable laws and University policies.

Chris Kuwitzky, Vice President for Administration & Treasurer

WASHBURN UNIVERSITY		
Fund #	Fund Name	Total Claims
1.	General Fund	\$3,176,841
2.	Debt Retirement & Construction Fund	-0-
3.	Building and Construction Fund	1,765,065
4.	Endowment Fund	-0-
5.	Student Loan Fund	-0-
7.	Tort Claim Fund	376,506
8.	Restricted and Agency Fund	387,253
9.	Plant Fund	-0-
10.	Smoothing Fund	-0-
12.	Capital Improvement	-0-
13.	Government and Research Fund	50,281
	Sub-Total	5,755,946
	Payroll	2,834,044
	Payroll Withholding ACH Transactions	2,106,179
	Total	\$10,696,169

WASHBURN INSTITUTE OF TECHNOLOGY		
1.	General Fund	\$283,955
3.	Building and Construction Fund	1,916
5.	Student Loan Fund	-0-
8.	Restricted and Agency Fund	1,496
13.	Government and Research Fund	49,450
	Sub-Total	336,817
	Payroll	337,867
	Payroll Withholding ACH Transactions	101,478
	Total	\$776,162

Date

Jerry B. Farley, President

**Agenda Item No.
Washburn University Board of Regents**

SUBJECT: Liquidated Claims Approval – November 2020

DESCRIPTION: Listed below is a summary by fund of all claims processed during the month of November 2020.

To the best of my knowledge and belief, I certify that the liquidated claims submitted in this transmittal are in compliance with all applicable laws and University policies.

Chris Kuwitzky, Vice President for Administration & Treasurer

WASHBURN UNIVERSITY		
Fund #	Fund Name	Total Claims
1.	General Fund	\$1,428,314
2.	Debt Retirement & Construction Fund	-0-
3.	Building and Construction Fund	1,240,597
4.	Endowment Fund	-0-
5.	Student Loan Fund	1,000
7.	Tort Claim Fund	1,656
8.	Restricted and Agency Fund	98,350
9.	Plant Fund	-0-
10.	Smoothing Fund	-0-
12.	Capital Improvement	-0-
13.	Government and Research Fund	122,447
	Sub-Total	2,892,364
	Payroll	2,849,998
	Payroll Withholding ACH Transactions	1,626,646
	Total	\$7,369,008

WASHBURN INSTITUTE OF TECHNOLOGY		
1.	General Fund	\$112,065
3.	Building and Construction Fund	-0-
5.	Student Loan Fund	-0-
8.	Restricted and Agency Fund	1,046
13.	Government and Research Fund	6,750
	Sub-Total	119,861
	Payroll	352,450
	Payroll Withholding ACH Transactions	105,063
	Total	\$577,374

Date

Jerry B. Farley, President

**Agenda Item No.
Washburn University Board of Regents**

SUBJECT: Liquidated Claims Approval – December 2020

DESCRIPTION: Listed below is a summary by fund of all claims processed during the month of December 2020.

To the best of my knowledge and belief, I certify that the liquidated claims submitted in this transmittal are in compliance with all applicable laws and University policies.

Chris Kuwitzky, Vice President for Administration & Treasurer

WASHBURN UNIVERSITY		
Fund #	Fund Name	Total Claims
1.	General Fund	\$3,132,145
2.	Debt Retirement & Construction Fund	-0-
3.	Building and Construction Fund	985,924
4.	Endowment Fund	-0-
5.	Student Loan Fund	-0-
7.	Tort Claim Fund	2,017
8.	Restricted and Agency Fund	242,877
9.	Plant Fund	-0-
10.	Smoothing Fund	-0-
12.	Capital Improvement	-0-
13.	Government and Research Fund	83,161
	Sub-Total	4,446,124
	Payroll	3,061,948
	Payroll Withholding ACH Transactions	2,917,813
	Total	\$10,425,885

WASHBURN INSTITUTE OF TECHNOLOGY		
1.	General Fund	\$219,103
3.	Building and Construction Fund	106,941
5.	Student Loan Fund	-0-
8.	Restricted and Agency Fund	9,836
13.	Government and Research Fund	14,688
	Sub-Total	350,568
	Payroll	374,568
	Payroll Withholding ACH Transactions	186,207
	Total	\$911,343

Date

Jerry B. Farley, President

Agenda Item No. V. A. 4.
Washburn University Board of Regents

SUBJECT: Changes to Washburn University Policy, Regulation and Procedure Manual, Section E. Benefits. Personal Leave

DESCRIPTION:

Eligible employees earn a designated number of personal leave hours each pay period. Our current policy sets out guidelines for personal leave accrual based upon categories of employees and years of service. Upon review of this benefit, we compared our accrual rates with other Kansas Board of Regents schools and the State of Kansas. We determined that it would be beneficial to update the accrual rates and categories for how full-time employees earn personal leave.

We recommend removing the sections describing these accrual rates and how personal leave is earned, generally, from the policy. That language is also listed in the regulations and procedures section of the Washburn University Policy, Regulation, and Procedures Manual (WUPRPM). Making this change aligns with our ongoing efforts to streamline the WUPRPM by eliminating redundancy. The effective date for these revisions will be January 1, 2021.

In the regulations and procedures, once this policy change is approved, we anticipate simplifying the groups of employees and the years of service. Making these changes will enable us to be more competitive when recruiting and retaining employees. As the workforce has changed over time the amount of personal leave available each year has become more important when recruiting and retaining employees. In the past, accruing greater amounts of personal leave was seen primarily as a benefit in retaining employees; that is no longer true.

FINANCIAL IMPLICATIONS:

None.

The Board Chair was contacted and approved the policy change effective January 1, 2021. The Chair of the Board has authority to approve policy changes and seek ratification by the Board of Regents.

RECOMMENDATION:

President Farley recommends the Board of Regents ratify Chairmen Beck's approval of the amendments to Section E. of the WUPRPM, effective January 1, 2021.

Date

Jerry B. Farley, President

WUPRPM. Board Policies

E. Benefits

Revision Date: January 1, 2021

3. Personal Leave. The Administration shall develop and maintain regulations and procedures providing for a paid personal leave accrual program.

3.1 Eligible Employees. Employees eligible to receive paid personal leave are those who are:

- Employed in a position authorized to work 0.5 or greater FTE and who are not teaching faculty; or,
- Faculty rank and twelve month contracts of 0.5 or greater FTE.

