

KANSAS BOARD OF REGENTS

MINUTES

October 17-18, 2007

The October 17, 2007, meeting of the Kansas Board of Regents was called to order by Chairman Christine Downey-Schmidt at 1:37 p.m. The meeting was held in Board offices located in the Curtis State Office Building, 1000 S.W. Jackson, Suite 520, Topeka. Proper notice was given according to law.

MEMBERS PARTICIPATING: Christine Downey-Schmidt, Chairman
Donna Shank, Vice Chairman
Jerry Boettcher
Jill Docking
Dick Hedges
Dan Lykins
Janie Perkins
Gary Sherrer
Bill Thornton

Chairman Downey-Schmidt expressed sympathy to the family of President Terry Hetrick, Independence Community College, who died recently.

APPROVAL OF MINUTES

Regent Shank moved that the minutes of the September 19-20, 2007, meeting be approved. Following the second of Regent Perkins, the motion carried.

REPORTS

REPORT FROM CHAIR

Chairman Downey-Schmidt reported that since the last Board meeting, she attended the ribbon cutting ceremony for the Hutchinson Community College Industrial Technology Center and the Wichita State University President's Club fundraising dinner. She had a meeting in Buehler with several school superintendents concerning the teacher shortage. She participated in the Kansas State Department of Education Educational Leadership Commission, an effort designed to develop leadership skills among teachers and administrators. She just returned from a State Higher Education Executive Officers/Association of Governing Boards sponsored event where she had opportunity to visit with higher education leaders from other states.

REPORT FROM OTHER REGENTS

Regent Docking participated in a two-day visit to Kansas State University, where she met with employees, faculty, administrators and students. Regent Boettcher reported that he and Regent Lykins participated in a panel discussion the previous Friday at the annual KSU Foundation Meeting. They were joined by former Regents Nelson Galle and Jim Grier. Regent Lykins

reported that he attended his first Washburn Board of Regents meeting, as a Representative of the Kansas Board of Regents.

REPORT FROM PRESIDENT AND CEO

President Robinson began his report by introducing the following members of the Kansas Postsecondary Technical Education Authority, who were in attendance: Joe Glassman, Chairman, Clark Coco, Eddie Estes, Sheila Frahm, Jim Garner (represented by Inayat Noormohmad), Jim Grier, David Kerr, Alexa Posney (represented by Robin Harris), Bill Quattlebaum, Jack Wempe, and Steve Wilkinson.

Mr. Robinson referenced a discussion during the University of Kansas campus visit. Attention was called to the need for public access to federally funded research findings. Mr. Robinson distributed information to Board members about legislation that is pending that would require public disclosure of research findings. He suggested that the Board might want to craft a letter to the Kansas congressional delegation verbalizing strong interest in the ability to access the research results. Another topic identified at the campus visit related to the impact of the academic calendar on students participating in summer internship programs. SAC Chair Courtney George was asked during her report to the Board in September about the impact but she was not aware of any problems. Mr. Robinson followed up by asking the Students' Advisory Committee to check into the matter and he also plans to ask faculty about whether they have concerns about the current calendar requirements.

Mr. Robinson revisited the Five Strategic Questions and the framework for developing a public agenda for Kansas higher education. He provided an updated copy of the questions, along with notations about the kind of data and information needed and references to action that is underway to support the issue. He noted the strong interest in the K-12 community leadership and other Kansas leaders to develop a P-20 council to address *alignment*. He expects that a joint meeting of the Board of Regents and the Board of Education will be scheduled, perhaps in November. According to Mr. Robinson, the establishment of a college admissions task force relates to alignment, and Kansas received a federal grant for a P-20 database effort.

Another of the five questions relates to *participation*. Mr. Robinson noted that Kansas is one of only four states to receive a Department of Education grant to consider how to more effectively transition individuals from adult education programs into postsecondary education. Individuals administering the grant will be attending sessions in Washington, D.C. in the near future.

Mr. Robinson reported that there are no particular initiatives currently underway related to *persistence* and that the key effort there relates to data gathering and reporting.

As noted by Mr. Robinson, the workforce alignment topic was reframed as "*Alignment with the Kansas Economy*." The question was broadened to include the connection between higher education and the Kansas economy. He identified the two focus areas here as workforce alignment and the contribution of research. In terms of related measures underway, Mr. Robinson stated that findings of the recent workforce study will be on the agenda later in the afternoon. Additionally, the Board was apprised in September of the teacher shortage, particularly in math and science, and Mr. Robinson reported that he will be meeting with the

Deans of the Colleges of Education and Deans of Liberal Arts and Science in early November to discuss issues related to the K-12 teacher shortage. The Technical Education Authority has been launched and reports on workforce alignment will be forthcoming.

In regard to *learner outcomes*, Mr. Robinson noted that it is the most difficult of the challenges as the system seeks to determine cross-cutting, non-disciplinary specific outcomes for each student earning a degree.

Mr. Robinson proposed that the next steps include settling on data elements and he plans to have a recommendation for the Board at the November meeting. Another step will be to establish a timeline to develop a baseline report similar to the "Minnesota Measures" document. And, finally, the desired learner outcomes/competencies will need to be identified. Discussions will begin with the System Council of Chief Academic Officers and the Council of Faculty Senate Presidents. Input will also be sought from community college and technical institution faculty.

Continuing with his report, Mr. Robinson noted various events he attended in the last month and identified some upcoming events. The Board received an invitation from the University of Missouri Board of Curators to attend a Big 12 governing boards breakfast during the Big 12 men's basketball tournament in Kansas City in March 2008. Mr. Robinson attended the dedication of the Regnier Center at Johnson County Community College; testified before the Special Legislative Interim Committee regarding math and science education, along with Commissioner of Education Alexa Posney; attended the orientation/retreat of the Technical Education Authority; attended the Meta-Leadership Summit re Preparedness in Wichita; met with Legislative Post Audit regarding reports that will be completed soon on behalf of Kan-ed and the University of Kansas Medical Center; met with leaders of the Citizens for Higher Education for a preliminary discussion of the upcoming legislative session; and attended a seminar for Board leaders sponsored by SHEEO/AGB in Boulder, Colorado. He plans to attend a Policymakers Education Seminar sponsored by the Kauffman Foundation in early November.

LEGISLATION REGARDING PUBLIC ACCESS TO FEDERALLY FUNDED RESEARCH

Regent Docking moved, with the second of Regent Sherrer, that the Kansas Board of Regents submit a letter to the Kansas congressional delegation regarding public access to federally funded research findings. The motion carried.

