

KANSAS BOARD OF REGENTS

MINUTES

July 25-27, 2022

The Kansas Board of Regents Budget Workshop and annual Retreat was called to order by Chair Jon Rolph on Monday, July 25, 2022 at 10:30 a.m. The meeting was held at the Kansas Leadership Center in the Konza Room (325 E. Douglas Avenue, Wichita, Kansas 67202). Proper notice was given according to law.

MEMBERS PRESENT: Jon Rolph, Chair
 Carl Ice, Vice Chair
 Cheryl Harrison-Lee
 Shelly Kiblinger
 Cynthia Lane
 Wint Winter

MEMBERS ABSENT: Bill Feuerborn
 Mark Hutton
 Allen Schmidt

WELCOME

Chair Rolph welcomed everyone to the Kansas Leadership Center and introduced Ed O'Malley who is the founding President and Chief Executive Officer of the Kansas Leadership Center. He also congratulated Mr. O'Malley on his recent appointment as President and CEO of the Kansas Health Foundation. Mr. O'Malley thanked the Board and stated that the Kansas Leadership Center was founded to help foster leadership in organizations, which will create stronger, healthier, and more prosperous Kansas communities. Mr. O'Malley stated that he is excited that the leaders of the higher education system have come together to discuss the complex issues facing the system and looks forward to working with the system leaders in his new role at the Health Foundation.

Chair Rolph thanked Mr. O'Malley and then reviewed the agenda for the retreat. He noted that this year he asked the university CEOs and two representatives for the community and technical colleges to participate in the discussions on all three days of the retreat. Chair Rolph noted that the Governor is expected to appoint three new Regents but has not done so yet, which is why only six Regents are participating in the retreat. He then amended the agenda to remove the Board committee discussions on Wednesday morning and noted that, for the meetings to be held at the retreat, the membership of the Three Regent Committees will be the same as last year.

KANSAS DEMOGRAPHIC PRESENTATION

Dr. Stan Longhofer, Professor and Chair of Real Estate and Finance in the Barton School of Business at Wichita State University, presented trend data on demographics in Kansas and the region. The number of Kansas high school graduates has slightly increased over the past several years; however, it is projected to decline after 2026 for at least the next decade. Dr. Longhofer stated that if this holds true, colleges and universities will need to look at alternative student pipelines to grow future enrollments. He spoke about the diversity of the state and noted in Southwest Kansas there are some counties where Hispanics are close to being the majority

population. Dr. Longhofer reviewed the Kansas population data and trends. From 2010 to 2020, Kansas has experienced very slow population growth. The majority of the growth has occurred in its metro areas (Kansas City, Wichita, Topeka, Lawrence, and Manhattan). He then shared projection data for Kansas, which was based on the 2018 Census. The metro areas will continue to see slow growth (50 percent over 50 years or less than one percent per year) but some of this growth will come from in-migration from the rural areas. Dr. Longhofer also noted that the working age group in Kansas is shrinking, which is largely due to out-migration from lack of employment and growth opportunities.

Dr. Longhofer then shared data on the surrounding states (Texas, Oklahoma, Missouri, Colorado, and Nebraska) and compared it to Kansas's profile. In the region, Texas and Colorado are the wealthiest states with the highest incomes. Kansas was the fourth highest in household income and third in the wealth index. Dr. Longhofer noted that Kansas had the second least diversified economy. Regarding population, currently Texas, Colorado, and Missouri have the highest concentration of youth to adolescent population, and these states could be student recruitment hubs for the colleges and universities. He also spoke about the foreign-born population growth rate, which is highest in the border states. However, the trend data shows that this population is migrating to other states.

Based on the current and future demographics of Kansas, the Board and CEOs discussed the importance of developing intentional strategies to recruit Hispanic and first generation students to the higher education system. They also discussed the need to attract students from other states and adult learners. President Flanders noted that the state's college going rate also needs to be addressed and shared an article from *HCM Strategist* titled "Facing What Ails Us Head On," which talks about the public consensus of higher education and why public confidence has dropped. The group discussed the importance of retention and completion and the need for more robust wraparound services for students. Chair Rolph thanked Dr. Longhofer for his presentation.