3.1.1 Temporary, seasonal, and Student Employees are not eligible.

3.2 Personal leave accrual for Non-Exempt employees is based on hours worked up to a maximum of 80 hours per pay period. Personal Leave accrual for Exempt employees is based on authorized hours of work per pay period. Accruals will be prorated if total hours worked are less than the pay maximum.

3.2.1 Pay Upon Employment Termination. Payment for accrued personal leave is made to persons whose employment ends.

3. Personal Leave. The Administration shall develop and maintain regulations and procedures providing for a paid personal leave accrual program.

3.1 Eligible Employees. Employees eligible to receive paid personal leave are those who have:

- Are employed in a position authorized to work .5 or greater FTE and who are not teaching faculty; or,
- Faculty rank and twelve month contracts of .5 or greater FTE.

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3.2.1 Pay Upon Employment Termination. Payment for accrued personal leave is made to persons whose employment ends.

WUPRPM Policies

E. Benefits

Current:

3. Personal Leave. The Administration shall develop and maintain regulations and procedures providing for a paid personal leave accrual program.

3.1 Eligible Employees. Employees eligible to receive paid personal leave are those who have:

- Are employed in a position authorized to work .5 or greater FTE and who are not teaching faculty; or,
- Faculty rank and twelve month contracts of .5 or greater FTE.

3.1.1 Temporary, seasonal, and Student Employees are not eligible.

3.2 Pay Upon Employment Termination. Payment for accrued personal leave is made to persons whose employment ends.

3.3 Earning Personal Leave. Full-time eligible Employees earn personal leave as described below.

3.3.1 Years of service for personal leave purposes shall include all previous years of service in a benefits eligible status whether or not employment has been continuous.

3.3.2 Tier I:

Years of Service	Earned Per Year	Maximum Accrual
Less than 15	168 Hours	208 Hours
15 or more	192 Hours	232 Hours

3.3.3 Tier II:

Years of Service	Earned Per Year	Maximum Accrual
Less than 10	144 Hours	184 Hours
Less than 15	168 Hours	208 Hours
15 or more	192 Hours	232 Hours

3.3.4 Tier III:

Years of Service	Earned Per Year	Maximum Accrual
Less than 5	120 Hours	160 Hours
Less than 10	144 Hours	184 Hours
Less than 15	168 Hours	208 Hours
15 or more	192 Hours	232 Hours

3.3.5 Personal leave accrual for Non-Exempt employees is based on hours worked up to a maximum of 80 hours per pay period. Personal Leave accrual for Exempt employees is

based on authorized hours of work per pay period. Accruals will be prorated if total hours worked are less than the pay maximum.

3.4 Part-time Employees. These Employees earn paid personal leave on a prorated basis.

Agenda Item No. V. A. 5.
Washburn University Board of Regents

SUBJECT: Washburn Institute of Technology – Classroom Technology Ratification

DESCRIPTION:

In order to comply with local health department regulations for safety during the COVID-19 pandemic, along with accreditation agency requirements for clinical and classroom instruction, Washburn Institute of Technology (Tech) has reallocated classroom space to accommodate healthcare students who will enter the workforce as LPNs and CNAs upon successful completion of program requirements.

Students are required to log into online classes and exam sites to complete instruction; since these meeting areas did not previously include this technology, it is important to procure the necessary laptops, carts, and monitors to facilitate instruction.

Information Technology Services is seeking approval to purchase seventy-two Lenovo ThinkPads, along with computer docking stations, charging carts, and related peripherals.

Description	Quantity	Cost
Laptop PC	72	\$60,245
Docking Stations	4	621
Charging Carts	3	6,794
75” Televisions	6	9,775
Flat Panel TV Cart	6	<u>2,981</u>
Total		<u>\$80,416</u>

The purchase will be awarded to CDWG utilizing a University of Kansas Board of Regents contract.

FINANCIAL IMPLICATIONS:

The Board Chair was contacted and approved the acquisition to help ensure the timely installation of classroom technology equipment prior to the beginning of the Spring 2021 semester. The Chair of the Board has authority to approve such purchases and seeks ratification by the Board of Regents.

An expenditure of \$80,416 from Cares Act Institutional funds allocated to Tech.

RECOMMENDATION:

President Farley recommends the Board of Regents ratify Chair Beck's approval of the purchase of classroom technology equipment and peripherals from CDWG in the amount of \$80,416.

Date

Jerry B. Farley, President

Agenda Item No. V. B. 1.
Washburn University Board of Regents

SUBJECT: Academic Sabbaticals 2021-2022

DESCRIPTION:

The Vice President for Academic Affairs and the Academic Sabbatical Committee solicit and review proposals from faculty for Academic Sabbaticals. The following individuals are recommended for Academic Sabbaticals in the 2021-2022 academic year with the listed semester:

FACULTY	DEPARTMENT	SEMESTER
Kara Kendall-Morwick	English	Fall 2021 & Spring 2022
Maria Stover	Mass Media	Fall 2021
Linsey Moddelmog	Political Science	Fall 2021 & Spring 2022
Sangyoub Park	Sociology & Anthropology	Fall 2021

The maximum number of sabbaticals granted in a particular year shall be equal to 4% of the full-time eligible faculty, excluding the Law faculty.

These recommendations are based on the quality of the projects as reflected in their individual proposals. The proposed projects are of value to the applicants' discipline, and will enable them to produce or make substantial progress toward producing significant scholarly work or will substantially enhance their teaching effectiveness by increasing their body of knowledge or skills.

There were four applications for academic sabbatical, and four were recommended. Washburn University typically awards six to nine sabbaticals annually.

Sabbatical Eligibility/Frequency/Terms

Only full-time faculty members who have been considered full-time teaching faculty at Washburn University for at least the six years preceding the date of application shall be considered eligible. A faculty member who receives a leave becomes eligible every seventh year of full-time teaching. A faculty member taking an Academic Sabbatical Leave shall have a leave for one semester at full pay or choose to have a leave for a full year at one-half pay of the salary budgeted for his/her position for the academic year of the sabbatical.

Grants normally will be made only if no full-time faculty replacement is required. To support the leave, course offerings may be reduced, delayed, or assigned to other members of the academic unit with their consent for one semester.

RECOMMENDATION:

President Jerry B. Farley recommends that the Washburn Board of Regents approve offering Academic Sabbaticals for the 2021-2022 academic year to the above individuals.

Date

Jerry B. Farley, President

Agenda Item No. V. B. 2.
Washburn University Board of Regents

SUBJECT: Resolution of Intent to Issue Bonds to Finance the School of Law Building and Refund the Series 2010, Series 2014, and a Portion of the Series 2015AB Bonds

DESCRIPTION:

At its December 2019 meeting, the Board of Regents authorized Stantec, project architect, to proceed through schematic design of the new School of Law building. At its July 2020 meeting, the Board of Regents authorized Stantec to proceed pursuant to its professional services agreement and fee proposal, which includes design development and construction document phases. The School of Law building project anticipates the issuance of bonds sufficient to provide net funds of \$10,000,000.