CONSIDERATION OF DISCUSSION AGENDA

Other Matters

REVISED KBOR MISSION STATEMENT

Following up on discussion at the August Board Retreat, revised Board Mission Statement language was introduced at the September meeting. Sector representatives were provided an opportunity to comment on the statement and President Robinson shared the one response that was received. Regent Docking moved that the amended Statement, as edited, be adopted. Following the second of Regent Thornton, the motion carried. The Board adopted the following Mission Statement:

The Kansas Board of Regents shall pursue measurable continuous improvement in the quality and effectiveness of the public postsecondary educational system in Kansas, while expanding participation for all qualified Kansans. To achieve that mission, the Board will demand accountability, focus resources, and advocate powerfully.

REPORT ON WORKFORCE STUDY

Ms. Jeannine La Prad, President and CEO of Corporation for a Skilled Workforce (CSW), provided an overview to the Board on the recently completed workforce study undertaken by CSW. The report was entitled "Positioning Kansas for Competitive Advantage." CSW conducted an industrial and occupational analysis and a supply/demand analysis, surveyed employers and postsecondary institutions, worked with focus groups, and previewed policy benchmarking as it considered the alignment of higher education with the Kansas economy.

Ms. La Prad identified the following key industry clusters in Kansas: Aerospace and Advanced Manufacturing, Bioscience, Health Care, Energy, and Communications. She reported that CSW found an undersupply of workers in the following fields: Accounting-related, Information Technology-related, Aviation-related, Protective Services-related, Agricultural-related, Engineering (civil, chemical and industrial), Business/Banking/Finance, Health Care-related, and Skilled Trades (electrician, carpenter, welder, tool and die). Ms. La Prad reported that overall, undersupply is more often related to technical occupations requiring less than four years of postsecondary education and at the four-year education level, undersupply is more often related to technical occupations such as many types of engineers, conservation scientists, and computer systems analysts.

Ms. La Prad called attention to levers for change related to funding, data, policy and priorities, and structure. She also identified both short-term and long-term recommendations.

Questions followed. Responding to a question about aligning with the economy, Ms. La Prad stated that involvement could be at a micro level by looking at the skills shortages in a community or at the macro level by determining the role of colleges and universities. Regent Docking encouraged keeping a balance with pursuit of Liberal Arts degrees, in addition to technical fields, noting that Liberal Arts students are taught in the areas of interpersonal skills, communication, analytical thinking and writing. Responding to a question regarding other states, Ms. La Prad reported that other states are doing similar things with industry sectors, but that there are some levels of excellence in Kansas that are not seen in other states. Responding to another question related to Liberal Arts degrees, Ms. La Prad indicated that those degrees were considered and the skills that are important to the economy are in the technical field together with the skills from a Liberal Arts degree. She noted that the challenge is for students to get both sets of skills in an efficient and effective way. According to Ms. La Prad, some institutions are trying to embed entrepreneurial skills in a Liberal Arts degree program. Although other states are conducting a similar workforce analysis, Ms. La Prad indicated that no other state is looking at both the supply and demand side of workforce development. Another question related to analysis of the language skills for the workforce and Ms. La Prad stated that institutions are attempting to be supportive because there has been a decline in funding for English as a Second Language. She also indicated that four-year institutions are creating

workplace literacy and diversity programs. Ms. La Prad reported that some states have established "bridge" programs to meet the needs of individuals who have a high skill level, but lack a solid education background to enter degree programs. Those bridge programs address both developmental and occupational education training in an integrated way.

(PowerPoint Presentation Filed with Official Minutes)

RECESS

Chairman Downey-Schmidt announced a recess at 3:10 p.m. and the meeting resumed at 3:25 p.m.

BOARD'S FY 2009 UNIFIED BUDGET REQUEST – INVESTMENT PORTION

Vice President Diane Duffy addressed the Board regarding the FY 2009 budget request. She reminded the Board of its discussion in September regarding making an adjustment to the base budget request based on the Higher Education Price Index (HEPI) and a technical adjustment to the annual maintenance increase. She noted the Board's concern about the lack of specificity in the institutional requests for increased funding. She also reviewed the steps taken to date to develop rationale for use of the investment portion of the budget request.

Ms. Duffy reported that, after much consideration, Board staff recommended that university CEOs and sector representatives bring their investment proposals to the Board in November with a more specific and refined request, including information about use of an increased investment and the potential benefit to the state. Staff also recommended that the Board no longer consider the items submitted as individualized institutional legislative proposals (that do not require substantive legislation) separate from the general budget request.

President Robinson commented on the topic. He noted that past institutional legislative requests have included requests for increased funding, separate from the Board's budget proposal. The staff recommendation is to include individual institutional requests for substantive legislation in the Board's substantive legislation package and to consider those items that are of a budgetary nature in the Board's budget proposal. With regard to the budget, the current staff proposal would seek to maintain the purchasing power of the base budget through the HEPI adjustment and to encourage enhanced institutional funding for legislative requests that offer a payoff to the people of Kansas. He stated that the proposals should be brought back to the Board in November for feedback from the Board.

President Ed Hammond addressed the issue. He suggested that the staff proposal collapses the investment and institutional proposals together, and noted that there is a disconnect between asking the legislature for programmatic funding and solving the problems that exist because of being underfunded. Dr. Hammond considered the investment strategy as a means to lessen the pressure to increase tuition rates. The HEPI funding monies only maintain, but do not allow for increases for faculty salaries or student wages. He voiced support for the investment package to the legislature but indicated that institutions look to the investment money as a way to address the faculty salary deficit, rather than having to increase tuition to do so.

Regents commented on the proposal, noting that investment requests should be separate from the day-to-day operation cost and discussion might be needed to determine if the budget request should be HEPI plus a determined percentage. Another Regent noted that the block grant gives institutions the flexibility to determine how the money is spent and increased salaries could be a priority from those funds. President Farley commented that he and community college presidents look to their respective boards for approval of fund expenditures so it presents a delicate situation. Dr. Farley also suggested that Board approval for specific new programs and expansions moves away from the block grant concept.

Regents expressed interest in going to the Legislature with a unified voice, and advocating for enhanced investments for specific priorities that will benefit Kansans and enhance future workforce programs.

President Robinson summarized the discussion stating that there appeared to be no dissension to presentations on proposed usage of investment/enhancement dollars being made to the Board in November so institutions should plan on that. He also proposed that continued consideration be given to the piece identified as missing from the two-prong approach, that of recouping the underfunding.

KANSAS BOARD OF REGENTS LEGISLATIVE INITIATIVES FOR 2008

The report on proposed legislative initiatives for 2008 was delayed until the following day.

