

KANSAS BOARD OF REGENTS

MINUTES

August 13-15, 2013

The August 13, 2013, Kansas Board of Regents Annual Retreat was called to order by Chairman Fred Logan at 1:00 p.m. The meeting was held at The Barn Bed and Breakfast Inn, 14910 Blue Mound Road, Valley Falls, Kansas. Proper notice was given according to law.

MEMBERS PRESENT: Fred Logan, Chairman
Kenny Wilk, Vice Chairman
Shane Bangerter
Ann Brandau-Murguia
Tim Emert
Ed McKechnie
Robba Moran
Helen Van Etten

MEMBER ABSENT: Mildred Edwards

FORESIGHT 2020

President Tompkins presented a progress report on the three goals of Foresight 2020: 1) Increase higher education attainment among Kansans, 2) Improve alignment of the state's higher education system with the needs of the economy, and 3) Ensure state university excellence. On goal one, he reported on state demographic trends for the institutions, adult learners, and the number of credentials awarded. He noted the focus areas supporting goal one include: 1) developmental education, 2) reverse transfer, 3) programming and marketing for adults, 4) student-focused strategy for online education, and 5) measure of certificate/credential and degree attainment for general Kansas population. Regent Wilk stated one of the aspirations under goal one is to increase, to 60 percent, the number of Kansas adults who have a certificate, credential, associate's degree, or bachelor's degree by 2020. He noted the importance of this aspiration and believes the Board should focus on how to become more specific in the number of certificates and degrees needed to meet the goal of 60 percent.

On goal two, President Tompkins reviewed the progress on the percent of graduates employed after graduation, the nursing and engineering initiatives, the Governor's CTE initiative, the work done with the national credentialing groups, and STEM credentials awarded in Kansas institutions. He noted in FY 2014 the Board will receive a report on the performance of student learning in the following areas: 1) mathematics/quantitative/analytical reasoning, 2) written and oral communications, and 3) critical thinking/problem solving. The focus areas for goal two include: 1) reporting on the research capability of the universities and their success in commercialization, 2) keeping abreast of workforce needs and developing system strategies to respond, 3) continuing to improve data quality with regard to employment and wages, and 4) continuing to connect with national credentialing agencies to obtain student performance data.

For goal three, President Tompkins reviewed the work done by the Governance Committee on university peers and noted the annual report on the university endowment and research funding began last year. The areas of focus for goal three include: 1) improving strategic communications, 2) broadening advocacy, 3) identifying critical investments that enhance excellence, and 4) reporting annually on rankings and peer comparisons. The Board discussed the university peers and the set of metrics used to make comparisons. One of the Board's goals for this year will be to receive a report from the research universities (Kansas State University, University of Kansas, and Wichita State University) on rankings.

Additionally, the Board discussed how to incorporate more information on the metrics of Foresight 2020 into the CEO evaluations. Board staff will review the Foresight 2020 section of the CEO evaluation tool.

(PowerPoint filed with Official Minutes)

KANSAS BOARD OF REGENTS STAFF REVIEW OF KEY ISSUES IN FY 2014

Legal

General Counsel Julene Miller stated the General Counsel's Office will be working on reviewing the CEO performance evaluation format, reviewing CEO search and selection processes and policies, and working with the Board on developing a CEO compensation policy. Additionally, General Counsel Miller presented a history of the campus weapons policies and the postsecondary institution exemption under the Personal and Family Protection Act. It was noted that the Governance Committee will discuss the process for studying the impact of concealed carry on campus and how best to implement the new legislation.

(PowerPoint filed with Official Minutes)

Government Relations and Communications

Mary Jane Stankiewicz, Director of Government Relations and Communications, stated the higher education legislative tour for the House Appropriations Committee, Senate Ways and Means Committee, and legislative leadership will probably occur sometime in October. They will visit the campuses of each state university, one community college, and one technical college. Ms. Stankiewicz reported the Council of Government Relations Officers and the System Council of Government Relations Officers focused on this topic at their retreat. The two councils also discussed the upcoming legislative session and the importance of using uniform data points and having a united message. Additionally, she reported Board staff is working to make the Board's website more efficient for users.

(PowerPoint filed with Official Minutes)

Finance and Administration

Diane Duffy, Vice President of Finance and Administration, reviewed the timeline of the state budget process. Her unit will work with the Fiscal Affairs and Audit Standing Committee on exploring the pros and cons of changing the state university audit procedures and reviewing

whether the Board should consider a specific debt policy for the state universities. Additionally, Finance and Administration continues to build the Board's data base and analysis capacity.