At its June 2020 meeting, the Board of Regents authorized the University's administration to engage an independent financial advisor to explore refinancing the Revenue Bonds Series 2015 principal maturities due on July 1, 2021 (\$820,000), July 1, 2022 (\$930,000), and July 1, 2023 (\$990,000). The goals of doing so were to identify near-term budgetary savings and to level debt service over the remaining term of the original bonds. Hilltop Securities Inc. ("Financial Advisor") was selected to provide financial advisory services for this effort, as well as the bonds anticipated to support the School of Law building project.

During the course of evaluating financing options for the above described projects, the University administration, Hilltop Securities, and Gilmore & Bell, P.C. ("Bond Counsel") also explored the potential refunding of the Refunding Revenue Bonds Series 2010 and Refunding Revenue Bonds Series 2014. The goals of doing so were to identify potential savings and to refine the underlying security pledge to provide future financing flexibility.

Issuing bonds for any or all of the projects referenced herein is initiated by adoption of a Resolution of Intent (attached) prepared by Gilmore & Bell, P.C. and approved as to form by University counsel. The Resolution declares an intent to proceed with the bond financing and authorizes the University administration, Hilltop Securities, and Gilmore & Bell to proceed with preparation of bond sale materials and selection of other professional service providers.

FINANCIAL IMPLICATIONS:

Interest rates, bond maturities, bond structure, and annual debt service will be determined at the time the bonds are sold. The all-in total interest cost (AIC) by issue, as estimated by Hilltop Securities based on current market conditions, are as follows:

Series 2021 New Money (School of Law) 2.55% AIC and estimated Maximum Annual Debt Service of \$644,050 for 20-years

Sales tax revenues are sufficient to fund debt service.

Series 2015A Taxable Refunding 3.63% AIC and estimated NPV savings of (\$75,623)
Series 2015B Refunding 2.91% AIC and estimated NPV savings of (\$29,023)

As more fully presented in the attached aggregate cash flow comparison, the proposed refunding would result in near-term budgetary savings for Residential Living and Business and Auxiliary Services during Fiscal Years 2021-2023 of approximately \$2.67 million. Doing so would result in increased debt service over the remaining term of the original Bonds of approximately \$1.7 million and \$105,000, respectively, on a gross and present value basis.

Series 2010 Refunding 1.37% AIC and estimated NPV savings of \$60,435
Series 2014 Taxable Refunding 2.34% AIC and estimated NPV savings of \$62,011

Refunding the Series 2010 and Series 2014 Bonds refines the underlying securing pledge, maximizes the University's ability to issue tax-backed bonds in support of future academic projects, and results in estimated gross and present value savings of \$279,000 and \$122,000, respectively. Savings accrue to the benefit of Residential Living, Business and Auxiliary Services, and the Debt Retirement and Construction Fund.

RECOMMENDATION:

Dr. Farley recommends approval to issue the aforementioned bonds and the adoption of the attached Resolution.

Date

Jerry B. Farley, President

RESOLUTION

**RESOLUTION DECLARING AN INTENT FOR WASHBURN
UNIVERSITY TO ISSUE REVENUE BONDS.**

WHEREAS, Washburn University of Topeka, Shawnee County, Kansas (the “University”) is a municipal university, duly created, organized and existing under the laws of the State of Kansas; and

WHEREAS, the University is authorized by K.S.A. 13-13a03, *et seq.*, as amended and supplemented (the “Municipal University Act”), to issue bonds of the University for the purpose of acquiring real estate, erecting buildings or additions to present buildings and the purchase of equipment for such buildings and for refunding any indebtedness of the University, provided that the aggregate amount of such bonds outstanding at any one time shall not exceed two percent of the assessed valuation of the taxable tangible property within the corporate limits of the city in which the University is located; and

WHEREAS, the University is authorized to pledge proceeds received by the University from the limited ad valorem property tax levy and limited retailers’ sales taxes authorized pursuant to the Municipal University Act to the payment of the principal of and interest on such bonds; and

WHEREAS, the University is also authorized by K.S.A. 76-6a13, *et seq.*, as amended and supplemented (the “Revenue Bond Act”), to issue revenue bonds of the University for the purpose of paying the costs of the acquisition, construction, equipping and furnishing of dormitories, kitchens, dining halls, student union buildings, field houses, student hospitals, libraries, on-campus parking or additions thereto; and

WHEREAS, the University is also authorized by the Revenue Bond Act to issue revenue bonds of the University for the purpose of refunding previously issued and outstanding revenue bonds; and

WHEREAS, the University is authorized to pledge either the gross or the net income and revenues from such buildings to the payment of the principal of and interest on such revenue bonds; and

WHEREAS, the Board of Regents (the “Board”) of the University hereby finds and determines it to be necessary and advisable for the University to authorize the issuance and delivery of its revenue bonds, in one or more series, for the purpose of: (a) financing a portion of the costs of the acquisition, construction, equipping and furnishing of a new law school facility (the “Project”); and (b) refunding one or more series of previously issued and outstanding revenue bonds of the University (collectively, the “Refunded Bonds”); and

WHEREAS, the University has heretofore selected Hilltop Securities Inc., Dallas, Texas (the “Financial Advisor”) as the University’s financial advisor in connection with the issuance of such revenue bonds; and

WHEREAS, the University has also heretofore selected Gilmore & Bell, P.C., Wichita, Kansas (“Bond Counsel”), as bond counsel in connection with the issuance of such revenue bonds; and

WHEREAS, in accordance with the financial plan prepared by the University Vice President for Administration and Treasurer and the Financial Advisor and presented to the Board this date, the revenue bonds shall be issued in one or more series in the principal amount of not to exceed: (a) \$10,000,000 under the authority of the Municipal University Act to fund a portion of the costs of the Project, plus reserves, capitalized interest, associated financing costs and adjustments for original issue discount or premium; plus (b) an amount necessary under the Revenue Bond Act to refund the Refunded Bonds, plus reserves, capitalized interest, associated financing costs and adjustments for original issue discount or premium (collectively, the “Series 2021 Bonds”); and

WHEREAS, the Board desires to authorize the University Vice President for Administration and Treasurer, Financial Advisor and Bond Counsel, in consultation with the University President, to proceed with determining the method of sale of the 2021 Bonds, the selection of other professional service providers, the preparation of necessary documents and other matters necessary to prepare the Series 2021 Bonds for sale, subject to final approval by the Board at a later meeting of the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF WASHBURN UNIVERSITY OF TOPEKA AS FOLLOWS:

Section 1. Declaration of Intent. The Board hereby declares an intent to proceed with the issuance of the Series 2021 Bonds, the proceeds of which will be applied in accordance with the statements set forth in the preamble to this Resolution; provided that the aggregate principal amount of the Series 2021 Bonds shall not exceed \$22,500,000. The University, pursuant to the requirements of the Revenue Bond Act, is hereby authorized and directed to publish a Notice of Intent to Issue Revenue Bonds one time in the *Kansas Register*, in substantially the form attached hereto as *Exhibit A*.