PROCEDURE FOR APPOINTMENT OF VICE PRESIDENT OF WORKFORCE DEVELOPMENT

President Robinson provided background on the appointment of a Vice President of Workforce Development, noting that the 2007 legislation called for creation of the Postsecondary Technical Education Authority (Authority), provided resources for the Authority, and determined that a Vice President of Workforce Development would be hired under the auspices of the Board of Regents. Under the legislation, the Vice President will report to jointly to the President and CEO of the Board of Regents and to the Authority Board. Additionally, the legislation called for the Board of Regents to develop a procedure for appointment of the Vice President. Mr. Robinson reported that the process has the expectation that the individual chosen to fill the position is acceptable both to President Robinson and to the Authority Board. Regent Perkins moved that the proposed process for the appointment of a Vice President of Workforce Development be adopted. Following the second of Regent Sherrer, the motion carried. The following steps were authorized:

- Week 1: Place position solicitation – internal and external postings*
- Week 2-4: Collect applications/resumes*
- Week 5: Review applications/resumes – first round identification by a search committee consisting of Bill Quattlebaum (business/HR), Clark Coco (representing the Association of Technical Schools and Colleges) and Sheila Frahm (representing the Association of Community College Trustees)*

Week 6-7: First round phone interviews by search committee and top candidates (3+) selection for face-to-face interviews

Week 8-9: Face to face interviews with Authority members and President Robinson; Authority and President Robinson to make final selection

AMEND MANHATTAN AREA TECHNICAL COLLEGE TRANSITION PLAN – MATC

President Robinson reported that during his monthly meeting with community college presidents, he received feedback suggesting that since the request from Manhattan Area Technical College proposes expansion of the territory of MATC, it would be ideal for MATC leadership to have discussions with the affected community college leadership prior to any Board of Regents action. Dr. Edleston has indicated that he will proceed with those discussions. President Robinson requested that consideration of the request be withdrawn until a later date.

EXECUTIVE SESSION

At 4:25 p.m., Regent Shank moved that the meeting of the Board recess into executive session for approximately one hour to discuss personnel matters of non-elected personnel related to the salaries of each individual chief executive officer. Following the second of Regent Perkins, the motion carried. Included in the session were members of the Board of Regents and President Robinson. At 5:25 p.m., Regent Shank moved that the Board return to open session. Following the second of Regent Perkins, the motion carried. At 5:26, Regent Shank moved, with the second of Regent Lykins, that the meeting recess into executive session for approximately 30 minutes. The motion carried. At 5:55 p.m., Regent Shank moved, followed by the second of Regent Lykins, that the meeting return to open session. The motion carried. At 5:56 p.m., Regent Shank moved that the meeting return to executive session for approximately 30 minutes. With the second of Regent Lykins, the motion carried. At 6:20 p.m., Regent Shank moved, with the second of Regent Perkins, that the meeting return to open session. The motion carried.

RECESS

Chairman Downey-Schmidt recessed the meeting at 6:20 p.m., with an announced reconvening time of 9:15 a.m. the following morning.

RECONVENE

Chairman Downey-Schmidt reconvened the October meeting at 9:25 a.m. on October 18.

MEMBERS PARTICIPATING: Christine Downey-Schmidt, Chair
Donna Shank, Vice Chair
Jerry Boettcher
Jill Docking
Dick Hedges
Dan Lykins
Janie Perkins
Gary Sherrer
Bill Thornton

ANNOUNCEMENT

The Chair extended sympathy to the family of John Conard, who died on October 12. Dr. Conard served as the Executive Director of the Board of Regents from 1976 to 1982.

AMEND AGENDA

Regent Shank moved, followed by the second of Regent Lykins, that the agenda be amended by adding consideration of the proposed Affiliation Agreement By and Between the University of Kansas and St. Luke's Hospital as VII.C.1., and discussion of the 2008 Board of Regents legislative initiatives as VII.C. 2., with renumbering accordingly. The motion carried.

REPORTS**REPORT FROM COUNCIL OF PRESIDENTS**

President Michael Lane briefed the Board on the meeting of the Council of Presidents held the previous day. COPS received the following report from the Council of Chief Academic Officers. SCOCAO continues to work on the mission statement of the core competency project, as well as the definition of general education. COCAO approved one program to move forward to COPS in November. COCAO reported that staff has accepted the letters regarding not counting Physical Science as part of the Board's Qualified Admission precollege curriculum. COCAO suggested a minor change to the report submitted annually on faculty and graduate teaching assistants whose first language is not English. The intent is for assessment of a candidate who is interviewed, not for every applicant.

The Council of Business Officers provided a report on its recent meeting. COBO recommends that the cap on the Faculty of Distinction awards be entirely eliminated and that such legislation be pursued in 2008. However, if that is not feasible, COBO recommends that the trigger be doubled from \$5 million to \$10 million. COBO deferred action on the classified leave proposal until November. COBO recommended that the waiting period for health insurance of two months be removed. The Council believes that the total cost for all institutions would be about \$1.7 million. If that proposal is not accepted, then COBO recommends that the new employee qualify for coverage of the first day of the month following employment. That cost is estimated at \$.85 million dollars. COBO has been working on a recommended formula to distribute the operating grant and will be considering three proposals in November.

The Council of Presidents recommended that the Board adopt Appendix F of the Policy Manual to incorporate procedures regarding Off-Campus Face-to-Face Academic Extension Courses and Programs to be Offered in the Kansas City Metro Area. COPS recommended approval of two doctoral programs, a new Doctor in Nurse Practice at KUMC and a new Doctor in Nursing Practice at WSU. COPS deferred discussion of Physical Science and the Board's Qualified Admissions Precollege Curriculum until November.

COPS received a report from President Hammond, as a member of the Retirement Planning Committee. COPS approved the recommendation from the Retirement Committee to extend its

contract with Deloitte & Touche for an additional three years. COPS also approved the recommendation of the Retirement Planning Committee to contract with Ice Miller to assist in updating the 403(b) plan. President Hammond announced a proposal for a Kansas Regents Class to study in China. The cost per student is \$15,000 for 30 hours of academic credit, as well as housing and transportation of two round trip air tickets. COPS requested that Dr. Hammond share more details at the November meeting. Following Board discussion related to the Higher Education Price Index (HEPI), COPS requested that the Board consider raising the block grant request from 3.4 percent to 5 percent.

President Robinson noted that at the Council of Chief Academic Officers' meeting the previous day, during the discussion regarding spoken English language, there was an issue raised of an exception to the existing policy. Current faculty who are engaged because of their language and then who are expected to teach in that language are granted an exception. Such an exception is currently not available for graduate students.

President Robinson also called attention to recent media coverage for the decision of the University of Missouri to require background checks. He encouraged COPS to discuss the matter.

REPORT FROM COUNCIL OF FACULTY SENATE PRESIDENTS

Dr. Harvey Foyle, Chair of the Council of Faculty Senate Presidents, reported on its meeting the previous day. The Faculty Senate members have been looking at university grievance policies to be certain they conform with Board policies. COFSP believes that the university policies are in compliance with faculty- and job-related issues. A second topic discussed related to faculty evaluation of teaching. COFSP supports the policy being added to the Board's Policy Manual and is checking institutional compliance. COFSP also discussed learner outcomes. The Council would welcome President Robinson discussing learner outcomes and identifying ways in which COFSP can be helpful.

