WICHITA STATE UNIVERSITY
BOARD OF TRUSTEES

Board of Trustees Meeting

Thursday, January 9, 2020

WSU OLD TOWN, 213 N. Mead, 8:00 AM, Rm A102

AGENDA

I. APPROVAL OF MINUTES, SEPTEMBER 20, 2019 - HARTER

II. FINANCE AND AUDIT REPORT - NORTON
- UPDATES TO WSU BOT ENDOWED FUNDS
- HISTORY OF BOT OWNED FACILITIES MAINTENANCE QUASI-ENDOWED FUND
- POOLED INVESTMENT RETURNS
- MILL LEVY BUDGET & YEAR TO DATE REVENUE & EXPENDITURES
- OPERATING BUDGET (BOT UNRESTRICTED) – REVENUE & EXPENDITURES

III. CAMPUS DEVELOPMENT REPORT - PACKEBUSH
- FINANCIAL PLAN REVIEW – BRUUN

IV. WOODMAN BUILDING EXPENSES – SCHLAPP/BRUUN

V. UNIVERSITY UPDATE - SCHLAPP

VI. TOUR

VII. OPTIONAL – BRAND AWARENESS DISCUSSION – MISTY BRUCKNER

FINANCE & AUDIT COMMITTEE
(Joe Norton, Laurie Labarca, Keith Stevens, Pierre Harter)

CAMPUS DEVELOPMENT COMMITTEE
(Steve Packebush, Tom Winters, Vernell Jackson, Nancy McCarthy Snyder, Sheryl Wohlford)

NOMINATING COMMITTEE
(Sheryl Wohlford, Joe Norton, Tom Winters, Nancy McCarthy Snyder, Pierre Harter)

Upcoming BOT Meeting Dates
Thursday, April 2, 2020 – EEB, Rm 164
Thursday, July 9, 2020 – EEB, Rm 164
Thursday, September 17, 2020 – EEB, Rm 164

WSU Board of Trustees

Board Meeting
Friday, September 20, 2019, 9:00 am
164 Room, John Bardo Center

In attendance were board members Sheryl Wohlford, Tom Winters, Joe Norton, Vernell Jackson, Steve Packebush, Pierre Harter, and Keith Stevens. Also present were Andy Tompkins, Susan Johnson, Andy Schlapp, Troy Bruun, Werner Golling, Lou Heldman, Jeff Jarman (faculty senate president), Matthew Kelly (The Sunflower), Stephan Bisaha (KMUW), Teresa Moore and Teresa Seymour (BKD).

Approval of Minutes
Harter started the meeting at 9:00 am. Harter thanked Ken Hush and Cindy Schwan for their years of service to the Board, and he welcomed new members Keith Stevens and Nancy McCarthy Snyder, everyone introduced themselves. Wohlford made a motion to approve the minutes from the July 11, 2019 meeting. Norton seconded and the motion passed.

Nominating Committee Report
Wohlford moved that Joe Norton fill open position of Treasurer, Winters seconded, Norton abstained and the motion passed.

Finance and Audit Report
Norton asked Bruun to introduce the auditor, Teresa Seymour, from BKD. Seymour reviewed the draft 2019 Audit and management letter with the board, stating they will issue a clean audit. Norton stated the Finance and Audit Committee had reviewed the draft audit and made a motion the board accept the financial statements, subject to modification and finalization, and authorize the chair and treasurer to approve the final audit report, Harter seconded and the motion passed.

Norton moved that the board recess into Executive Session to discuss the financial affairs related to the audit report with the accountants and with the open meeting to resume in this room in five minutes. The session started at 9:22 am and ended at 9:30 am and no action was taken.

Bruun reviewed the finance reports, Norton motioned to receive the financial reports, Winters seconded and the motion passed. Harter said a Foundation representative will be at the April 2020 meeting to discuss the investment strategy for the BOT funds and asked that Johnson send out the material ahead of the meeting for Board review and comment.

Woodman Expenses
Bruun discussed the estimate for repair work at Woodman, Wohlford moved to approve the expenditure, Jackson seconded and the motion passed.

Campus Development Report
Packebush asked Bruun to review the campus development fund and financial plan. He stated the plan is unchanged from the July meeting and is going according to plan.

Tomblin presented a campus update with a PowerPoint presentation. He showed the 30% increase in undergraduate students from the I-35 corridor and talked about WSU being 3rd in the nation for social mobility index. The P2 building is 100% occupied, the Hyatt Place is now under construction, the Student Health & Wellness Center is progressing on schedule, the P3 spec building is under construction and awaiting tenants, the crash lab is under construction with the new accelerated sled, ATLAS is under construction in the new addition to the NIAR building, and an E-Sports Arena is possibly coming to the east side of Braeburn lake. Packebush motioned to receive and file the report, Wohlford seconded and the motion passed.