Section 2. Reimbursement. The Series 2021 Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation § 1.150-2.

Section 3. Further Action. The Chair, Secretary, the President and other officers and representatives of the University, the Financial Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the intent of this Resolution.

Section 4. Effective Date. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED by the Board of Regents of Washburn University of Topeka, Shawnee County, Kansas on February 4, 2021.

(SEAL)

ATTEST:

Chair

Secretary

EXHIBIT A

(Published in the *Kansas Register* February 18, 2021)

**WASHBURN UNIVERSITY OF TOPEKA BOARD OF REGENTS
NOTICE OF INTENT TO ISSUE REVENUE BONDS**

Notice is hereby given to all persons interested that the Board of Regents of Washburn University of Topeka (the “Board”) has on February 4, 2021, duly adopted a resolution by which it has determined an intent to issue revenue bonds under the authority of K.S.A. 76-6a13 *et seq.*, as amended in one or more series in the principal amount necessary to refund one or more series of previously issued and outstanding revenue bonds of the University (collectively, the “Refunded Bonds”), plus reserves, capitalized interest, associated financing costs and adjustments for original issue discount or premium (collectively, the “Bonds”); provided that the aggregate principal amount of the Bonds shall not exceed \$12,500,000.

Unless an action to contest the legality of the proposed Bonds shall be filed in a court of law within 30 days from February 18, 2021, being the date of publication of this notice in the *Kansas Register*, the right to contest the legality of any Bond issued in compliance with the proceedings taken by the Board prior to the date of such publication and the right to contest the validity of such proceedings shall cease to exist and no court shall thereafter have authority in inquire into such matters.

After the expiration of said 30 days, no one shall have any right to commence an action contesting the validity of the Bonds or the provisions of such proceedings and all such Bonds shall be conclusively presumed to be legal, and no court thereafter shall have authority to inquire into such matters.

Dated: February 4, 2021

The Board of Regents of Washburn University of Topeka
By: Marc Fried, Secretary

Washburn University

Proposed Aggregate Cash Flows post Series 2021 Issuance

New Money for School of Law Plus Refunding 2021-2023 Principal Maturities of Series 2015AB Bonds, Series 2010 Bonds, and Series 2014 Bonds

Period End (7/1)	Existing Debt Service	PLUS:	LESS:	PLUS:	LESS:	PLUS:	Proposed Debt Service	Net Cash Flows
		New Money Bonds (School of Law)	Series 2015AB Refunded Bonds	Series 2015AB Refunding Bonds	Series 2010 and Series 2014 Refunded Bonds	Series 2010 and Series 2014 Refunding Bonds		
2021	\$ 4,372,746	\$ -	\$ 870,819	\$ 15,841	\$ 1,786,138	\$ 1,781,940	\$ 3,513,570	\$ 859,176
2022	4,454,046	334,350	1,000,038	101,837	1,921,576	1,886,961	3,855,579	598,467
2023	3,687,651	639,350	1,023,223	101,837	1,132,596	1,095,417	3,368,435	319,215
2024	3,165,213	643,250	-	101,837	604,581	570,173	3,875,891	(710,678)
2025	3,159,550	643,800	-	101,837	603,656	568,850	3,870,381	(710,831)
2026	3,172,030	644,050	-	101,837	610,981	579,600	3,886,536	(714,506)
2027	3,175,769	644,000	-	101,837	615,081	579,600	3,886,125	(710,356)
2028	3,176,806	640,200	-	101,837	618,081	584,000	3,884,762	(707,956)
2029	3,174,498	641,000	-	101,837	615,081	582,400	3,884,654	(710,156)
2030	2,552,593	641,200	-	101,837	-	-	3,295,630	(743,037)
2031	2,553,507	640,800	-	101,837	-	-	3,296,144	(742,637)
2032	2,559,299	639,800	-	101,837	-	-	3,300,936	(741,637)
2033	2,556,975	643,200	-	101,837	-	-	3,302,012	(745,037)
2034	2,560,273	640,800	-	101,837	-	-	3,302,910	(742,637)
2035	2,560,157	642,800	-	101,837	-	-	3,304,794	(744,637)
2036	2,100,863	644,000	-	521,837	-	-	3,266,700	(1,165,837)
2037	2,103,050	639,400	-	521,434	-	-	3,263,884	(1,160,834)
2038	2,097,500	639,200	-	525,479	-	-	3,262,179	(1,164,679)
2039	1,389,400	643,200	-	528,774	-	-	2,561,374	(1,171,974)
2040	1,390,000	641,200	-	526,342	-	-	2,557,542	(1,167,542)
2041	1,393,600	643,400	-	518,359	-	-	2,555,359	(1,161,759)
2042	-	639,600	-	-	-	-	639,600	(639,600)
Total	\$ 57,355,526	\$ 13,168,600	\$ 2,894,079	\$ 4,583,782	\$ 8,507,773	\$ 8,228,939	\$ 71,934,995	\$ (14,579,469)

Washburn University
Proposed Aggregate Cash Flows post Series 2021 Issuance
Refunding 2021-2023 Principal Maturities of Series 2015AB Bonds

Period End (7/1)	Existing Debt Service	Proposed Debt Service	Net Cash Flows
2021	\$ 1,283,685	\$ 428,707	\$ 854,978
2022	1,825,770	927,569	898,201
2023	1,848,955	927,569	921,386
2024	1,850,732	1,952,569	(101,837)
2025	1,847,994	1,949,831	(101,837)
2026	1,850,749	1,952,586	(101,837)
2027	1,853,788	1,955,625	(101,837)
2028	1,851,075	1,952,912	(101,837)
2029	1,851,467	1,953,304	(101,837)
2030	1,844,793	1,946,630	(101,837)
2031	1,846,307	1,948,144	(101,837)
2032	1,849,486	1,951,323	(101,837)
2033	1,850,200	1,952,037	(101,837)
2034	1,853,448	1,955,285	(101,837)
2035	1,853,982	1,955,819	(101,837)
2036	1,391,800	1,913,637	(521,837)
2037	1,392,800	1,914,234	(521,434)
2038	1,392,000	1,917,479	(525,479)
2039	1,389,400	1,918,174	(528,774)
2040	1,390,000	1,916,342	(526,342)
2041	1,393,600	1,911,959	(518,359)
2042	-	-	-
Total	\$ 35,512,030	\$ 37,201,733	\$ (1,689,703)