REPORT FROM STUDENTS' ADVISORY COMMITTEE

Student Advisory Committee Chair, Courtney George, briefed the Board on the recent SAC meeting. She provided an update on the institutional efforts related to the academic advising survey. She expects that institutional data will be collected by the November meeting. SAC also discussed emergency response and systems in place at each institution. Four of the six institutions currently have the text messaging alert system already in place, or discussions underway. The other two will look into the system and begin discussions with students and campus administration. SAC plans to meet with representatives from the two-year institutions in November. Topics of discussion will include transfer of credits, fears about transferring to a four-year institution, advice about student government organizations, and other topics. Also in November, the student legislative directors will be discussing legislation and Higher Education Day. SAC talked about the academic calendar issue raised in September. It does not appear to be a system issue, but relates to students at the University of Kansas.

In a recent visit to KSU, Regent Docking was apprised by the students of a campus program designed to counsel students regarding financial planning and debt management. Courtney was

asked about such a program at ESU. President Lane reported that ESU provides several similar opportunities each year.

APPROVAL OF CONSENT AGENDA

Regent Perkins moved, followed by the second of Regent Shank, that the Consent Agenda be adopted. The motion carried. The following measures were authorized:

Fiscal Affairs and Audit

FY 2008 CAPITAL IMPROVEMENT REQUESTS/SWINE UNIT ANIMAL SHED – KSU

Kansas State University was authorized to modify its FY 2008 capital improvements plan to include replacement of an existing Swine Unit Animal Shed located on agricultural land north of the Manhattan campus. The project is expected to cost \$670,000 and will be financed with private gift funds on deposit with the KSU Foundation.

ARCHITECTURAL PROGRAM/UTILITY INFRASTRUCTURE AND POWER PLANT IMPROVEMENTS (DEFERRED MAINTENANCE) – KSU

Approval was given to the KSU program statement for the "Utility Infrastructure and Power Plant Improvements—High Voltage Electrical Improvements, Phase I." This phase of the project will upgrade electrical feeds to Fiedler, Ackert, Chalmers, and Throckmorton Halls. The total cost of the overall deferred maintenance project is \$18.4 million, and the Phase I cost is estimated at \$2.6 million. The project will be funded by a combination of interest earnings and Infrastructure Maintenance Program funding.

FY 2008 CAPITAL IMPROVEMENT REQUESTS/BRAMLAGE COLISEUM AND BILL SNYDER FAMILY STADIUM – KSU

Kansas State University was granted approval to modify its FY 2008 capital improvements plan to include improvements to Bramlage Coliseum and the Bill Snyder Family Stadium. The \$45 million dollar project includes an expansion of Bramlage Coliseum to include Title IX compliant men and women's locker room facilities and support areas, a practice/training facility gym, ticket and retail space and Hall of Fame. The football component includes the demolition of outdated restroom and concession buildings, construction of loge box seating, and parking lot resurfacing. The project will be financed by revenue bonds to be repaid from athletics revenue and private gift funds. The Department of Intercollegiate Athletics will pay all additional utilities, custodial, routine and special maintenance costs associated with the project.

PURCHASE OF REAL PROPERTY – PSU

Pittsburg State University was authorized to proceed with the requisite procedures provided by K.S.A. 76-147 for the purchase of real property located adjacent to the main campus. Plans are for the existing house on the property to be razed and

the land converted to student parking. The purchase will be made from Parking Funds. The purchase price is to be negotiated at no more than \$90,000, as supported by two separate appraisals. The final acquisition is contingent on Board staff approval. The land is more specifically described as :

Tim & Margaret Poling – 216 E. Williams Street, Pittsburg, KS 66762

Legal Description: The North 89.5 feet of the East 60 feet of Lot One (1), Block Seven (7), in Broadway Park Addition to the City of Pittsburg, Crawford County, Kansas, according to the recorded plat thereof.

TRANSFER OF PROPERTY – KU

Approval was given to the University of Kansas to transfer certain property in Kearny County, Kansas, to the University of Kansas Endowment Association. Legislative authorization for the transfer was granted in 2007 through House Bill 2016. The real estate in Kearny County is described more specifically as:

All of the North Half (N1/2) of Section Thirty-four (S-34), Township Twenty-five (T-25), Range Thirty-six (R-36), West of the 6th Prime Meridian.

AUTHORITY FOR KANSAS UNIVERSITY ENDOWMENT ASSOCIATION TO CONSTRUCT ON STATE PROPERTY/IMPROVEMENTS TO ALLEN FIELDHOUSE – KU

The University of Kansas received approval to allow the Kansas University Endowment Association to make improvements to Allen Fieldhouse, including improving the student athlete locker rooms, existing restrooms not improved in previous projects, reorganizing the concessions and improving the level of finishes on the concourses. The estimated cost of the project is \$15 million and will be funded by private gift funds.

CONSIDERATION OF DISCUSSION AGENDA

Academic Affairs

AMEND POLICY MANUAL TO INCLUDE STATEMENT ON TEACHING EVALUATION

Dr. Kathryn Mueller was called on to brief the Board on the request to add a statement of teaching evaluation to the Policy Manual. She reported that the language proposed for inclusion in the Policy Manual constituted a formalization of campus practices currently in place at the universities. She anticipates that each institution will develop its own policy for evaluating faculty that would be more specific than Board policy. The proposed policy language takes into account the aspect of faculty involvement in developing procedures; this is intended to be supportive of Memorandum of Agreement provisions with faculty unions that also speak to required faculty involvement. Regent Hedges moved that the proposed policy be approved for inclusion in the Policy Manual. With the second of Regent Perkins, the motion carried. The

language, as noted below, will be added to Chapter II, F, and become section 12, with appropriate renumbering.

12. EVALUATION OF FACULTY

It is the policy of the Kansas Board of Regents that merit increases for faculty shall be based on the annual evaluation of their performance as it relates to the mission of the institution, college/school and department. The Board of Regents holds the presidents and Chancellor accountable for the development and implementation of evaluation systems in accordance with the following guidelines:

(a.) Faculty evaluation criteria, procedures and instruments shall be developed through faculty participation in each department, college or division and recorded to express the performance expectations of faculty therein. Criteria, procedures and instruments shall be:

(1.) Sufficiently flexible to meet the objectives of the unit.

(2.) Sensitive to multi-year faculty activities and outcomes.

(3.) Approved by the chief academic officer of each university.