(PowerPoint filed with Official Minutes)

BREAK

At noon, Chair Rolph called for an hour break for lunch. At 1:00 p.m., the meeting resumed.

FACILITATED DISCUSSION ON WHOM HIGHER EDUCATION SERVES

Ryan Bond, Chief People Officer for Thrive Restaurant Group, led the group through several discussion sessions on how to develop strategies and initiatives and the importance of identifying who the system serves. The Board and CEOs discussed the importance of outcomes associated with initiatives and went through a session that identified outcomes that the system wants to avoid. These outcomes included having an initiative 1) result in no change, 2) not be proactive or intentional, 3) create more barriers, 4) reinforce a caste system, 5) be reactive, or 6) be convenient for only the institution and not benefit the student. Chair Rolph stated that as the Board and institutions develop strategies and initiatives to move the system forward, he wants the leaders to think about how to avoid these outcomes.

BREAK

Chair Rolph called for a break at 1:49 p.m. and resumed the meeting at 2:01 p.m.

Mr. Bond then led the group in a session to identify the stakeholders in the higher education system. The list included the State of Kansas, students, business and industry leaders, Kansas communities, families, Kansas taxpayers, alumni, and faculty, staff and administrators. The group discussed the importance of serving all the groups, and it was noted if the institutions serve more students, it will positively benefit all the other groups.

BREAK

Chair Rolph called for a break at 3:00 p.m. and resumed the meeting at 3:38 p.m.

NATIONAL INSTITUTE FOR STUDENT SUCCESS (NISS) ACADEMIC PLAYBOOKS

Georgia State's National Institute for Student Success (NISS) was developed to help colleges and universities identify and resolve institutional barriers to equity and college completion by increasing their capacity to implement proven student-success systems and data-driven interventions and enact systemic change to institutional processes and structure. Last year, it was determined that the six state universities and Cowley County Community College would participate in the NISS project. At the May meeting, the Board received a report from NISS on the process and general findings at the institutions. Chair Ralph stated that each university received its own unique academic playbook from NISS that contained recommendations to address challenges facing the institution. He asked each CEO to present their university's plan for implementing its playbook.

President Mason reported that Fort Hays State University reviewed the recommendations and has created an action plan that is tied directly to the University's strategic plan. President Mason stated that the goal for the University is to increase its persistence and graduation rates for all degree-seeking students by an average of four percentage points by June 2024. The recommendations that the University will be focusing on during this academic year include: 1) standardizing academic advising to ensure students receive consistent, proactive support across units and clear guidance when transitioning between majors, 2) strengthening financial aid through collaboration with other units and coordinated, proactive outreach to students, 3) restructuring the University's course design, planning and review process to include data on course demand, DFW rates, success by modality, and bottlenecks, and 4) improving outcomes for online students by better aligning obstacles with resources. President Mason stated that many of these initiatives were underway prior to the NISS report and that there are upfront costs to fully implement them, which is why Fort Hays included a \$2 million student success funding request for the Board to consider including in the Fiscal Year 2024 unified budget request.

Regent Winter was interested in knowing if the universities or system can calculate the return on investment for implementing the recommendations. It was noted that calculating return on investment can be complicated and that the results of these initiatives will not be known immediately.

President Muma stated that Wichita State University is embedding its recommendations into its strategic enrollment management system. He noted the importance of prioritizing the recommendations due to funding and staffing issues and developing a plan to tackle additional recommendations when resources are identified. During this academic year, WSU will work on

initiatives focused on closing retention and completion gaps among underserved and non-underserved students. These initiatives include: 1) forming an executive team that will provide leadership on closing the gaps, 2) completing HLC's quality initiative application, which is focused on elimination of gaps for campuswide adoption, 3) identifying key metrics and benchmarks for improving academic outcomes, and 4) strengthening student financial aid support. President Muma stated some tactics that will be utilized include coordinating academic advising/career exploration, proactively identifying at-risk students, increasing need-based aid, and increasing the number of paid applied learning opportunities. President Muma stated the current financial investment needed for these initiatives is \$2 million.