Agenda Item No. V. B. 3. a.
Washburn University Board of Regents

SUBJECT: TouchNet Marketplace Software

DESCRIPTION:

Pursuant to the Fiscal Year 2021 capital project funding plan approved at the April 2020 Board of Regents meeting, the University is pursuing an upgrade to its online credit card processing software. The desired upgrade will allow for online, e-commerce storefronts for all university departments and the acceptance of credit card payments from students and other customers in a consistent, safe, and secure environment. It will serve as an important first step in improving our software and systems that we have in place and will set the stage for future enhancements in our credit card environment. Future initiatives include updating our point of sale credit card machines and evaluation of Payment Card Industry Data Security Standards (PCI-DSS). The software and future initiatives will enable us to maintain compliance with industry standards and better protect cardholder data.

The Business Office and Information Technology Services have identified TouchNet as the vendor best suited to provide the needed software, installation, and annual maintenance subscription. The University has recent and favorable experience with TouchNet and currently utilizes their systems for processing credit card transactions, so it is compatibility with existing software and systems. The Business Office staff is comfortable and familiar with the operating system and protocols for TouchNet products. Another important component is that information processed through TouchNet integrates directly with our Ellucian Banner ERP system.

FINANCIAL IMPLICATIONS:

Funding for the software and installation in the amount of \$32,238 was approved by the Board of Regents at their April 2020 meeting.

Funding for the Annual Application Subscription Program in the amount of \$68,400 will be provided for in the General Fund Operating budget.

RECOMMENDATION:

President Farley recommends the Board of Regents approve the purchase and installation of the TouchNet Marketplace credit card software in the amount of \$32,238 and the associated annual subscription in the amount of \$68,400.

Date

Jerry B. Farley, President

Agenda Item No. V. B. 3. b.
Washburn University Board of Regents

SUBJECT: Benton Hall 3rd & 4th Floor HVAC Improvements

DESCRIPTION:

In recent years, Benton Hall has struggled with high humidity on the third and fourth floors during the summer and fall seasons. This issue is primarily due to the age of the building and the HVAC configuration on those floors, which consists of individual Packaged Terminal Air Conditioner (PTAC) units located in each room, similar to a hotel. These units condition the air in each room with cooling or heating functions, but are not capable of creating sufficient air flow throughout the floor. The hallways and stairwells are not cooled in the current configuration, creating areas of warm, moist air outside each office and classroom. Facilities Services has purchased a portable dehumidifier for each third and fourth floor room to manage the humidity. This has been a successful temporary strategy, but creates additional work to manage water collection in the dehumidifiers and increases energy usage.

Facilities engaged Bartlett & West to perform a study of the building to determine potential improvements to the building to minimize humidity and improve overall air quality. Bartlett & West provided several options for consideration. Facilities recommends moving forward with the following: replace existing PTAC units with ones that provide active dehumidification, add cooling units in the hallways and stairwells, and seal any outside air infiltration. Efforts to seal any outside air infiltration has been performed by the Facilities' staff. A separate RFP was published for the hallway and stairwell cooling systems, with SAMCO being the successful bidder at a cost of \$25,803. The purchase and installation of forty-five (45) PTAC units is the final step.

Requests for quotations of the PTAC units were published by the Purchasing Department on January 4. The following vendors received requests and submitted quotes:

<u>PTAC BIDDER</u>	<u>BASE BID</u>
Ferguson	\$57,939.93
Allied Appliance	\$57,344.95

FINANCIAL IMPLICATIONS:

Allied Appliance provided the lowest cost and can meet the terms and conditions that have been identified in the contract documents for the supply of PTAC units. The total project cost is estimated at \$150,000 and consists of payments to Applied Alliance (\$57,345), Bartlett & West (\$35,000), SAMCO (\$25,803), Facilities Services (\$10,000), and a contingency to cover unknown items that may be found during the project. Funding has been identified through Washburn's allocation of Coronavirus Aid, Relief, and Economic Security Act or, CARES Act, grant funds.

RECOMMENDATION:

President Farley recommends the Board of Regents approve award of a contract to Allied Appliance in the amount of \$57,344.95 for the purchase of forty-five (45) PTAC units.

Date

Jerry B. Farley, President

Agenda Item No. V. B. 3. c.
Washburn University Board of Regents

SUBJECT: Skill Boss Trainer Equipment

DESCRIPTION:

Washburn Institute of Technology was awarded an Innovative Technology Grant from the Kansas Board of Regents and received a generous cash donation from MARS, Inc. to purchase two (2) Skill Boss Trainers. The equipment will be used in the Certified Production Technician (CPT) program, with application in other manufacturing programs offered by Washburn Tech.

Washburn Tech is requesting to use grant and private funds to purchase the following equipment:

- The Skill Boss Smart Factory Trainer has a total cost of \$19,756; and,
- The Skill Boss Logistics Trainer with accessories costs \$54,767.

The total estimated cost of the equipment is \$74,523.

Amatrol, Inc. developed the Skill Boss Trainer and is the sole source manufacturer for purchasing these items. They are hands-on assessment systems, designed to meet Manufacturing Skill Standards Council (MSSC) requirements. The MSSC's CPT Plus assesses a student's ability to perform a wide range of hands-on technical skills in electronic, electrical, fluid power, & mechanical systems. Skill Boss evaluates over 60 essential manufacturing skills.

FINANCIAL IMPLICATIONS:

Funding for this equipment is provided through a \$25,475 Innovative Technology Grant Award from the Kansas Board of Regents and a generous contribution of \$50,000 by MARS, Inc.

RECOMMENDATION:

President Farley recommends the Board of Regents approve award of a contract to Amatrol, Inc. in the amount of \$74,523 for the purchase of Skill Boss Trainer Equipment.