(Handout filed with Official Minutes)

Academic Affairs

Gary Alexander, Vice President of Academic Affairs, stated the key areas in Academic Affairs for FY 2014 are the State Authorization Reciprocity Agreement (SARA), developmental education, performance agreements, distance education, transfer and articulation, and teacher preparation. Vice President Alexander reported the Board Academic Affairs Standing Committee (BAASC) will meet with Larry Isaak, President of Midwest Higher Education Compact, and Marshall Hill, executive director of national SARA initiative, regarding SARA. He noted a state's participation in any agreement is voluntary, but in order for the Board to participate, state statutes will need to be revised. Following discussion, the Board would like to invite Mr. Isaak and Mr. Hill to present to the full Board in September after they meet with BAASC.

Workforce Development

Blake Flanders, Vice President of Workforce Development, reviewed that unit's key issues for FY 2014. He stated in October 2010 the Board adopted a process that establishes terms for the Board appointments to the Kansas Postsecondary Technical Education Authority (TEA). The terms for the member representing the community colleges and the member representing the technical colleges expire on December 31, 2013. Appointment recommendations for these two terms will be forwarded to the Board for consideration in October, 2013. Additionally, the terms of the two TEA members representing the Board expire on June 20, 2014 and recommendations for these appointments will be forwarded to the Board in March or April, 2014. Vice President Flanders also discussed the progress of the Governor's CTE initiative. The initiative has been successful but will need additional state support for continued growth. Other key areas Workforce Development will continue to address include outcome metrics, KanVet, program alignment, employer engagement, engineering, Accelerating Opportunity Kansas, and the Commerce-University partnership.

(PowerPoint filed with Official Minutes)

BREAK

The Chairman called for a break at 3:45 p.m. and resumed the meeting at 4:00 p.m.

POSSIBLE COOPERATION BETWEEN FORT SCOTT COMMUNITY COLLEGE AND PITTSBURG STATE UNIVERSITY

Clayton Tatro, President of Fort Scott Community College, Steve Scott, President of Pittsburg State University, and Dr. Jackie Vietti, former President of Butler Community College, discussed the possibility of expanding the partnership between Fort Scott Community College (FSCC) and Pittsburg State University (PSU). Currently, the two institutions have an agreement that allows FSCC student to take community college courses on the PSU's campus while providing the students with the ability to seamlessly transfer to PSU. The two institutions are now looking at ways to expand their existing partnership to better serve students, the communities, the region

and the state. FSCC and PSU asked Dr. Vietti to facilitate the conversation. Dr. Vietti reviewed the potential guiding principles and elements to be addressed in the development of a conceptual model. President Tatro stated there will be public forums held in Fort Scott and Pittsburg to gather input from the communities and noted if a plan is created it will be presented to the Fort Scott Community College Board of Trustees and the Kansas Board of Regents for consideration.

RECESS

Chairman Logan recessed the meeting at 5:00 p.m.

RECONVENE

The Chairman reconvened the meeting at 8:20 a.m. on Wednesday, August 14.

MEMBERS PRESENT:

- Fred Logan, Chairman
- Kenny Wilk, Vice Chairman
- Shane Bangerter
- Ann Brandau-Murguia
- Mildred Edwards
- Tim Emert
- Ed McKechnie
- Robba Moran
- Helen Van Etten

DISCUSSION WITH STEVE ANDERSON

The Kansas State Budget Director, Steve Anderson, spoke to the Board about the state budget, the impact of the tax cuts, and state funding in the coming years.

FY 2015 LEGISLATIVE REQUESTS

Regent Logan stated the Board received proposed legislative budget requests at the regular June 19-20, 2013 meeting and July 2013 budget meeting. These requests were submitted by the institutions and Board office for possible inclusion in the Board's FY 15 unified budget request. The Board discussed requesting restoration of all the base cuts made by the Kansas Legislature for FY 2014 and FY 2015 and the Board's other budget priorities. There was also discussion on the possibility of freezing tuition for FY 2015 if the amount that was cut is restored. The Board reviewed the following budget proposals:

Kansas Board of Regents

Summary List of Ideas for FY 2014 and 2015 Postsecondary Education State Unified Budget Request

