

WASHBURN UNIVERSITY OF TOPEKA
BOARD OF REGENTS
MINUTES
December 12, 2008

I. Call to Order

Chairperson Storey called the meeting to order at 3:38 p.m. in Petro Allied Health Center Room 204 on the Washburn University campus.

II. Roll Call

Present were: Mr. Blair, Mr. Bunten, Mr. Lagerberg, Mrs. Parks, Mr. Storey and Mrs. Warren.

III. Approval of Minutes of the November 14, 2008 meeting as mailed.

It was moved and seconded to approve the Minutes of the November 14, 2008 meeting as mailed. Motion passed.

IV. Officer Reports

A. Chair's Report

Chairperson Storey said he had one item to bring up. Members of the Board of Regents have been inquiring about updating or doing a new strategic plan. He said he'd like members of the Board to identify a time in January when a non-action meeting could be held to discuss strategic planning, identifying some five to seven issues to focus upon in the coming years.

B. President's Report

President Farley said he would like to have WEA President, Dr. Mazachek, update the Board on the fraternity projects and on the status of the Endowment funds and to have Vice President for Administration, Wanda Hill, update the Board on the status of the renovation/repairs to the elevators at the LLC/

Dr. Mazachek said the Sigma Phi Epsilon fraternity has a contract to purchase the Kappa Alpha Theta sorority house. She said the WEA has a fund raising goal of \$550,000 and has on hand \$250,000. She said she is confident funding will be raised as there is verbal commitment of \$300,000 which are not yet confirmed. She said she will report back to the Board in January. Dr. Mazachek said the situation with the Phi Delta Theta fraternity is a little bit different with a much different time frame. The fraternity has a desired move in date of Fall 2010 which would require that fund raising be completed by March next spring. She said the WEA has received a number of gifts and in the early stages of getting other pledges confirmed. She said there has been great progress with many new volunteers in the fraternity working on the project. She said she still feels very confident and noted that Mr. Richey's gift made for a solid foundation.

Dr. Mazachek reported that the WEA is in constant contact with other endowment organizations. She said the WEA has experienced a decline in its investment holdings. As of October 31 it was down 22%-23% in the pool. She said the other endowment organizations

were down 25%-30%. She said the WEA's investment plan is holding relatively well. She said in another area related to the economic downturn is the issue of underwater funds. These are funds from new or recent gifts to the organization and the value of those gifts has declined from the date of receipt. She said the WEA's conservative spending policy is based over a 21-quarter period and that policy is in our favor in this kind of market. She reported that the payoff for next year, because of the 21-quarter averaging, will actually be higher than previous as the two quarters dropping off were worse than the two most recent quarters. She said the WEA has no cash flow problems and will be able to meet the needs of the University. Dr. Mazachek said fund raising efforts are holding pretty well. She said the annual giving is still very strong, but other gifting has slowed a bit. She said they are frequently hearing that "we love Washburn, but not the right time for me to make a gift."

Vice President for Administration and Treasurer, Wanda Hill, reported the contractor has been at the LLC working on the elevator since the beginning of the week. She said the control panel for the elevator cab not burned should be installed Monday and be operational by the end of next week. She said the other cab is a total rebuild and that hopefully it will be done before the start of the Spring semester.

C. Committee Report(s)

1. 2007-2008 Audit Reports – BKD, LLP

Chair of the Audit Committee, Regent Lagerberg, noted the final audit report of the auditor, BKD, has been received and that Mr. Abe Cole of the firm was present should anyone have questions. Mr. Cole said the audit went very well, it was a clean audit report with no material weaknesses. It was moved and seconded to receive the audit report, motion passed.

D. Treasurer's Report

It was moved and seconded to accept the **1. Liquidated Claims Approval – November, 2008** and to accept the annual report. Motion passed.

V. New Business

A. Consent Agenda:

It was moved and seconded to approve the Consent Agenda. Motion passed with Regent Warren abstaining due to a conflict of interest.
As approved by action of the Board:

1. Report of Purchases between \$25,001 and \$50,000

award of contract to: ThyssenKrupp Elevator in the amounts of \$31,612.00 and \$78,800 for elevator repairs to elevators #18 and #19 respectively in the Living Learning Center (\$53,800 to be reimbursed by Hanover Insurance); Bob Florence Contractor, Inc. in the amount of \$32,901.00 to remodel Petro 212 offices; and McPherson Contractors, Inc. in the amount of \$48,304.00 for Whiting renovation Change Order No. 002.

B. Action Items:

1. Expenditures

Chairperson Storey said the administration was asked to brief each of the items and then a vote on all would be taken at the conclusion of the discussion.

a. Advertising/Marketing Program

President Farley said the purpose of the agenda item is to expand the marketing efficiency. He said some five or six years ago the Board enhanced the marketing budget in a similar way. He said that over that period of time the purchasing power has eroded and it's time to reemphasize and reinvigorate our efforts. He said the proposal is to expand the recruiting staff, adding a position to coordinate communication efforts; to increase salary levels of recruiting staff up to market and with others in the MIAA in Kansas Region; and to implement the recommendations of the Enrollment Management consultants. President Farley recommends approval of an increase in funding of \$306,000 for the University's advertising and marketing program.

b. Morgan Hall and Mabee Library HVAC Upgrades – Phase I

Vice President for Administration and Treasurer, Wanda Hill, said the Morgan Hall and Mabee Library item is to upgrade the HVAC systems in both Morgan Hall and Mabee Library. The project is being funded through the Kansas Postsecondary Education Infrastructure Finance Fund. President Farley recommends approval of award of contracts to: Trane U.S., Inc. in the amount of \$335,060; Hughes Machinery in the amount of \$58,781; and, Innovative Technology Solutions in the amount of \$14,681 as outlined in the agenda item.

c. Security Camera Surveillance Equipment

Vice President Hill said this item is to upgrade the security camera recording monitoring system in the Police Department dispatch area, including placement of cameras at the Living Learning Center. President Farley recommends approval of award of a contract to Graybar in the amount of \$137,553.96 as outlined in the agenda item.

d. Server and Storage Hardware, Software and Installation for ISS

Vice President Hill said the administration recommends the award of a contract to S1 IT Solutions, Inc. in the amount of \$199,867.00 for new server storage hardware, software and installation to replace equipment which was installed in 2001. She also said the current storage system will no longer be supported by the manufacturer after August 2009.

Vice President Hill said the next two items were for equipment for KTWU-TV funded from the local KTWU digital capital campaign funds.

e. Audio Processing Equipment for KTWU

President Farley recommends approval to award a contract to Digital Images, Inc. in the amount of \$70,448.75 as outlined in the agenda item.

f. Video Playback Server Upgrade for KTWU

President Farley recommends approval to award a contract to Omenon, Inc. in the amount of \$85,558.46 as outlined in the agenda item.

2. Policies

a. University Refund Policy

The University Refund Policy is to amend the policy to provide that students receiving scholarship funds but cease participation in the activity for which funds were awarded shall be required to repay on a pro-rata basis the scholarship award.

It was moved and seconded to approve the Action Items as presented in the agenda. Motion passed with Regent Warren abstaining due to conflict of interest.

It was moved and seconded to adjourn. The meeting adjourned at 4:18 p.m.

_____/s/
Kenneth P. Hackler
Secretary, Board of Regents