Regent Ice likes the idea of incorporating the NISS recommendations into existing plans or systems at the universities. He believes the Board should seek funding on specific action items associated with the recommendations. Regent Kiblinger and Regent Lane would like to see some of the metrics in the NISS reports embedded into the Board's strategic plan.

President Shipp stated the NISS report was valuable to the University because it highlighted the areas that need improvement to help students succeed. He noted that PSU currently does not have a strategic enrollment management system or coordinated advising. The University will focus on these two initiatives this year to improve enrollment, retention, and graduation rates. President Shipp stated that PSU is going to invest funds to establish a Gorilla Completion Grant Program, a First-Generation Student Learning Community, and an Open Education Resources (OER) Micro Grant Program. The University will also develop a PSU Internship Accelerator Program and a Math Education Solution for gateway courses. The total additional funding investment for all these initiatives is \$4.75 million.

Chancellor Girod stated that the NISS report contained over 23 recommendations and that it is not possible for the University to address all the recommendations at once because of funding and staffing issues. KU plans to prioritize the following recommendations: 1) strengthening its student? financial wellness through collaboration with other units and strategically aligned, proactive outreach to students, 2) strategically aligning its academic advising to ensure students receive consistent, proactive support across units and clear guidance within their majors, 3) aligning student-facing communications to direct information to students in a coordinated, prioritized, and personalized manner, and 4) developing intentional pathways for students to learn about, select, and transition between majors. Chancellor Girod reviewed specific steps under each recommendation and noted that the advising alignment is already in progress at the University. It is anticipated that students will start engaging with the new model in August, and it was noted that KU plans to invest an additional \$1.8 million in centralized advising to add staff. The Chancellor stated that in 2023 KU plans to implement a degree mapping tool for every pathway and that the annual cost for the technology will be \$90,000. Under the student communication recommendation, the Chancellor spoke about different apps that the University is working on to help keep students engaged and the potential use of a chat bot, which is AI technology that universities use to communicate with potential and current students. He noted that the chat bot systems are expensive to purchase. Regent Winter stated that the universities should explore working together to purchase technology like the chat app, which could save the system money.

President Linton reported that many of the NISS recommendations for Kansas State University align with the priorities identified in the K-State strategic enrollment plan. KSU strongly supports all the priorities but will need time to consider all the steps outlined in the report. President Linton stated that KSU plans to implement the following recommendations this year: 1) standardizing advising technology and protocols to deliver data-informed, coordinated, and proactive advising to students across K-State, 2) creating structured pathways, including learning communities, to guide students into their academic studies and through the first year, 3) coordinating student communications to prioritize and direct information to students in a timely, proactive, and personalized manner, and 4) strengthening financial aid through collaboration with other units and coordinated, proactive outreach to students. President Linton noted that many of these initiatives are already underway or are in the planning stages. He then reviewed specific action steps under each recommendation and stated that KSU will need additional funds to advance the plan.

President Hush stated that the Emporia State University playbook from NISS reaffirmed the need for change to help students succeed. ESU plans to address the following recommendations over the next year: 1) structuring pathways to guide students into academic studies, 2) standardizing advising technology and protocols to deliver data-informed and coordinated advising, 3) strengthening financial aid through collaboration and coordination and outreach, and 4) enabling use of actionable data in support of improved student outcomes and communications. President Hush stated that \$1.2 million will need to be invested to move these initiatives forward.

Regent Lane believes it will be important for all the universities to identify metrics and leading indicators to track their progress on these initiatives.

(NISS Handouts filed with Official Minutes)

ADJOURNMENT

Chair Rolph adjourned the meeting at 5:15 p.m.

CALL TO ORDER

Chair Rolph called to order the July 26, 2022 meeting at 9:36 a.m.