THEMES: RESTORE - BUILD UNIVERSITY EXCELLENCE - GROW AND IMPROVE THE QUALITY OF THE KANSAS WORKFORCE

Proposal	Submitted By	If Prioritized	Proposed Increase		Notes
			FY 2014	FY 2015	
SYSTEMWIDE All Higher Education					
Restore all base cuts made by the Kansas legislature for FY14 and FY15		CC's 1 of 4; TC's 1 of 3	\$19,600,000	\$16,800,000	
1% across-the-board base SGF increase				7,500,000	
SYSTEMWIDE Student Financial Assistance					
New Program Targeted to Working Kansas Adults to Return and Complete				600,000	
KBOR REQUESTS					
Adult Education Budget Request to Meet Foresight 2020 Goal	KBOR Staff			732,000	
Board's Transfer & Articulation Web Portal and Process	KBOR Staff			741,496	
Increase State Funding for EPSCoR	KBOR Staff			1,000,000	
Oral Health Task Force – Phase I – Purchase of Dental School Seats	2012 Oral Health Task Force			960,000	
Phase II - Create Dental School a) 40 students				68,500,000	\$54m start-up costs & \$14.5m annual operating budget
b) 60 students				77,500,000	\$58m start-up costs & 19.5m annual operating budget

INSTITUTION/SECTOR SPECIFIC PROPOSALS

Technical Education Fund - Governor's CTE Secondary Initiative	Tech Ed Authority, Community Colleges, Technical Colleges	CC's 2 of 4 TC's 2 of 3	15,250,000	15,250,000	
Close the Gap in the Tiered Technical Education Formula	Tech Ed Authority, Community Colleges, Technical Colleges	CC's 3 of 4 TC's 3 of 3		8,000,000	
KansasConnect Initiative (patterned after Florida DirectConnect initiative)	Community Colleges	CC's 4 of 4		No funds requested	
Additional Funding for Deferred Maintenance at the State Universities	Board approved at its May, 2013 Board Meeting			20,000,000	
ESU - Enhance Honors Program to Honors College	ESU	1 of 3		1,000,000	
ESU - Establish Master of Science, Forensics (MS)	ESU	2 of 3		500,000	\$500,000 divided evenly over 2 years
ESU - Bachelor of Science, Nursing (BSN) Program	ESU	3 of 3		500,000	
FHSU - Information Systems Engineering	FHSU			760,111	
FHSU - Kansas Academy of Math and Science - Expand Summer Academy	FHSU			248,000	
KSU - Strengthen the College of Architecture, Planning, Design	KSU	1 of 4		1,500,000	KSU would request \$5m in base funding beginning in FY 16
KSU - Construct the College of Business Administration Building (capital improvement project/20 year bond financing)	KSU	2 of 4		1,500,000	
KSU - Enhance Agriculture Research	KSU	3 of 4		2,000,000	
KSU - Create a Research Synergy Center (includes a capital improvement component)	KSU	4 of 4		5,000,000	
PSU- Create the Kansas Center for CTE Teacher Development and Innovation	PSU	1 of 2		1,000,000	

PSU - Expansion of Kansas Technology Center (capital improvement project)	PSU	2 of 2		15,000,000	
KU- Transforming Student Success and Retention through Course Redesign and Online Technologies	KU	1 of 2		2,835,000	
KU - Support for Kansas Institute for Translational Chemical Biology	KU	2 of 2		2,500,000	
KUMC Medical Education Building (capital improvement project)	KUMC	1 of 2		15,000,000	The request also included \$25m in FICA funds
KUMC - Increase Stature of the Medical Center including School of Medicine in Wichita	KUMC	2 of 2		4,500,000	
WSU - Extend the University's Capacities to Engage with Business and to Support Technology Transfer	WSU	1 of 3		1,200,000	
WSU - Planning Funds for a Technology Transfer Facility (capital improvement project)	WSU	2 of 3		2,000,000	
WSU - Develop Technology Transfer Capacities through Entrepreneurship	WSU	3 of 3		700,000	
Washburn University - Washburn University/KBI Crime Lab Partnership	Washburn	1 of 1		920,000	

BREAK

The Chairman called for a break at 10:04 a.m. and resumed the meeting at 10:25 a.m.

DISCUSSION WITH COMMUNITY AND TECHNICAL COLLEGE LEADERS

Regent Logan thanked the two-year college representatives for attending. The following presidents represented the community colleges: President Carl Heilman, Barton County Community College; President Clayton Tatro, Fort Scott Community College; President Stephen Vacik, Colby Community College; and President John Masterson, Allen County Community College. Representing the technical colleges were President Eric Burks, North Central Kansas Technical College, and President Ed Mills, Northwest Kansas Technical College. The presidents discussed the progress of transfer and articulation and the difference between the tiered technical education aid line item and the Governor's Career Technical Education (CTE) secondary initiative. The tiered technical education formula appropriation is targeted at adults. The Governor's CTE initiative is targeted at high school students. The appropriation for the Governor's initiative is used to increase the number of high school students graduating from high school with college credit in postsecondary technical education and with an industry-recognized credential in a high need occupation.