(4.) Compatible with contemporary research and scholarly literature on faculty evaluation. For example, assessment of research, where research is part of the job assignment, should ordinarily include but not be limited to information on the quality of the research, the amount of research, the media in which findings were disseminated, and the reception and importance of the research. Similarly, the assessment of teaching, where teaching is part of the job assignment, should ordinarily include but not be limited to student ratings secured anonymously under standard conditions on norm-referenced instruments that adjust for initial student motivation, assessment of syllabi, and assessment of instructional materials.

(b) Each state university shall make available to faculty a ratings instrument for securing student ratings of instruction in all appropriate courses. The instrument must be norm-referenced and corrected for major sources of bias as demonstrated by research.

(c) The evaluation of faculty performance and expectations for the future shall be discussed with them. Documentation recording the sense of the discussion shall be provided to the faculty member.

(1.) The faculty member shall be given the opportunity to add comments to the documentation as part of the official record before it is considered at the next higher administrative level.

(2.) Each state university shall establish a procedure by which faculty who disagree with their evaluation may request a review.

(d) Each state university shall implement a plan to supplement its annual faculty evaluation system. Each plan should include procedures and strategies for the following:

(1.) Training of departmental chairpersons in the administration of faculty evaluation.

(2.) Linkage of the outcomes of faculty evaluation with assistance for renewal and development and, when necessary, reassignment and other personnel actions.

(3.) Training and supervision of graduate teaching assistants.

AMEND ADMISSIONS SECTION OF BOARD'S POLICY AND PROCEDURES MANUAL

Dr. Mueller reported that the recent adoption of regulations implementing Qualified Admissions has outdated some of the existing Board policy language. Board staff edited the language to reference regulations in place and both COCAO and COPS have endorsed the proposed changes. Regent Boettcher moved that the amendments related to the admissions section of the Policy Manual be approved. Following the second of Regent Thornton, the motion carried. The following amendments will be incorporated in Chapter II, section E(1):

1. ADMISSION

- a. ~~Admission under K.S.A. 72-116 (Note: Effective through the 2000-2001 academic year)~~ Admission of Undergraduate Students to State Universities

~~Any person who has graduated from an accredited Kansas high school shall be admitted to any Regents institution on their first request for admission and upon presentation of the student's high school transcript, and certification of graduation by the individual's school principal; provided, however, that Regents institutions may impose orderly timeframes for admissions to reflect limitations in personnel, facilities or resources. Any subsequent request for admission to the same institution or any other Regents institution shall be evaluated and considered pursuant to the institution's policies.~~

~~Admission under K.S.A. 76-717 (Note: Effective beginning with the 2001-2002 academic year)~~

~~Each Kansas resident who has graduated from an accredited Kansas high school and who is seeking admission to a state educational institution shall be admitted if the applicant has achieved at least one of the following: 1) completion of the Board of Regents pre-college curriculum with a minimum GPA of 2.0 on a 4.0 scale, 2) composite ACT score of not less than 21 points, 3) rank in the top 1/3 of the applicant's high school class upon completion of seven or eight semesters. Admission to all state educational institutions shall remain open for each Kansas resident who is 21 years of age or older and who has: 1) graduated from an accredited~~

~~Kansas high school, or 2) earned the general educational development (GED) certificate with an overall score of not less than 50 points. Each state educational institution shall establish and maintain a policy permitting the admission of not more than 10% of the total number of freshman class admissions as exceptions to these minima described.~~

~~Each Kansas resident who has earned at least 24 credit hours of transferable course work with a GPA of not less than 2.0 at an accredited community college, university, or other college shall be admitted as a transfer student. (6-24-99)~~

~~b. Admission of Out of State Students (NOTE: Effective through the 2000-2001 academic year)~~

~~Persons requesting readmission or admission as an out of state student shall be admitted according to the rules and regulations adopted by the Board and/or the institution.~~

~~Admission of Out of State Students (NOTE: Effective beginning with the 2000-2001 academic year)~~

~~Each person who is not a Kansas resident may be admitted if the applicant has achieved at least one of the following: 1) completion of the Board of Regents pre-college curriculum with a minimum GPA of 2.5 on a 4.0 scale, 2) composite ACT score of not less than 21 points, 3) rank in the top 1/3 of the applicant's high school class upon completion of seven or eight semesters. Each state educational institution shall establish and maintain a policy permitting the admission of not more than 10% of the total number of freshman class admissions as exceptions to these minima described.~~

~~The Regents universities may admit not more than 30, or 10% (whichever is greater) of the total number of nonresident freshman class admissions for the "conditional admission" of nonresident applicants. Students admitted in this category must complete 24 credit hours at the Regents university with a cumulative grade point average of not less than 2.0 on a 4.0 scale within one calendar year to be unconditionally admitted to the university. Students in this category who are not unconditionally admitted at the end of one calendar year will be dismissed from the university and may not be conditionally admitted to the university again. Students who are conditionally admitted to a Regents university may not be admitted to specific degree programs. (6-24-99)~~

~~Admission of all undergraduate degree-seeking students to state universities shall be in compliance with the Board's Qualified Admission Regulations, K.A.R. Article 88-29. State universities may set admission requirements for undergraduate non-degree seeking students, as long as~~

those requirements to do not conflict with K.A.R. Article 88-29 and section (c) below. (X-XX-XX)

~~e. Prerequisites for Admission into Teacher Education: Removed (11-20-2003)~~

d.-b. Admission to Undergraduate Special Programs and Graduate Programs

~~Institutions~~ State universities are permitted to restrict admission to undergraduate special programs and graduate programs where conditions warrant, so long as those restrictions do not conflict with K.A.R. Article 88-29. ~~The institution~~ Universities shall ~~promptly~~ notify the Board's President and ~~Chief Executive Officer~~ CEO of the Board, or designee, of such restrictions prior to implementation. (X-XX-XX)

~~e.-c. Auditing of Courses~~

~~Any Kansas resident 60 years of age or older upon the presentation of sufficient proof of age shall be permitted to audit courses at~~ Regents institutions state universities on a space available basis with no requirement for payment of tuition and fees required of every student as a condition of enrollment. A person meeting these requirements shall be considered a non-degree seeking student for purposes of K.A.R. Article 88-29. Special academic fees must shall be paid by the student. All determinations as to residency, the age of the applicant and the space available for the auditing of courses by such persons shall be made by the ~~Regents institution~~ state university involved. (11-22-74; 2-17-78; 10-17-91; X-XX-XX)

Fiscal Affairs and Audit

FY 2008 BUDGET FOR WICHITA/SEDGWICK COUNTY MILL LEVY – WSU

Vice President Duffy presented the FY 2008 budget for the Wichita/Sedgwick County Mill Levy. The Wichita State University Board of Trustees is required by statute to receive approval of its expenditures from levies of property taxes in Wichita and Sedgwick County generated by a 1.5 mill levied on all taxable property in Wichita. The proposed budget for FY 2008 totals \$6,857,795.