MEMBERS PRESENT: Jon Rolph, Chair
 Carl Ice, Vice Chair
 Cheryl Harrison-Lee
 Shelly Kiblinger
 Cynthia Lane
 Wint Winter

MEMBERS ABSENT: Bill Feuerborn
 Mark Hutton
 Allen Schmidt

BOARD STRATEGIC PLAN UPDATE

President Flanders stated that last year the Board expressed an interest in creating a dashboard for its strategic plan, *Building a Future*. Matt Keith, Director of Communications, reviewed the

potential structure of the web-based dashboard, which will contain foundational and supportive metrics for the areas of focus under each of the plan's pillars (Family, Business, and Economic Prosperity). Individuals using the site will be able to conduct searches on individual institutions or the system. President Flanders stated he hopes to have the dashboard go live on the Board's website by February 2023. Regent Lane supports the idea of the dashboard but wants to make sure that the terms such as fundamental metrics and supportive metrics are clearly defined. The Board then discussed how much information should be on the dashboard and what the Regents are going to do with the information. The Regents want to use the data to drive outcomes for the system and feel that the current data they receive is lagging. The CEOs noted that they receive routine reports on different data points and can share that information with their three-person committees. Several of the Regents noted that they do not want the institutions to create additional data collections because it may impact staffing and resources, but they are interested in organizing the data so that it more usable by the Board. President Genandt stated that the community and technical college leaders are interested in tracking additional metrics such as Stand Alone Parent Programs. Chair Rolph stated that would be a good topic to discuss at the September leadership meeting. Following discussion, Chair Rolph asked Regent Lane, Regent Kiblinger, and President Flanders to form a group to discuss what metrics should be included in the strategic plan dashboard and what data the CEOs should provide to their Regent Committees. The group will then bring recommendations forward to the Board for consideration.

BOARD GOALS

Chair Rolph stated he would like the Board and CEOs to identify short-term, mid-term, and long-term goals for the system. The group developed the below list of ongoing and potential initiatives for the upcoming year. The CEOs noted that there are several ongoing initiatives that require significant resources and that the universities may not have the bandwidth to take on additional large projects. Regent Lane noted that the Board's goals need be connected to the Board's strategic plan.

- Develop a Strategic Plan Dashboard — in process
- rpk Group's work on the restructuring of the Board's program review process – in progress
- Implementing the NISS recommendations – in progress
- Implementing math pathways – preliminary work started
- Reviewing Student Health Centers/Athletics – in progress
- Developing an early college system
- Developing strategies to address workforce shortages: teachers and healthcare positions
- Implementing the Common General Education policy – in progress
- Develop a new Performance Funding Model – in progress
- Facilities initiative – in progress
- Scaling corequisite remediation
- Applying for ARPA projects and Challenge Grants – in progress
- Program alignment in Education and Criminal Justice
- Economic development workforce generation

BREAK AND TOUR

The Chair called for a break at 11:05 a.m. The Board and CEOs traveled to WSU Tech's National Center for Aviation Training (4004 N. Webb Road, Wichita, Kansas). The Group toured the facility and resumed the meeting at 12:19 p.m.

UPDATE ON AFFILIATION BETWEEN WICHITA STATE UNIVERSITY AND WSU TECH

Sheree Utash, President of Wichita State University Campus of Applied Sciences and Technology (WSU Tech) and Vice President of Workforce Development for WSU, and President Muma discussed the history and outcomes of the affiliation between Wichita State University (WSU) and Wichita Area Technical College (WATC). Dr. Utash stated that under President John Bardo's leadership, WATC and WSU formed a coalition to begin working together to benefit industry and students attending the institutions. The two institutions then sought legislation to merge to create a new School of Applied Sciences and Technology within WSU. Dr. Utash noted that this legislation failed, which was ultimately good for both institutions because it led to the current affiliation model. Dr. Utash stated that the affiliation has allowed WSU Tech to remain a stand-alone college with its own funding streams and HLC (Higher Learning Commission) accreditation. The Board of Trustees, who are senior leaders of industry in the Wichita area, became an advising board for the WSU President. President Muma noted that the Kansas Board of Regents is the governing Board through him. He also highlighted that the affiliation, which started on July 1, 2018, has benefited the students at both WSU Tech and WSU because there are academic pathways that allow students to earn degrees from both campuses. It also made it easier for students to transfer. President Muma also spoke about the efficiencies created and the partnerships formed with businesses. Regent Winter asked if the affiliation model could be replicated at other institutions. President Utash stated their model is unique and was created to help industry and students. She believes that other institutions can implement a similar model if there is a desire by both entities and their communities. She also noted the importance of keeping the missions of the college and university separate.