Date

Jerry B. Farley, President

Agenda Item No. V. B. 3. d.
Washburn University Board of Regents

SUBJECT: BinaxNOW™ Covid-19 Testing

DESCRIPTION:

BinaxNOW™ is a fast, reliable, affordable and portable rapid Antigen test developed by Abbott to greatly expand access to COVID-19 testing. The test is a nasal swab (not as deep as PCR) that is placed in a test packet and is tested on site without additional equipment. The results are returned in approximately 15-20 minutes with basically the same reliability as a PCR test. Each test cost \$5.00, which is substantially less than what has been available to the University up to this point.

Currently, the University is using a saliva PCR test for all of its testing. This includes the weekly testing of athletes in season prior to competition and any other faculty, staff, or student that is needing a test based on symptoms and/or exposure. Each saliva PCR test cost approximately \$120.00 and takes 24-48 hours to return results.

Using the testing strategy currently in place, the weekly testing of athletes in season prior to competition and any other faculty, staff, or student that is needing a test based on symptoms and/or exposure, BinaxNOW™ offers two distinct benefits:

1. Speed of results – would allow us to address positive cases in a quicker manner, decreasing the chances of a cluster.
2. Cost – the BinaxNOW™ test would result in savings of more than \$100/test.

FINANCIAL IMPLICATIONS:

Abbot is seeking a minimum commitment to purchase ten thousand (10,000) tests at a price of \$5.00 per test, which represents a purchase commitment of \$50,000. In contrast, the savings resulting from the reduction in cost per test will result in savings in Athletics alone of approximately \$200,000.

Funding has been identified through Washburn’s allocation of Coronavirus Aid, Relief, and Economic Security Act or, CARES Act, grant funds.

RECOMMENDATION:

President Farley recommends the Board of Regents approve the award of a contract to Abbott in the amount of \$50,000 for the purchase of ten thousand (10,000) BinaxNOW™ COVID-19 rapid tests.

Date

Jerry B. Farley, President

Agenda Item No. V. C. 1.
Washburn University Board of Regents

SUBJECT: Quarterly Financial Analysis

DESCRIPTION:

Presented herewith are *Statements of Revenues and Expenditures* for the six months ended December 31, 2020, along with related Financial Highlights, for the following operating and capital activities.

- Combined Operating Funds
- Washburn University General Fund
- Washburn Institute of Technology General Fund
- Residential Living
- Business and Auxiliary Services
- Debt Retirement and Construction Fund

A Coronavirus Aid, Relief, and Economic Security (CARES) Act grant fund summary is also included.

FINANCIAL IMPLICATIONS:

None.

RECOMMENDATION:

This item is presented for information only. No action is required.

Date

Jerry B. Farley, President

Quarterly Financial Analysis For the six months ended December 31, 2020

Financial Highlights

Highlights from the *Statements of Revenues and Expenditures* for the six months ended December 31, 2020, are presented below.

Combined Operating Funds

- Year-to-date Fiscal Year 2021 revenues exceeded expenditures by \$18.2 million, which is comparable to the prior year net surplus of \$17.9 million.

Washburn University General Fund

- Year-to-date Fiscal Year 2021 revenues exceeded expenditures by \$18.8 million, which is comparable to the prior year net surplus of \$17.4 million.
- Tuition, Sales Tax, and State Appropriation revenues are trending positively compared to Fiscal Year 2020-21 budget expectations.
- Tuition and Fees revenue includes both Fall and Spring assessments.
- Sales Tax distributions lag two months, so only four months have been received.
- State Appropriations are generally received in July (50%) and January (50%).
- KTWU's Community Service Grant from the Corporation for Public Broadcasting is generally received in November (70%) and March (30%). The balance of KTWU revenues consists primarily of underwriting income and private gifts.
- Scholarships are generally disbursed during August and January business. The increase from the prior year is attributable primarily to tuition increases and increased School of Law retention and first year awards.

Washburn Institute of Technology General Fund

- Year-to-date Fiscal Year 2021 revenues trail expenditures by \$175,000, which is comparable to the prior year net surplus of \$11,000.
- Tuition and Fees declined as a result of reduced enrollment, which is attributable to the impact of COVID-19 on technical education programs. Hands on programs such as carpentry, heavy construction equipment, and diesel mechanic do not lend themselves to hybrid course delivery.

Quarterly Financial Analysis
For the six months ended December 31, 2020

Financial Highlights
(Continued)

Washburn Institute of Technology General Fund, continued

- State Appropriations are generally received in August (21%), January (52%), and June (27%).
- The decline in Computer Hardware, Software, and Maintenance is primarily attributable to the use of capital, rather than operating, budgets to fund needed expenditures.

Residential Living

- Year-to-date Fiscal Year 2021 revenues trail expenditures by \$411,000, which is comparable to the prior year net surplus of \$276,000.
- Room Rental declined as a result of reduced occupancy, which is attributable to lower student enrollment and COVID-19.
- Coronavirus Aid, Relief, and Economic Security (CARES) Act funds provided \$79,000 to reimburse student housing refunds.
- As approved by the Board of Regents at their June 2020 meeting, the administration is actively exploring refinancing the Series 2015AB Revenue Bond principal payments due July 1, 2021 (\$820,000), 2022 (\$930,000), and 2023 (\$990,000) and leveling debt service over the remaining term of the original bonds. Eighty four percent (84%) of the Series 2015AB debt service is funded by Residential Living, so doing so would result in significant near-term annual budgetary savings.

Business and Auxiliary Services

- Year-to-date Fiscal Year 2021 revenues exceed expenditures by \$42,000, which is comparable to the prior year net surplus of \$145,000.
- Ichabod Shop revenues trail the prior year primarily as a result of enrollment declines and reduced in-store sales of novelty and food items due to fewer faculty, staff, and students being physically on campus day-to-day
- Dining revenues have declined primarily as a result of reduced commission income, which is a result of lower residence hall occupancy and fewer faculty, staff, and students being physically on campus day-to-day.

**Quarterly Financial Analysis
For the six months ended December 31, 2020**

**Financial Highlights
(Continued)**

Business and Auxiliary Services, continued

- CARES Act funds provided \$52,000 to reimburse lost dining commissions.
- Other expenditures exceeded the prior year due primarily to CARES Act grant funded dining refunds of \$88,562, which were paid to Chartwells during July business.