Fred Marrs, a representative of Shockers Black and Gold, requested time to make brief comments. He requested that WSU be provided a fair share of the state capital improvements allotment.

Regent Docking moved that the Board approve the FY 2008 budget for the Wichita/Sedgwick County mill levy for Wichita State University. With the second of Regent Lykins, the motion carried.

(Approved Budget Filed with Official Minutes)

NEW FEE FOR ACCELERATED BACCALAUREATE NURSING PROGRAM
(FIRST READING) – WSU

Vice President Duffy briefed the Board on the WSU proposal for an accelerated baccalaureate nursing program. She indicated that the fee request was presented out-of-cycle so that, if approved, the University can proceed with marketing the course in a timely manner, with the first cohort of students entering the program in May, 2008. A flat fee has been proposed for the accelerated program and it is anticipated that the program will accommodate 30 new students.

Other Matters

AFFILIATION AGREEMENT BY AND BETWEEN THE UNIVERSITY OF KANSAS AND
ST. LUKE'S HOSPITAL

Chancellor Robert Hemenway provided introductory comments related to the University's request for authorization to enter into an affiliation agreement between the University of Kansas and St. Luke's Hospital. He reported that the proposed agreement provides a framework to assist the University in three critical areas: pursuit of National Cancer Institute designation and advanced cancer research; advanced medical research opportunities for faculty to further their efforts in drug development and medical discoveries; and enhanced venues for teaching more medical residents and educating more doctors for Kansas and the region.

The Chancellor noted that the proposal represents the first phase of a three-phase process. This first phase, as presented in the proposed agreement, calls for expanded research and education affiliations through an agreement with St. Luke's Hospital. The second phase will establish a new affiliation agreement with the University of Kansas Hospital as the primary teaching hospital partner. Phase three will resolve how St. Luke's Hospital and the University of Kansas Hospital will participate in the University of Kansas Cancer Center. In its work toward the National Cancer Institute designation, the University hopes to include participation of a robust network of health care institutions and providers. The Midwest Cancer Alliance has been established to accommodate those participants.

Vice Chancellor Barbara Atkinson summarized the provisions of the proposed affiliation agreement with St. Luke's Hospital. She noted that it is an education and research agreement. The goal is to increase the capacity to train an additional 100 medical residents through rotation at St. Luke's. St. Luke's will pay the full cost of its resident slots. Students will experience a more diverse clinical training experience through the rotation option.

With the opportunity for greater research collaboration, the prospects will increase for more discoveries and cures, and more opportunities for competing for NIH funding. St. Luke's will add to the University's resources through an unrestricted investment of \$4 million over four years, with negotiation taking place annually thereafter. St. Luke's will pay for the use of KUMC core facilities, will fund research projects on a case-by-case basis, and will sustain a \$15 million annual "floor" of funding for four years of medical education and research, again with negotiation taking place after that time.

Branding of the University was a sensitive issue and Dr. Atkinson reported that, under the agreement, St. Luke's may not refer to itself as "primary" or "academic" in regard to its

affiliation with KUMC. St. Luke's will not be able to use its KUMC affiliation in advertising its clinical programs and services to prospective and current patients. However, St. Luke's may refer to itself as a "teaching and research hospital of the University of Kansas Medical Center" in education and research settings. Also, after agreement of a coordinated research plan is reached, St. Luke's will be authorized to refer to itself as "a major teaching and research hospital of the University of Kansas Medical Center" in educational and research settings.

Dr. Atkinson responded to questions. She identified Dana-Farber Cancer Institute, Boston, Massachusetts, and Robert Wood Johnson University Hospital, New Jersey, as sites where competing hospitals have entered into a collaborative effort and she indicated that she believes the Jefferson System crosses the state line for affiliation. Affiliation with St. Luke's is important to the NCI designation because it keeps its clinical patients in the KUMC network, as opposed to St. Luke's seeking affiliation with Washington University, St. Louis. In terms of next steps, Dr. Atkinson reported that KUMC will pursue an agreement with the University of Kansas Hospital and then will follow with a cancer agreement between all three partners. There will be no negative impact to Kansas institutions and no money will flow from Kansas to Missouri. KUMC will gain resources through the affiliation with St. Luke's and will benefit from the research that has already taken place at St. Luke's by access to its ten year data base of treatment and experience. The affiliation with St. Luke's will benefit the entire state of Kansas through telemedicine options, without the need for a patient to travel to Kansas City. The agreement will also increase the number of doctors available to practice. The reference to "RI" in the Executive Summary references the Research Institute, a separate entity for which there is a research affiliation agreement. The affiliation agreement with St. Luke's was pursued as part of the first phase at the request of the Hospital Authority so that the arrangements with St. Luke's would be known.

One concern was expressed about the emphasis on research taking precedence over the emphasis on training of primary care, but Dr. Atkinson was reassuring that the primary care commitment will not lessen. Responding to another question related to branding, Dr. Atkinson indicated that the branding issue matters to faculty who publish written works. She also noted that the graduate medical accrediting body has strict guidelines on what can be considered primary. As noted previously, the second phase will be to enter into an agreement with the KU Hospital Authority. Previously KUMC and the Hospital Authority agreed to some Guiding Principles. Dr. Atkinson noted that much of the negotiation with the Hospital Authority centered around money. The Hospital Authority will purchase the services of the doctors and the Guiding Principles established general guidelines for the monetary expenditure. In terms of statistics related to Kansas, the state is doing a good job of curing cancer and moving a patient into remission, but Kansas needs to do a better job on prevention because Kansans' survival statistics are comparatively lower. Dr. Atkinson noted that small hospitals in Kansas burdened with lack or medical expertise will benefit from the planned affiliations, noting that there is already tele-oncology available.

Regent Boettcher moved that the Board of Regents approve the proposed affiliation agreement between the University of Kansas and St. Luke's Hospital, and that we urge the University to continue its work to successfully consummate the critically important affiliation agreement with the KU Hospital Authority. Following the second of Regent Perkins, the motion carried.

(PowerPoint Presentation Filed with Official Minutes)

RECESS

Chairman Downey-Schmidt announced a recess at 10:50 p.m. The meeting resumed at 11:10 a.m.

KANSAS BOARD OF REGENTS LEGISLATIVE INITIATIVES FOR 2008

President Robinson reported that some of the legislative initiatives submitted relate to program enhancements. Since these items are of a budget nature and will be part of the investment budget presentations to the Board during the November meeting, President Robinson asked that those requests not be included in the preliminary report.