BLENDING HIGH SCHOOL AND COLLEGE

Chair Rolph welcomed Randy Watson, Commissioner of Education, and Dr. Alicia Thompson, Superintendent of the Wichita Public Schools. Commissioner Watson, Superintendent Thompson, and President Flanders discussed developing a model to blend the junior and senior year of high school with the freshman and sophomore year of college. Dr. Watson reported that a study by the Georgetown Center on Education and Workforce showed that 73 percent of jobs in Kansas will require an individual to have a credential beyond high school. He also noted that the State Board of Education understands the importance of preparing students for education beyond high school and is tracking the postsecondary effective rate for each high school graduating class. The State Board of Education also has a state graduation goal of 95 percent. President Flanders and Dr. Watson spoke about developing a model to embed college level courses in the high school to allow students to earn both high school and college credits. This type of structure will provide more opportunities to students who may not think that going to college is possible.

Dr. Thompson stated that the Wichita Public Schools serves about 45,000 students and one of its goals in its strategic plan is to increase the number of students graduating high school with college credit. The Wichita Public School system is currently developing a Graduation+ program, which is modeled after Kansas City Kansas Public School's Diploma+ program. Dr. Thompson noted

that there are many different types of concurrent credits offered in the high schools, but there are access issues. Having access to certain college courses may depend on the location of the high school and whether the teachers at the school have the right credentials to meet the Higher Learning Commission's standards. Funding tuition for student to take college courses is also an issue.

President Flanders acknowledged that teacher qualifications and access will need to be addressed. He then reviewed the current funding structure for high school students taking college credit, and the group discussed the challenges associated with teacher workforce shortages, teacher qualifications, and student preparation. Regent Lane believes the higher education system and the K-12 system can work together to address the challenges and would like to see the systems move forward with the initiative. Regent Harrison-Lee concurred. Chair Rolph stated that a group may need to be formed to further discuss the initiative and thanked the Commissioner and Superintendent Thompson and her team for attending the Board's retreat.

BREAK

At 1:40 p.m., Chair Rolph called for a break and the Board traveled back to the Kansas Leadership Center (325 E. Douglas Avenue, Wichita, Kansas 67202). He resumed the meeting in the Konza Room at 2:30 p.m.

STATE UNIVERISTY BUDGET OVERVIEW

President Muma reviewed Wichita State University's enrollment trends, revenues, and expenses. In 2021, the fall enrollment headcount for Wichita State University was 16,097 students. President Muma stated that the University's goal is to grow its enrollment to 17,000 by 2025 and to accomplish this goal, WSU will 1) expand resident tuition rates to students from key U.S. Census metropolitan statistical areas, 2) utilize recommendations from NISS to improve retention outcomes for underrepresented minorities and other demographic groups, and 3) expand need-based scholarship funding for low-income students, retention scholarship funding, and offer support for emergency funds. He then reviewed WSU's tuition and State General Fund (SGF) revenues and noted that the University has held tuition rates flat for three of the past four years. However, President Muma stated that keeping tuition flat in the future is not sustainable because of rising costs and noted over the last five years, WSU has reduced its budget by \$22.8 million. President Flanders stated that WSU has done an outstanding job of increasing its research funding over the last seven years and wanted to know if those grants can help fund the University's overall budget. President Muma stated that many of the grants have restrictions on how the funds can be used, so the University does not typically use those funds for its overall budget. Regent Winter asked to receive additional information on the universities' budget cuts. Specifically, he wants to know where the cuts have been made and their impact.