The community college presidents discussed their "Kansas Connection" legislative request. The vision of the Kansas Connection initiative is to expand higher education access and develop a seamless high school to community college to university response to degree/certificate attainment based on the SB 155 concept of state supported tuition for high school students. President Heilman reviewed the funding incentives that include the following: 1) maintain funding award to USD for community college completers (\$1,000 per completer), 2) provide early college high school scholarships for higher education credits (student course credit scholarship reimbursed to community college), 3) provide bonus to community college for completers (\$1,000 per completer), 4) provide incentives to community college for students transferring to Kansas Regent University with an associate degree (\$500 within 18 months of associate degree completion), 5) incent universities to recruit community college students with a minimum of 45 credit hours (\$1,000 per student transferring students), and 6) incent university dual admission and academic advisor cross training for retention and completion attainment (\$500 per student dual admission). The Board asked if this would result in seeking funding for general education credits earned in high school and if this provision would apply to technical colleges and universities. The Board directed the Board staff and the System Council of Presidents to review the proposal.

(Handout filed with Official Minutes)

BREAK

The Chairman called for a break at 11:45 a.m. and resumed the meeting at 12:45 p.m.

THREE-PERSON BOARD COMMITTEES

Each of the university CEOs met with their assigned three-person committee.

At 12:50 p.m., Regent Logan moved, followed by the second of Regent Edwards, to recess into executive session for 20 minutes to discuss personnel matters of non-elected personnel.

Participating in the executive session were Regent Edwards, Regent Logan, Regent Murguia, and President Bardo. At 1:10 p.m., the meeting returned to open session.

At 1:10 p.m., Regent Logan moved, followed by the second of Regent Edwards, to recess into executive session for 20 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were Regent Edwards, Regent Logan, Regent Murguia, and Chancellor Gray-Little. At 1:10 p.m., the meeting returned to open session. Regent Logan moved to extend 5 minutes, and Regent Edwards seconded. The meeting returned to open session at 1:35 p.m.

At 12:50 p.m., Regent Wilk moved, followed by the second of Regent Van Etten, to recess into executive session for 20 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were Regent Wilk, Regent Van Etten, Regent McKechnie, and President Shonrock. At 1:10 p.m., the meeting returned to open session.

At 1:15 p.m., Regent Wilk moved, followed by the second of Regent Van Etten, to recess into executive session for 20 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were Regent Wilk, Regent Van Etten, Regent McKechnie, and President Scott. At 1:35 p.m., the meeting returned to open session.

At 12:50 p.m., Regent Emert moved, followed by the second of Regent Moran, to recess into executive session for 20 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were Regent Emert, Regent Moran, Regent Bangerter, and President Schulz. At 1:10 p.m., the meeting returned to open session. Regent Emert moved to extend 10 minutes, and Regent Moran seconded. At 1:20 p.m. the meeting returned to open session.

At 1:20 p.m., Regent Emert moved, followed by the second of Regent Moran, to recess into executive session for 20 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were Regent Emert, Regent Moran, Regent Bangerter, and President Hammond. At 1:40 p.m., the meeting returned to open session.

EMPORIA STATE UNIVERSITY, FORT HAYS STATE UNIVERSITY, AND PITTSBURG STATE UNIVERSITY

President Shonrock, President Hammond, and President Scott discussed how the regional universities impact their respective regions of the state. President Hammond reviewed the economic and business impact of each university. Additionally, each president shared information regarding their business support services and community/university partnerships.

(PowerPoints filed with Official Minutes)

BREAK

The Chairman called for a break at 2:40 p.m. and resumed the meeting at 2:50 p.m.

UNIVERSITY OF KANSAS, KANSAS STATE UNIVERSITY, AND WICHITA STATE UNIVERSITY

Chancellor Gray-Little, President Schulz, and President Bardo discussed the value of research universities. They noted that research universities are the engines of innovation and entrepreneurship that drive the global economy and create national, state, and regional competitiveness. Each CEO discussed the contributions and impacts their universities have made in research. Additionally, each CEO noted the importance of having highly qualified and recognized faculty.

(PowerPoints filed with Official Minutes)

BREAK

Chairman Logan called for a break at 3:50 p.m. and resumed the meeting at 4:02 p.m.

DISCUSSION WITH STATE UNIVERSITIES

The Board and the university CEOs discussed the upcoming higher education legislative tour.