A preliminary list of 2008 legislative initiatives was presented by Kip Peterson, Director of Government Relations and Communications, as follows:

- 1) Local Option Sales Tax to Reduce Property Tax (*If enacted, local boards of trustees at community colleges could seek to offset local property taxes with a local sales tax.*)
- 2) Special Needs Students – Identifying, Accommodating, and Funding (*Addresses costs involved in accommodations for special needs students.*)
- 3) Elimination of the Partnership for Faculty of Distinction Program Cap (*Eliminate the current \$5 million cap on Partnership for Faculty of Distinction Program awards.*)
- 4) Crumbling Classrooms SGF Payments and Deferred Maintenance Bonding Amendments (*Proposes to transfer approximately \$60 million from the State General Fund in FY 08 to make debt service payments on the Regents Crumbling Classroom bonds.*)
- 5) Implementation of the Kansas Academy of Mathematics and Science (*Proposes amendments to the Kansas Academy of Mathematics and Science statute and the Compulsory School Attendance statute.*)
- 6) Benefits Enhancement for University Support Staff and Classified Staff (*Clean-up legislation to meet the intent of the Legislature and authorize the Board to allow universities more autonomy over their employees.*)
- 7) Razing of Wiest Hall 'A' Wing (*FHSU proposal to raze Wing A.*)
- 8) Removal of Structures at 507 West 6th and 610 Park Streets (*FHSU proposal to remove two structures to add additional parking near campus.*)
- 9) House Bill 2091 – Amend Capital Improvements Exemption Law (*Carry-over from 2007, which would expand current state law related to capital improvements.*)

The Board will take action on the proposed legislative initiatives at its November meeting.

(Handout Filed with Official Minutes)

CHARGE TO ADMISSIONS TASK FORCE

President Robinson presented the charge drafted for a proposed state university admissions task force. The charge was proposed in September and individuals were given an opportunity to suggest changes in the interim. Regent Shank moved, with the second of Regent Lykins, that the

Preamble and Charge to the Task Force be adopted. The motion carried. The following was approved:

State University Admissions Task Force

Preamble

Throughout the bulk of its history, the State of Kansas has embraced an open admissions posture regarding eligibility to study within its state universities. More recently, Kansas moved away from open admissions, adopting instead a statutory “qualified admissions” framework. That framework has now been in-place for approximately a decade, and it is appropriate for the Kansas Board of Regents to determine whether that current admissions policy framework continues to enable the state’s system of higher education to most effectively meet the needs of Kansans. The time is ripe for a review, and a “State University Admissions Task Force” will be appointed to conduct that review and make recommendations to the Kansas Board of Regents.

Charge to the Task Force

The primary charge for the Task Force is to advise the Board and make recommendations regarding optimal state university admissions policies for year 2010 and beyond. Among other things, optimal admissions policies should, from a state higher education *system* perspective, reflect the following principles:

- provide widespread access for qualified students
- retain the state’s best and brightest students for postsecondary study in Kansas
- enhance prospects for student success
- foster seamlessness across the state postsecondary system
- promote the efficient use of limited state educational resources.

Although its work is intended to be forward-looking, the Task Force is also expected to review and study the current admissions policies, and assess those policies pursuant to the principles outlined above.

The Task Force shall meet as often as necessary to complete its work, shall consult periodically with the System Council of Chief Academic Officers and the System Council of Presidents, and shall present its recommendations to the Board in October 2008.

MEMBERSHIP FOR ADMISSIONS TASK FORCE

President Robinson proposed that Chairman Downey-Schmidt appoint an individual to Chair the Task Force and that the Task Force Chair, the Board Chair and Vice Chair, along with President Robinson would then identify members to serve. The Chairman named Regent Sherrer to serve as Chair of the Admissions Task Force.

KANSAS CAMPUS COMPACT

Chairman Downey-Schmidt reported that Regent Docking has accepted a position on the Kansas Campus Compact.

POLICY MANUAL AMENDMENT TO INCORPORATE STUDENT LOAN CODE OF CONDUCT

General Counsel Julene Miller reported that Kansas Attorney General Paul Morrison initiated an inquiry into the relationships between public and private higher education institutions and the financial institutions that offer student loans in Kansas. The Attorney General found that overall, Kansas schools are acting responsibly when providing lending options to students. However, he recommended that institutions consider adopting a Code of Conduct. The Council of Presidents considered the Attorney General suggestion and recommended inclusion of such a Code in the Board's Policy Manual. Ms. Miller proposed policy language, which would set a minimum standard.

Discussion followed. Community colleges and technical schools and colleges were urged to consider adopting a similar policy. It was also suggested that universities look into the study abroad programs. It was also noted that in the language related to gifts and trips, the word "nominal" was not included in the proposed policy language for the Student Loan Code of Conduct. Ms. Miller stated that the language was omitted because the Kansas statute dealing with governmental ethics does not draw that distinction.

Regent Hedges moved that the proposed Student Loan Code of Conduct be approved for inclusion in the Board's Policy Manual. Following the second of Regent Thornton, the motion carried. The following language will be added in Chapter I.E.5. and a new Appendix L (Note: inaccurately identified as Appendix K in agenda material).

5. STUDENT LOANS
 - a. Institutions are authorized to borrow funds from federal government loan programs to provide funds for loans to students. Any matching fund requirements may be transferred from the General Fees Fund. (12-16-67)
 - b. Institutions offering student loans or facilitating the offering of student loans by third party financial institutions shall, at a minimum, adhere to the Student Loan Code of Conduct found in Appendix L of this Policy Manual.

Appendix L

STUDENT LOAN CODE OF CONDUCT

1. Preferred Lender Guidelines

Preferred or suggested lender lists used by state universities shall be based solely on the best interests of students and parents who may use the lists, and without regard to the financial interests of the university.

2. Lender Disclosures

All preferred or suggested lender lists maintained by a state university shall clearly and fully disclose the criteria and process used to select the lenders included on

those lists. Students and parents shall also be told that they have the right and ability to select a lender of their choice, regardless whether such lender appears on the university's lender list.

3. Revenue Sharing

State universities shall not accept anything of value from any lender in exchange for any advantage sought by the lender. Lenders shall not be required or allowed to pay to be placed on a university's preferred lender list.

4. Gifts and Trips

State university employees shall not accept anything of value from any lender. This includes gifts or trips of any kind.

5. Advisory Board Membership

State university employees shall receive no compensation or anything of value for serving on the advisory board of any lender.

6. Lender Identification

No employee of any lender shall work in or provide staffing in a state university financial aid office. In addition, state universities shall direct employees of lenders to clearly identify themselves as employees of the lender and to never identify themselves as university employees when meeting or speaking with students or parents.