Chancellor Girod presented enrollment and budget information for the University of Kansas and the University of Kansas Medical Center. At the KU Lawrence and Edwards campuses, the total fall enrollment headcount for 2022 was 23,958. The University projects that enrollment will grow to 24,900 by 2025 because KU is implementing the following initiatives: 1) developing and implementing a strategic enrollment management plan that includes the online and workforce development space, 2) implementing best practices in advising and redesigning co-curricular experiences, and 3) improving post-graduation career outcomes. For the Medical Center, its 2022 fall enrollment headcount was 3,727, and it is projected to grow to 3,810 by 2025. Chancellor

Girod highlighted that the School of Health Professions continues to increase enrollments with additional degree and certificate programs, the School of Medicine is growing its programs in Biostatistics and Data Science, and each School has set goals and put in place multiple programs to attract a more diverse student population. The Chancellor reviewed KU's budget and noted the University had to implement budget reductions over the last several years. To address budgetary shortfalls, KU applied cost saving measures that included hiring freezes, salary reductions, voluntary retirement payouts, and budget sweeps. Moving forward, KU has implemented a five-year financial plan to grow revenue and reduce expenses, which will drive future budgets. The Chancellor also noted that at the end of FY 2022, the University fully expended the federal COVID funds. He also concurred with President Muma that keeping flat tuition rates is not sustainable with rising costs due to inflation.

President Mason stated that enrollment at Fort Hays State University was impacted when the Ministry of Education in China reduced the quota of students (1,300 to 750) at its partner institutions in 2018-2019. The University's headcount in 2022 was 14,466 and enrollment is projected to decline through 2025. However, President Mason did note that the enrollments at its partner institution in Chain will go back up to 1,000 beginning in FY 2023. To address the projected decline, FHSU is implementing a strategic enrollment plan, creating a 13-state initiative that will potentially reduce tuition rates in specific regions to increase out-of-state enrollments, and refocus its marketing effort for online students. President Mason reported that the University has held tuition flat over the last three years, which makes Fort Hays State one of the lowest cost and best value institutions in the region. However, to combat rising inflationary costs, the University is projecting to increase tuition four percent over the next several years. President Mason stated that inflation has significantly impacted the cost of construction projects, utilities, food services, and salaries. She also noted that retaining and recruiting faculty and staff is challenging.

President Linton stated that Kansas State University's enrollment goals include: 1) regaining and stabilizing in-state freshmen enrollment numbers by growing two percent annually, which will be achieved by centralizing enrollment services across departments, 2) stabilizing and growing out-of-state freshman population to 20 percent of academic classes by lowering costs for high achieving students through a new tuition waiver program, and 3) improving retention between all academic years by enhancing student services. He then reviewed the University's enrollment numbers, which in 2022 totaled 15,519 students on-campus (excluding the College of Veterinary Medicine), 2,986 online students, and 759 students at K-State Salina. President Linton noted that the Manhattan campus is projected to have declining enrollment through 2024, but the University will see increases at its Salina campus and online. Regarding the University's budget, increases in State General Fund allocations over the last year have allowed KSU to award salary increases based on merit along with a cost-of-living adjustment to its faculty and staff, and the University has invested additional funds to support its strategic enrollment management goals. Like the other universities, KSU has held tuition flat but anticipates the need to increase tuition rates by two to three percent in the coming years to address increases in expenditures. Regent Lane stated that the Board will need to discuss tuition strategies for the upcoming year.

President Hush stated that Emporia State University's overall enrollment has been declining for several years, and it is anticipated that the decline will continue over the next few years. To

stabilize enrollments, ESU plans to create structured pathways to guide students into their academic studies, standardize advising technology and protocols, and strengthen financial aid. President Hush reviewed the University's budget, which is also expected to be in a deficit position over the next three years because of rising costs. He noted that efforts are being made to identify additional resource savings and that ESU anticipates the need to increase tuition in the coming years.

President Shipp stated that enrollment decline is a significant issue for Pittsburg State University. In fall of 2022, the total headcount was 6,017 students and it is projected to go down again next year. To improve enrollment and retention rates, PSU will implement a strategic enrollment plan, develop a data driven student advising system, create an institutional remission program to improve financial investment performance, and develop a completion grant program targeted at assisting students to re-enroll and complete their degrees. President Shipp stated that the University also needs to grow its scholarships and offer multi-year scholarships to help students. Regarding the budget, increases in SGF funding has helped mitigate the rising costs and enrollment pressures. President Shipp noted that tuition has been held flat over the past several years and highlighted that PSU will develop a new strategic plan.