BREAK

The Chairman called for a break at 4:50 p.m. and resumed the meeting at 5:20 p.m.

DISCUSSION WITH GOVERNOR BROWNBACK AND LANDON FULMER

Regent Logan thanked Governor Brownback and the Governor's Chief of Staff, Landon Fulmer for attending the Board retreat. The Governor spoke about the legislative process and the FY 2014 and FY 2015 budgets. He stated restoring the higher education cuts and the University of Kansas Medical Education Building are priorities for him. Additionally, the Governor and the Board discussed the Governor's CTE initiative, job creation, and the importance of communicating the aspirations of the universities.

RECESS

Chairman Logan recessed the meeting at 5:50 p.m.

RECONVENE

The Chairman reconvened the meeting at 8:20 a.m. on Thursday, August 15.

MEMBERS PRESENT:

Fred Logan, Chairman
Kenny Wilk, Vice Chairman
Shane Bangerter
Ann Brandau-Murguia
Mildred Edwards
Tim Emert
Ed McKechnie
Robba Moran
Helen Van Etten

DISCUSSION WITH RICHARD NOVAK

Richard Novak, a Senior Fellow with the Ingram Center for Public Trusteeship and Governance at the Association of Governing Boards of Universities and Colleges, discussed the issues of governance and ethics with the Board. Mr. Novak spoke about the difficulties of governing and coordinating multiple institutions in a system. He also reviewed the ethical duties and other key responsibilities of governing boards.

(Handout filed with Official Minutes)

BREAK

The Chairman called for a break at 9:30 a.m. and resumed the meeting at 9:45 a.m.

FISCAL AFFAIRS AND AUDIT STANDING COMMITTEE AND THE BOARD ACADEMIC AFFAIRS STANDING COMMITTEE

The members of the Fiscal Affairs and Audit Standing Committee and the Board Academic Affairs Standing Committee met to discuss their agendas for the upcoming year.

KEY ISSUESBudget Priorities

The Board discussed the budget priorities for the upcoming legislative session. Staff was directed to draft the proposed unified budget request for the Board's consideration at the September meeting with the following priorities:

- 1) The Board's top priority is to restore all cuts made by the Kansas Legislature for FY 14 and FY 15.
- 2) The Board's top priority for the universities was the KU medical school proposal.
- 3) The top two enhancement proposals for each of the state universities will be placed on the Board's draft budget request document with the exception of ESU. The Board wants to place ESU's first and third proposal on the budget document for consideration.
- 4) For the two-year sector, the Board's top priority is funding to close the gap in the tiered technical education formula. The Board also wanted to include full funding for the Governor's CTE secondary initiative.
- 5) The Board directed the proposals for Adult Basic Education and Washburn University be included in the proposed budget request.

Additionally, the Board discussed the Oral Health Task Force recommendations and directed the staff to send a formal copy of the report to the Governor. The Board also discussed the importance of having one of the universities provide leadership in this area.

CEO Evaluations Forms

The Board reviewed and discussed the format of the CEO evaluation form. Board staff was directed to replace "Strongly Disagree" with "Unable to Evaluate." The Board also discussed including more information in the Financial Stewardship section and the Foresight 2020 section of the form. Board staff will work with Governance Committee to review the suggested changes.

EXECUTIVE SESSION

At 11:15 a.m., Regent Wilk moved, followed by the second of Regent Emert, to recess into executive session for 20 minutes to discuss personnel matters of non-elected personnel. Participating in the executive session were members of the Board, President Andy Tompkins and General Counsel Julene Miller. At 11:35 a.m., the meeting returned to open session. Regent Wilk moved to extend 10 minutes, and Regent Emert seconded. The meeting returned to open session at 11:45 a.m. Regent Wilk moved to extend 5 minutes, and Regent Moran seconded. At 11:50 a.m. the meeting returned to open session.

BOARD GOALS

Regent Logan summarized potential Board goals for this year, which are listed below. Staff will fully develop the goals and present them to the Board for consideration at the September meeting.

- Develop strategies on how to reach the Foresight 2020 aspiration to increase, to 60 percent, the number of Kansas adults who have a certificate, credential, associate's degree, or bachelor's degree by 2020
- Receive a presentation by the research universities on rankings
- Approve additional transfer courses
- Address developmental education
- Receive update from the state universities on the progress of the post-tenure review policies
- Explore strategies on how to leverage assets in the state universities

ADJOURNMENT

The Chairman adjourned the meeting at 12:50 p.m.

Andy Tompkins, President and CEO

Fred Logan, Chair