Debt Retirement and Construction Fund

- Year-to-date Fiscal Year 2021 revenues exceed expenditures by \$2.2 million, which is comparable to the prior year net surplus of \$2.2 million.
- Ad valorem taxes are primarily received during January (55%) and June (40%) business, while motor vehicle taxes are received throughout the year.
- With one exception, debt service payments occur semi-annually in December (interest only) and June (principal and interest). Computer Refresh Capital Lease debt service is paid during July business and is funded as a part of the Board of Regents annual approval of technology projects.
- Annual debt service obligations decline by \$1.3 million from Fiscal Year 2022 to FY 2024 due to the retirement of the Series 2010 General Obligation Bonds. The resulting debt service savings will accrue to Residential Living (\$536,000), Business and Auxiliary Services (\$200,000), and the Debt Retirement and Construction Fund (\$564,000).
- As mentioned previously, the administration is actively exploring refinancing the Series 2015AB Revenue Bond principal payments due July 1, 2021 (\$820,000), 2022 (\$930,000), and 2023 (\$990,000) and leveling debt service over the remaining term of the original bonds. Doing so would result in significant near-term annual budgetary savings for Residential Living (84%) and Business and Auxiliary Services (16%).

**Washburn University, Washburn Institute of Technology,
Residential Living, and Business and Auxiliary Services
Operating Funds
Combined Statements of Revenues and Expenditures
For the six months ended December 31, 2020 and 2019**

	FY 2020-21		Year-to-Date Actual	FY 2019-20 Year-to-Date Actual
	Budget			
	Adopted	% of Total		
Revenues:				
Tuition and fees	\$ 53,697,691	51.5%	\$ 48,240,379	\$ 51,621,077
Sales tax	18,495,748	17.7%	7,105,340	6,596,380
State appropriations	19,121,598	18.3%	8,032,430	7,830,415
Residential Living	4,853,053	4.7%	1,763,112	2,461,029
Business and Auxiliary Services	3,661,300	3.5%	1,669,782	1,879,780
Other	4,390,571	4.2%	907,243	1,335,785
Total revenues	104,219,961	100.0%	67,718,287	71,724,466
Expenditures:				
Salaries, wages and benefits	71,798,212	68.9%	34,267,921	36,053,462
Scholarships	6,580,300	6.3%	3,839,496	3,382,634
Debt service	5,438,093	5.2%	2,719,047	2,791,321
Utilities	3,651,701	3.5%	1,199,905	1,286,544
Supplies and materials	3,210,578	3.1%	911,076	1,585,801
Professional services	2,810,407	2.7%	1,815,833	1,745,492
Computer hardware, software and maint.	2,034,115	2.0%	1,482,123	1,774,200
Travel	1,603,047	1.5%	53,965	627,576
Memberships and subscriptions	1,087,805	1.0%	1,021,102	1,223,337
Other	6,005,703	5.8%	2,191,747	3,395,265
Total expenditures	104,219,961	100.0%	49,502,216	53,865,633
Change in Net Position	\$ -		\$ 18,216,071	\$ 17,858,833

Washburn University
General Fund
Statements of Revenues and Expenditures
For the six months ended December 31, 2020 and 2019

	FY 2020-21		Year-to-Date Actual	FY 2019-20
	Budget			Year-to-Date
	Adopted	% of Total		Actual
Revenues:				
Tuition and fees	\$ 48,746,779	58.7%	\$ 45,026,860	\$ 47,345,322
Sales tax	18,495,748	22.3%	7,105,340	6,596,380
State appropriations	10,992,530	13.2%	6,222,994	6,106,961
KTWU	2,439,029	2.9%	1,018,313	1,018,852
Endowment Income	823,583	1.0%	-	-
Other	1,527,949	1.8%	119,605	529,647
Total revenues	83,025,618	100.0%	59,493,112	61,597,161
Expenditures:				
Salaries, wages and benefits	61,338,861	73.9%	29,837,665	31,468,880
Scholarships	6,433,379	7.7%	3,695,566	3,222,252
Professional services	2,428,567	2.9%	1,751,460	1,629,369
Utilities	2,064,049	2.5%	708,789	737,567
Supplies and materials	2,110,363	2.5%	487,098	895,821
Computer hardware, software and maint.	1,813,465	2.2%	1,424,956	1,494,801
Travel	1,514,072	1.8%	52,969	601,424
Memberships and subscriptions	1,087,805	1.3%	1,021,102	1,223,337
Other	4,235,057	5.1%	1,753,132	2,896,849
Total expenditures	83,025,618	100.0%	40,732,737	44,170,300
Change in Net Position	\$ -		\$ 18,760,375	\$ 17,426,862

Sales Tax				
	FY 2020-21		Year-to-Date Actual	FY 2019-20
	Budget			Year-to-Date
	Adopted	% of Total		Actual
General Fund	\$ 18,495,748	90.9%	\$ 7,105,340	\$ 6,596,380
Debt Retirement and Construction Fund	1,849,200	9.1%	924,600	924,600
Smoothing Fund	-	0.0%	-	-
Total	\$ 20,344,948	100.0%	\$ 8,029,940	\$ 7,520,980

Washburn Institute of Technology
General Fund
Statements of Revenues and Expenditures
For the six months ended December 31, 2020 and 2019

	FY 2020-21		Year-to-Date Actual	FY 2019-20
	Budget			Year-to-Date
	Adopted	% of Total		Actual
Revenues:				
Tuition and fees	\$ 4,240,912	33.4%	\$ 2,858,519	\$ 3,920,756
State appropriations	8,129,068	64.1%	1,809,436	1,723,454
Other	310,010	2.4%	124,326	142,286
	12,679,990	100.0%	4,792,280	5,786,496
Expenditures:				
Salaries, wages and benefits	8,920,240	70.3%	3,774,756	3,836,634
Supplies and materials	979,225	7.7%	385,867	635,831
Utilities	485,568	3.8%	175,359	194,520
Professional services	381,840	3.0%	64,373	116,124
Repair and maintenance	196,850	1.6%	136,785	142,006
Computer hardware, software and maint.	141,450	1.1%	18,334	247,697
Space and equipment rental	133,925	1.1%	54,207	65,338
Insurance premiums	100,000	0.8%	140,471	18,691
Travel	88,975	0.7%	996	26,151
Other	1,251,917	9.9%	215,984	492,506
	12,679,990	100.0%	4,967,132	5,775,498
Change in Net Position	\$ -		\$ (174,852)	\$ 10,997

Washburn University
Residential Living
Statements of Revenues and Expenditures
For the six months ended December 31, 2020 and 2019