(Handouts filed with Official Minutes)

COMMUNITY AND TECHNICAL COLLEGE BUDGETS

Elaine Frisbie, Vice President for Finance and Administration, reviewed the state's budget process and highlighted the finances of the community and technical colleges. The recent IPEDS financial data shows that the community colleges had \$779.2 million in revenues, which includes \$286.7 million in local and private funds (primarily property taxes). The technical colleges reported \$84.2 million in total revenues including \$1.1 million in local and private funds. Vice President Frisbie noted that the technical colleges do not have local taxing authority. She then reviewed the state funds that the colleges receive and explained how the state's cost model is used to distribute the state's share of the postsecondary tiered technical education state aid, non-tiered course credit hour grant, and the Excel in CTE funds. For FY 2023, the state appropriated enough funds to cover the cost model calculated expenses. She also noted that the Legislature formed a Task Force to review community and technical college state funding.

President Utash reviewed WSU Tech's annual budget development cycle and noted that the University President, after consultation with the Advisory Board, sets its tuition and fees in February. Dr. Utash highlighted WSU Tech's revenue sources: student tuition and fees, postsecondary state aid, Excel in CTE funds, and grants. She also noted that the campus has held its tuition flat for the last two years. President Genandt then reviewed Manhattan Area Technical College's budget, revenues, and enrollments. Enrollments are strong at the College, but limited space in facilities have prevented enrollment growth. He also spoke about the importance of the state's capital outlay funds and his concerns with inflationary costs.

President File provided an overview of the budgeting processes at the 19 community colleges. Each college is governed by a locally elected board of trustees that has taxing authority within its district. The board of trustees is responsible for approving and monitoring its college's budget and setting student tuition and fee rates. President File noted that all the colleges use a formal budget

model to determine what funds will be needed to finance the operation of the college. He highlighted the major funding sources for the colleges include state funds (tiered technical education state aid, non-tiered course credit hour grant, and the Excel in CTE funds), student tuition and fees, federal grants and contracts, and local mill levy (property taxes). Regarding expenses, the colleges spend the majority of their budgets on salaries, operation and maintenance of their campuses, student services, academic support, and student scholarships.

ADJOURNMENT

Chair Rolph adjourned the meeting at 4:31 p.m.

CALL TO ORDER

Chair Rolph called to order the July 27, 2022 meeting at 9:21 a.m.

MEMBERS PRESENT: Jon Rolph, Chair
 Carl Ice, Vice Chair
 Cheryl Harrison-Lee
 Shelly Kiblinger
 Cynthia Lane
 Wint Winter

MEMBERS ABSENT: Bill Feuerborn
 Mark Hutton
 Allen Schmidt

AMEND AGENDA

Chair Rolph amended the agenda to add an executive session as the last item.

UNIFIED BUDGET REQUEST AND NON-BUDGETARY LEGISLATIVE ITEMS

Vice President Frisbie stated that the Kansas Higher Education Coordination Act requires the Board of Regents to develop and present to the Governor and Legislature a unified request for state appropriations for postsecondary education each year. The Board's request must be submitted by October 1. At the June meeting, the institutions and the Board Office submitted proposed items for the Board's FY 2024 request. The Board and CEOs acknowledged the financial challenges associated with inflation, and how it is impacting salaries, utilities, construction projects, and food services. The CEOs also expressed their concerns with being able to offer competitive salaries to keep talented staff and faculty at their campuses.

