

**AUGUST 5, 2024**

**SPECIAL MEETING**

**Kansas Board of Regents**  
Curtis State Office Building  
1000 SW Jackson, Suite 520  
Topeka, KS 66612

2024-2025

Carl Ice, Chair

Jon Rolph, Vice Chair

**KANSAS BOARD OF REGENT MEMBERS:**

Blake Benson

Alysia Johnston

Neelima Parasker

John Dicus

Diana Mendoza

Jon Rolph

Carl Ice

Wint Winter

**Building a Future**

Higher Education's Commitment to Kansas Families, Businesses, and the Economy

1. Helping Kansas families
2. Supporting Kansas businesses
3. Advancing economic prosperity

# MEETING AGENDA

The Kansas Board of Regents will hold a virtual meeting via Zoom at 2 p.m. on August 5, 2024. The link for the Board meeting can be found on the website at [https://www.kansasregents.org/board\\_meeting\\_live\\_stream](https://www.kansasregents.org/board_meeting_live_stream).

## Monday, August 5, 2024

- I. Call To Order Regent Ice, Chair
  
- II. Consideration of Discussion Agenda
  - A. Other Matters
    - 1. Act on Request to Approve Lease Agreement of Hawker Apartment Building between the University of Kansas and HWKAPTS, LLC -- KU Chancellor Girod

### Summary and Staff Recommendation

*The University of Kansas requests approval from the Board of Regents for a new five-year lease of apartments for student housing near campus. The lease would be between the University and a wholly owned subsidiary of the KU Endowment Association. The KU Endowment Association bought the building in Spring 2024 expressly for the purpose of providing housing stock for KU students. KU, with KBOR approval, leased space in the same building for students last year, as approved by the Board of Regents. Staff recommends approval of the lease and authorizing the KBOR President & CEO to indicate approval on behalf of the Board.*

### Background

Over the past two academic years, KU’s Housing & Residence Life (HRL) office has seen a significant increase in demand for on-campus housing. In Fall 2023, there were substantial increases in enrollment, particularly for first-year students. To try to meet the demand for on-campus student housing, KU leased space in three housing complexes near campus for the 2023-24 academic year.

The increase in the new student class last year strongly impacted the number of returning students who wanted on-campus housing in their second years at KU. To meet demand for apartment units from returning students in 2024-25, KU has maximized available bed spaces in KU-owned facilities by converting two-person apartments to four-person apartments, and increased master leased space in the HERE Apartments to 200 beds (up from 87 beds in 2023-24). KU also has all of Naismith Hall (504 beds) under a lease signed last year.

Occupancy forecast models show a strong demand for the foreseeable future in apartment spaces that provide single bedrooms and in close proximity to campus. This consistent demand is due, in part, to the closure of 200 beds (400 total) in both Jayhawker Towers B & C. These buildings have significant deferred maintenance needs, especially in plumbing, and are permanently closed. Further, the return on investment (ROI) to renovate each tower is negative when new construction or other more modern buildings are considered.

Hawker Apartments at 1011 Missouri is a 216-bed apartment complex constructed in March 2020 and immediately adjacent to Sunflower Duplexes, which is owned by the KU Endowment Association (KUEA) and managed by HRL. The Hawker Apartments are near the football stadium on the north side of campus. KU leased some space (19 beds) from the complex for students this year. President Flanders toured the complex at that time.

When Hawker was offered for private sale during early 2024, the opportunity to purchase the complex was presented to KUEA. In coordination with HRL, it was determined that the units at Hawker would greatly assist in filling the deficit in available beds that HRL has for returning students wanting to live on-campus. KUEA moved forward with the purchase of Hawker, through a newly created subsidiary company called HWKAPTS, LLC, in February 2024, with the intention of HRL taking over operational control through a full master lease of the building starting in August 2024. HRL has already contracted with returning KU students to live in these beds for the 2024-25 Academic Year.

Even with the addition of space at Hawker and HERE Apartments, HRL has more demand from returning students for apartment spaces than it has available beds. In late June 2024, HRL had over 50 returning students on a waitlist for on-campus apartment spaces and no remaining capacity to offer them.

**The Lease**

The proposed lease is a five-year agreement. Under the terms of the lease, the University will reimburse KU Endowment for all of its direct net costs related to the acquisition, ownership and operation of the building, including real estate taxes, financing costs, and insurance. KU will be responsible for management of the building and all maintenance costs.

The first-year rent is approximately \$1.34 million, and in years two through five, the rent will be approximately \$1.98 million. KU will also pay the costs of property taxes and insurance.

Consistent with KBOR policy on Real Property Transactions with State University Endowments, Foundations and Other Related Organizations, the lease provides that the rental cost shall not exceed the amount calculated to amortize the investment – which also was the basis for setting the annual rent amount.

The building was acquired solely to assist the University, and the intention is that the University will ultimately purchase the building. There is no profit to KU Endowment in this transaction.

**Staff Recommendation**

Staff recommends that the lease be approved, that the KBOR President & CEO be authorized to indicate that approval on behalf of the Board, and that the Chancellor be authorized to sign the lease on behalf of the University of Kansas.