	FY 2020-21		Year-to-Date Actual	FY 2019-20
	Budget			Year-to-Date
	Adopted	% of Total		Actual
Revenues:				
Room rental	\$ 4,853,053	100.0%	\$ 1,677,213	\$ 2,374,156
CARES Act grant (student refunds)	-	0.0%	79,021	-
Other	-	0.0%	6,878	86,872
Total revenues	4,853,053	100.0%	1,763,112	2,461,029
Expenditures:				
Debt service	2,547,580	52.5%	1,273,790	1,243,404
Utilities	831,481	17.1%	221,415	249,447
Salaries, wages and benefits	633,716	13.1%	247,661	263,174
Repair and maintenance	215,968	4.5%	130,189	170,925
Scholarships	146,921	3.0%	143,930	160,382
Insurance	73,685	1.5%	70,366	9,469
Supplies and materials	69,580	1.4%	24,498	27,418
Other	334,122	6.9%	62,445	60,511
Total expenditures	4,853,053	100.0%	2,174,294	2,184,730
Change in Net Position	\$ -		\$ (411,182)	\$ 276,298

	Room Rental			
	FY 2020-21		Year-to-Date Actual	FY 2019-20
	Budget			Year-to-Date
	Adopted	% of Total		Actual
Kuehne	\$ -	0.0%	\$ -	\$ -
West Hall	-	0.0%	-	47,448
Living Learning Center	1,634,384	33.7%	476,764	747,134
Washburn Village	1,338,297	27.6%	487,895	668,926
Lincoln Hall	1,836,982	37.9%	697,317	891,668
Phi Delta Theta	43,390	0.9%	15,236	18,981
	\$ 4,853,053	100.0%	\$ 1,677,213	\$ 2,374,156

Washburn University
Business and Auxiliary Services
(Memorial Union, Ichabod Shop, Dining, and Vending)
Statements of Revenues and Expenditures
For the six months ended December 31, 2020 and 2019

	FY 2020-21		Year-to-Date Actual	FY 2019-20
	Budget			Year-to-Date
	Adopted	% of Total		Actual
Revenues:				
Ichabod Shop	\$ 2,240,500	61.2%	\$ 1,141,894	\$ 1,285,758
Tuition	710,000	19.4%	355,000	355,000
Dining	582,500	15.9%	81,445	177,526
CARES Act grant (lost commissions)	-	0.0%	51,530	-
Other	128,300	3.5%	39,913	61,495
	3,661,300	100.0%	1,669,782	1,879,780
Expenditures:				
Cost of goods sold	1,476,900	40.3%	683,516	701,091
Salaries, wages and benefits	905,395	24.7%	407,840	484,775
Debt service	472,590	12.9%	236,295	230,678
Utilities	270,603	7.4%	94,341	105,010
Repair and maintenance	98,830	2.7%	63,074	68,024
Computer hardware, software and maint.	79,200	2.2%	38,833	31,702
Supplies and materials	51,410	1.4%	13,612	26,732
Other	306,372	8.4%	90,542	87,093
	3,661,300	100.0%	1,628,053	1,735,104
Change in Net Position	\$ -		\$ 41,729	\$ 144,676

Washburn University
Debt Retirement and Construction Fund
Statement of Revenues and Expenditures
For the six months ended December 31, 2020 and 2019

	FY 2020-21		Year-to-Date Actual	FY 2019-20 Year-to-Date Actual
	Budget			
	Adopted	% of Total		
Revenues:				
Ad valorem and motor vehicle taxes	\$ 3,500,000	37.2%	\$ 288,232	\$ 300,092
Sales tax	1,849,200	19.6%	924,600	924,600
Residential Living	2,547,580	27.0%	1,273,790	1,243,404
Business and Auxiliary Services	472,590	5.0%	236,295	230,678
General Fund	779,079	8.3%	389,540	389,540
Other	271,929	2.9%	122,698	135,965
	9,420,378	100.0%	3,235,154	3,224,279
Expenditures:				
Bond principal	2,855,000	32.7%	-	-
Lease principal	908,967	10.4%	245,395	271,929
Interest expense	1,674,126	19.2%	758,932	802,334
Capital improvement projects (1)	2,200,000	25.2%	-	-
Equipment and technology projects (1)	1,100,000	12.6%	-	-
Other	-	0.0%	-	-
	8,738,093	100.0%	1,004,328	1,074,263
Change in Net Position	\$ 682,285		\$ 2,230,826	\$ 2,150,016

(1) Capital improvement, equipment, and technology projects are funded from prior year ad valorem and motor vehicle tax collections. Fiscal Year 2021 collections will fund Fiscal Year 2022 projects.

Debt Service - Principal and Interest				
Description	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Series 2010 General Obligation Bonds	\$ 1,315,845	\$ 1,318,495	\$ 513,315	\$ -
Series 2014 General Obligation Bonds	601,431	603,081	619,281	604,581
Series 2015AB General Obligation Bonds	1,747,370	1,825,770	1,848,955	1,850,732
Series 2018 General Obligation Bonds	708,100	706,700	706,100	709,900
Energy Savings Capital Obligation (ESCO)	793,418	793,418	793,418	793,418
Computer Refresh Capital Lease	271,929	271,929	271,929	271,929
	\$ 5,438,093	\$ 5,519,393	\$ 4,752,998	\$ 4,230,561

**Washburn University and Washburn Institute of Technology
Coronavirus Aid, Relief, and Economic Security (CARES) Act
Inception-to-December 31, 2020**

General Intent	CARES I	Strengthening Institutions Program	Strengthening People and Revitalizing Kansas (SPARKS)	CARES II	Total
	Emergency Student Aid, Costs with a Direct Nexus to COVID, Etc.	Lost Revenue, Distance Education, Training, Etc.	Reopening Costs, Personnel, PPP, Testing & Tracing, Technology, Etc.	Emergency Student Aid, Costs with a Direct Nexus to COVID, Lost Revenue, Etc.	
Grant Awards	\$ 4,500,174	\$ 203,973	\$ 2,828,201	\$ 8,024,016	\$ 15,556,364
Expenditures:					
Emergency Student Aid	\$ 2,250,087	\$ -	\$ -	\$ 2,250,087	\$ 4,500,174
Housing and Dining Refunds	1,166,262	116,771	79,021	-	1,362,054
Personnel Support	-	-	1,526,738	-	1,526,738
Technology / Distance Learning	-	-	414,353	-	414,353
Public Health, PPP, Testing and Tracing	-	-	562,717	-	562,717
Other	-	-	42,750	-	42,750
Total expenditures	<u>3,416,349</u>	<u>116,771</u>	<u>2,625,579</u>	<u>2,250,087</u>	<u>8,408,786</u>
Encumbrances	<u>91,840</u>	<u>-</u>	<u>202,622</u>	<u>-</u>	<u>294,462</u>
Remaining Funds	<u>\$ 991,985</u>	<u>\$ 87,202</u>	<u>\$ -</u>	<u>\$ 5,773,929</u>	<u>\$ 6,853,116</u>