The group then discussed strategies for the budget. Chair Rolph stated that increasing base funding is important but noted that in the past, the system has had more success obtaining funding for specific projects. President Muma and President Shipp believe the budgetary requests need to be tied to growth strategies and workforce. Regent Harrison-Lee concurred and noted that the institutions' ability to import students and increase the talent pipeline for businesses is critical to the state and its ability to attract businesses and grow the economy. She also noted that the higher education system needs to partner with business and industry to help deliver this message. Regent Ice liked the idea of aligning the system's message around growth and noted that growth is about adapting and changing. The group discussed creating a messaging strategy for the budget that

focuses on the system's ability to develop workforce talent, support business and industry, and grow the Kansas economy. The Regents also expressed an interest in hiring a firm to develop a messaging framework. Regarding the specific budget requests that the institutions submitted, the Board directed staff to work with the Council of Business Officers to identify the requests that are tied to the budgetary message. President Flanders noted the requests also need to include deliverables. The Board will act on its unified budget request at the September meeting.

Matt Casey, Director of Government Relations, reviewed the non-budgetary legislative request items identified below. He noted that this is a preliminary list, and more items may be added before the Board receives its first read at the November meeting.

- Amending the performance-based incentive payment language to include high school equivalency alongside GED. SB 452 from the 2022 session.
- Increased options for the 529 savings plan to allow more flexibility for third party contributions. SB 44 from the 2021 session.
- Securing resources for open educational resources. This might be a budgetary request but may include a non-budgetary piece as well.
- Permissive legislation that would allow more efficiencies for affiliations and partnerships between two institutions that choose to enter into an agreement. This legislation would not mandate or require any affiliations.
- Deferred maintenance has been a growing issue at our universities for many years. The Board recently put a spotlight on this issue and decided to make this a high priority to develop a plan and address this problem. The Board commissioned two studies, a comprehensive deferred maintenance assessment and a space utilization study. These two studies provided the Board and State Universities with the data needed to move forward with an action plan. As a part of this plan the Board approved a legislative request to ask for \$25M to help fund the deferred maintenance projects. The Legislature added money to this request and appropriated \$35M, to be matched 1:1, as well as an additional \$10M for demolition that does not require a match. At the end of the legislative session, Senator Billinger (Chair of Senate Ways and Means) introduced a more comprehensive funding plan to address the deferred maintenance issue into the future years and assist with the elimination of the deferred maintenance liability. SB 581 is the bill introduced at the end of last session and could be part of the Board's legislative package.

The Board discussed the proposed legislation on affiliations. Heather Morgan, Executive Director of the Kansas Community College Trustees Association, informed the Board that the community colleges will oppose this bill if it is introduced because the colleges do not believe it is necessary. President Genandt stated that the technical colleges support the concept of the proposed legislation, but the colleges would want to see the specific language before it is introduced. Regent Harrison-Lee stated that the proposed affiliation legislation was a recommendation that the Future of Higher Education Council presented to the Board in 2020. The Council proposed permissive legislation that lays out a pathway by which a public college and university can affiliate. She also noted that

the local boards of trustees would maintain the authority to determine if their college should move through the processes, and that the Board is not forcing any institutions to affiliate. President Flanders stated this bill would make the affiliation process more efficient because it would create legislative framework for the institutions to use. Regent Lane supports the idea but wants to see the draft language before it comes back to the Board for consideration. The other Regents concurred. Board staff will provide the proposed language before the November meeting.

BREAK

At 11:18 a.m., Chair Rolph called for a break, and the Board toured WSU Tech's National Institute for Culinary and Hospitality Education facility (124 S. Broadway, Wichita, Kansas). At 12:15, the meeting resumed in the Konza Room at the Kansas Leadership Center.

EXECUTIVE SESSION

At 12:15 p.m., Regent Ice moved, followed by the second of Regent Lane, to recess into executive session for 15 minutes to discuss personnel matters of non-elected personnel. The subject of this executive session was to consult and advise the university CEO as to the performance of his work for the Board, and the purpose was to protect the privacy of the individual Board employee involved. Participating in the executive session were members of the Board, President Flanders, and President Hush. The motion carried. At 12:30 p.m., the meeting returned to open session. Regent Rolph moved to extend five minutes, and Regent Kiblinger seconded. The motion carried. At 12:35 p.m., the meeting returned to open session.

ADJOURNMENT

The Chair adjourned the meeting at 12:35 p.m.

Blake Flanders, President and CEO

Jon Rolph, Chair