RESOLUTION TO PUBLISH NOTICE OF LAND FOR LEASE – KSU

Kansas State University requested Board approval to publish a notice of intention to lease certain property interests in Weston County, Wyoming, for prospecting for oil and gas. Regent Perkins moved, followed by the second of Regent Lykins, that Board staff proceed with publication of a notice in the Kansas Register soliciting bids to lease property own by the Board of Regents in Weston County, Wyoming, on behalf of Kansas State University. The motion carried. The following Resolution will be forwarded to the Kansas Register for publication:

RESOLUTION

BE IT RESOLVED by the Kansas Board of Regents in a meeting duly called, held and assembled, that the mineral rights owned by the Kansas Board of Regents for the benefit of Kansas State University on the following described half section of land (Land) of approximately 320 acres in Weston County, Wyoming, are by this Board deemed to be valuable for leasing for the purpose of prospecting for and production of oil and gas, and that, subject to and in substantial conformity with the provisions of this Resolution, the Land can be leased for such purpose:

The West Half (W/2) of Section 11, Township 44 North, Range 68 West, Weston County, Wyoming, containing 320 acres, more or less.

BE IT FURTHER RESOLVED, that public notice be given of the intention of the Board to lease the Land for oil and gas purposes in accordance with the provisions of K.S.A. 76-164 through 76-168, by causing an appropriate notice to be published in the Kansas Register at least thirty (30) days prior to the date fixed for the receipt of bids for each lease, which date shall be and is hereby fixed as the 3rd day of December, 2007, at or prior to the hour of 8:30 AM (CST). Said notice shall be in substantially the following form, to wit:

REQUEST FOR BIDS
NOTICE OF INTENTION TO LEASE CERTAIN LAND IN WESTON COUNTY,
WYOMING
FOR OIL AND GAS PURPOSES

TO WHOM IT MAY CONCERN:

Public notice is hereby given that under authority of K.S.A. 76-164 through 76-168, the Kansas Board of Regents (Board) has determined that certain half section of land (Land) in Weston County, Wyoming, owned by the Board for the benefit of Kansas State University, such tract consisting 320 acres, is valuable for leasing for the purpose of the production of oil and gas and that the Land can be leased for such purpose and that the Board intends to lease the Land described as:

The West Half (W/2) of Section 11, Township 44 North, Range 68 West, Weston County, Wyoming, containing 320 acres, more or less.

The terms and conditions prescribed by the Board for the lease and the provisions for competitive bids in accordance with law for the same and other matters incidental thereto, are contained in a Resolution passed by the Board on the 17th day of October, 2007, and spread at large upon the Minutes of the Board, which Minutes and Resolution are now and until the date and time fixed for the receipt of competitive bids, open to public inspection in the office of the Kansas Board of Regents, Suite 520, 1000 SW Jackson Street, Topeka, Kansas 66612-1368, and copies thereof may be obtained by application to Julene Miller, General Counsel, Kansas Board of Regents.

Competitive bids for leasing of the Land will be received by the Board up and until the hour of 8:30 AM (CST), December 3, 2007. No bids received after said date and hour shall be considered by the Board. Any lease or leases entered into by the Board will be awarded by the Board to the highest, responsible, responsive bidder. The Board reserves the right to reject any and all bids. Bids should be addressed to the Kansas Board of Regents and sent to or deposited with the aforesaid officer of the Board. On the outside of the envelope containing bids

should be plainly written the words BID ON OIL AND GAS LEASE - WESTON COUNTY. Only such bids as shall be in substantial conformity with the terms and provisions of the foresaid resolution will be considered or accepted by the Board. The bid opening will be at 8:45 AM, December 3, 2007, in the Kathy Rupp Conference Room of the office of the Kansas Board of Regents, 1000 SW Jackson Street, Suite 520, Topeka, Kansas.

(signed)

Board Representative

BE IT FURTHER RESOLVED, that as evidence of good faith, each bidder submitting a bid for the Land is required to submit with each bid a certified check or cashier's check in the amount of ten percent of the offered lease price, payable to the order of the Kansas Board of Regents, said check to be forfeited in the event any such bidder's bid shall be accepted by the Board and such bidder shall thereafter fail to enter into a lease in accordance with the terms of this bid. Only such bids as shall be in substantial conformity with the terms and provisions of this Resolution shall be considered by or accepted by the Board, with the right to reject any and all bids being specifically reserved by the Board.

BE IT FURTHER RESOLVED, that the successful bidder or bidders shall pay, upon presentation of a statement by the Kansas Board of Regents, the cost of advertising for the leasing of the Land in Weston County, Wyoming, such advertising to appear in the Kansas Register. The cost of this advertising is in addition to the amount paid for the lease on the Land.

BE IT FURTHER RESOLVED, that each bidder submitting a bid shall include with that bid three (3) copies of a form of lease into which the bidder proposes to enter. The proposed lease shall be in substantial conformity with the standard oil and gas lease approved by the Southwest Kansas Royalty Association and identified as L. B. 88 revised, with Addendum.

BE IT FURTHER RESOLVED, that each bidder shall specify in his bid the cash bonus proposed to be paid by the successful lessee. The term of the lease shall be for a period of one (1) year and continue for a maximum period of three (3) years so long as oil and gas, or either of them, are produced in paying quantities from the Land. The amount of royalty interest to be retained by the State of Kansas shall be not less than one eighth (1/8) part of all oil, gas and hydrocarbons produced, such gas to be sold at not less than the prevailing field price, with additional one sixteenth (1/16) override for all gas produced.

BE IT FURTHER RESOLVED, that any lease entered into by the Board shall be in accordance with law: K.S.A. 76-164 through 76-168 shall be made a part of any contract or lease entered into; and any lease shall also contain the following provisions:

1. Operation must be in strict conformance with all government regulations pertinent thereto.

2. Lessee shall furnish all abstracts and title requirements and any and all leases shall be without covenants or warranty either expressed or implied.
3. If lessee makes any assignment or partial assignment of the lease entered into under the provisions of this resolution, lessee shall notify the President and CEO of the Board of Regents in writing within thirty (30) days after such assignment is made.

REPORT ON CEO SALARIES FOR FY 2008

Regent Thornton, Chair of the CEO Assessment Committee, reported that in recent years, the compensation for the chief executive officers has been determined by two aspects, first the salary to be received from state dollars, and secondly, the maximum compensation level that each chief executive officer may receive if private dollars are available from the institution's endowment or foundation to supplement the salary payable from state dollars. He shared the Assessment Committee recommendation, noting that the compensation will be retroactive to the beginning of the fiscal year.

Regent Hedges moved, with the second of Regent Lykins, that the recommendation be approved. The following compensation was authorized:

	<u>Salary (State Dollars)</u>	<u>Compensation Cap</u>
Chancellor Hemenway	\$260,660	\$332,051
President Wefald	\$249,071	\$308,256
President Beggs	\$217,942	\$270,400
President Hammond	\$197,652	\$218,400
President Bryant	\$197,652	\$218,400
President Lane	\$197,600	\$208,000
President Robinson	\$181,000	

ADJOURNMENT

Chairman Downey-Schmidt adjourned the meeting at 11:35 a.m.

Reginald L. Robinson, President and CEO

Christine Downey-Schmidt, Chair