2. Act on Request to Approve Memorandum of Understanding between the University of Kansas and United Academics of KU, AAUP, AFT (“UAKU”) – KU

### Summary and Staff Recommendation

*The University of Kansas requests approval from the Board of Regents on a Memorandum of Understanding (“MOU”) between KU and UAKU for the Academic Year 2024-25. This is the first MOU between the parties and it provides for a 2.0 percent cost of living adjustment for all members of the bargaining unit, specific wage adjustments aimed at retaining employees, and salary adjustments for members of the bargaining unit who were promoted or received tenure in Spring 2024.*

*Board staff reviewed the proposed MOU for compliance with Board policy as well as state and federal law. Staff recommends approving the MOU and granting the Chair authority to execute it.*

### Background

The Public Employer-Employee Relations Act (PEERA), K.S.A. 75-4321, *et seq.*, took effect in 1972. It requires state agencies to meet and confer with their recognized employee bargaining units over terms and conditions of employment. In 1983, the Kansas Supreme Court held that, for state universities, the Kansas Board of Regents is the appropriate governing body and therefore must approve any proposed agreement in order to make it binding and effective. Since then, the Board has approved agreements negotiated between universities and certified employee bargaining units. The Kansas Secretary of Administration must also approve such agreements once the Board has approved them.

Pursuant to an election conducted by the Kansas Public Employee Relations Board, United Academics of KU, AAUP, AFT was designated as the exclusive bargaining representative for faculty and academic staff at the University of Kansas by an Order issued in May of this year. Since such recognition, the University has engaged in meet and confer negotiations with UAKU to attempt to arrive at an agreement which would allow for wage actions for the 2025 Fiscal Year. The parties have reached agreement as reflected within the enclosed Memorandum of Understanding. Pursuant to KBOR policy, KBOR must approve the proposed Memorandum of Understanding. The agreed upon wage actions include the following:

1. A 2.0 percent cost of living adjustment for all returning employees. The cost of living adjustment would not apply to new hires.
2. Increase promotion and tenure raises as follows: (a) Assistant to Associate - \$6,500 minimum or 9%, whichever is greater; and (b) \$12,000 minimum or 12%, whichever is greater.
3. Employee specific wage adjustments to manage the risk of turnover, ensure promotion raises for bargaining unit members who are outside of the promotion and tenure process described in 2., and/or be able to be competitive in retention offers to not lose high quality faculty in the areas of teaching and research, including periodic, aggregate reporting of such wage actions to the union.
4. Allow the University to continue to utilize the University Additional Payment Process for compensation activities as determined by University policy or acceptance of work assignments outside of described job duties.

### Recommendation

The University of Kansas requests that the Board approve the MOU reached through meet and confer processes. Board staff have reviewed the document and determined it is consistent with Board Policy and does not violate

state or federal laws. Staff therefore recommends that the Board approve the MOU and authorize the Chair to execute the Agreement on behalf of the Board.

3. Act on Request to Amend FY 2025 Capital Improvement Plan for Addition to Kansas Geological Survey Core Library-- KU

### **Summary and Staff Recommendation**

*The University of Kansas requests approval from the Board of Regents to correct the five-year capital budget plan to reflect the correct project budget for the Geological Core Library Addition to equal the legislative appropriation available for the project. Staff recommends approval of this technical request.*

### **Background**

The University of Kansas Lawrence requests permission to revise the program statement and five-year capital plan for the Geological Core Library Addition Project to reflect the project budget as \$3.8 million. The project schedule and scope have not been adjusted. The University of Kansas Lawrence was appropriated \$3.8 million from the State of Kansas ARPA monies in the 2023 Legislative Session for this project, but the University's five-year capital plan approved by the Board was for only \$3.0 million.

### **III. Adjournment**



# CURRENT FISCAL YEAR MEETING DATES

## Fiscal Year 2025

### Board of Regents Meeting Dates

July 29-31, 2024  
September 18-19, 2024  
October 16-17, 2024 Campus Visit (WSU)  
November 20, 2024  
Nov. 21-22, 2024 Campus Visit (KSU)  
December 18-19, 2024  
January 15-16, 2025  
February 12-13, 2025  
March 12-13, 2025  
April 16-17, 2025 (PSU)  
May 14-15, 2025  
June 11-12, 2025

### Agenda Materials Due to Board Office

August 28, 2024 at **NOON**  
  
October 30, 2024 at **NOON**  
November 25, 2024 at **NOON**  
December 24, 2024 at **NOON**  
January 22, 2025 at **NOON**  
February 19, 2025 at **NOON**  
March 26, 2025 at **NOON**  
April 23, 2025 at **NOON**  
May 21, 2025 at **NOON**

## MEETING DATES FOR FY 2025

### Fiscal Year 2025

#### Meeting Dates

September 18-19, 2024  
October 16-17, 2024 Campus Visit (WSU)  
November 20-22, 2024 Campus Visit (KSU)  
December 18-19, 2024  
January 15-16, 2025  
February 12-13, 2025  
March 12-13, 2025  
April 16-17, 2025 Campus Visit (PSU)  
May 14-15, 2025  
June 11-12, 2025



## COMMITTEES (2024-2025)

**Carl Ice, Chair**  
**Jon Rolph, Vice Chair**

### Standing Committees

Academic Affairs

Diana Mendoza – Chair  
 Alysia Johnston  
 Neelima Parasker

Fiscal Affairs and Audit

Blake Benson – Chair  
 Wint Winter  
 John Dicus  
 Jon Rolph

Governance

Carl Ice – Chair  
 Diana Mendoza  
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Regents Retirement Plan

Carl Ice – Chair

### Board Representatives and Liaisons

Education Commission of the States	VACANT
Postsecondary Technical Education Authority	Mark Hess Keith Humphrey David Reist Cindy Hoover
Midwest Higher Education Compact (MHEC)	Wint Winter Blake Flanders
Washburn University Board of Regents	John Dicus
Transfer and Articulation Advisory Council	Alysia Johnston
Governor’s Education Council	Diana Mendoza