University Update
Tompkins talked about the increase in enrollment growth is coming from international students and I-35 corridor students. He discussed the renaming of the Experiential Engineering Building to the John Bardo Center which will happen during Sip & See on October 4, 2019, from 5:30-7:30 pm, remarks by Senator Moran and Dr. Tompkins at 6:00 pm. The Kansas Board of Regents are coming for a visit to WSU on October 16 & 17, he also discussed the new program on K-State's campus for WSU nursing degree. He talked about possible deferred maintenance funds being available to update and repair campus buildings and work is being done to create a master facilities update plan of campus.

Executive Session
Harter asked for the following motion which was made Norton, seconded by Winters and approved at 10:34 am.

Motion that we recess into Executive Session to discuss possible financial obligations the Board might have relative to a potential occupant for the Innovation Campus. The justification for the recess is the need to discuss data relating to the financial affairs or trade secrets of a corporation or other entities. The open meeting will resume in this room no earlier than 10:52 AM.

The session started at 10:34 am and ended at 10:54 am and no action was taken.

As May Arise
Wohlford moved to receive the reports, Norton seconded and the motion passed. Harter adjourned the meeting at 10:54 am.

Respectfully submitted,

Susan Johnson
Assistant Secretary

Wichita State University Foundation
Pooled Investment Performance
as of December 31, 2019

	FY2020 Performance	
Composite	**2.2%**	**NOTE:** The returns are as of November 30, 2019.
Target Weighted Benchmark	***2.7%***	

Historical Investment Returns

	Fiscal Year	Calendar Year	
2019	3.9%	12.5%	As of November 30, 2019
2018	7.2%	Not available (transition to new investment providers)	
2017	10.4%	12.1%	
2016	-3.8%	7.2%	
2015	0.4%	3.2%	
Five Year Annualized Return	3.8%		

Balance of all BOT Funds as of 12/31/19	12/31/2019			9/30/2019
BOT funds in endowed pool (earnings through 11/30/19)	$7,915,497	63.2%	Note: December 2019 statements not yet received	$7,681,879
Gore separately invested fund (earnings through 11/30/19)	4,617,616	36.8%	Note: December 2019 statements not yet received	4,455,857
Total funds balance	$12,533,113			$12,137,737

Wichita State University Foundation
Updates to WSU Board of Trustees
as of December 31, 2019

BOT Owned Facilities Maintenance Quasi-Endowed Fund Balance- 611036 (investment return posted through 11/30/19)	$631,147

Lease agreement income received FY 2020

CMD	$0	
WSU Foundation	52,810	
Alumni	10,000	
BOT annual funding	0	
		$62,810

Expenses to date FY 2020	$0

Wichita State University Foundation
History of BOT Owned Facilities Maintenance Quasi-Endowed Fund Expenses
Inception 5/30/06

FY 2006	Central Air Conditioning - replaced central air at WAC	$61,520
FY 2007	Lustercraft Plastics - window wells WAC	6,450
	Sutherland Builders - Replace office doors WAC	13,415
FY 2009	Simplex Grinnell - magnets for all doors WAC	24,272
	Cornejo & Sons - asphalt repairs @ Braeburn Golf	7,619
	Mahaney Roofing - Roof Replacement WAC	83,500
	Physical Plant various invoices - WAC	2,178
	Sutherland Builders - replace Alumni side door -WAC	1,263
FY 2010	Physical Plant - half moon windows WAC	6,432
	Physical Plant - ADA auto open front door WAC	5,000
FY 2013	Replace windows at Woodman Alumni Center *(approved $41,300)*	40,155
	Braeburn Golf course - concrete cart paths	238,000
FY 2015	Howard & Helmer Architects, Design for boiler & Alumni wing	120
FY2016	WAC Addition/Construction	232,604
FY2018	None	0
FY2019	None	0
		$722,528

WAC= Woodman Alumni Center

Wichita State University Board of Trustees
City of Wichita/Sedgwick County Mill Levy Budget
Fiscal Year 2020

Revenues	Fiscal Year 2020 Budget	Revenue Received as of 12/31/19	Budget Remaining	Percent of Budget Received
Mill Levy	$ 8,171,225	$ 3,337,919	$ 4,833,306	40.85%
Interest	-	27,331	(27,331)	
Contingent Revenue	300,000	-	300,000	0.00%
Total Revenues	$ 8,471,225	$ 3,365,250	$ 5,105,975	39.73%

Expenditures	Fiscal Year 2020 Budget	Expenditures as of 12/31/19	Budget Remaining	Percent of Budget Expended
Capital Improvement				
Campus Development Transfer	2,634,360	$ -	$ 2,634,360	0.00%
Building Insurance	20,396	-	20,396	0.00%
Total Capital Improvements	$ 2,654,756	$ -	$ 2,654,756	0.00%
Student Support				
WSU Tech Support	$ 800,000	$ 400,000	$ 400,000	50.00%
Undergraduate Support	3,796,333	2,562,791	1,233,542	67.51%
Graduate Support	417,136	-	417,136	0.00%
Total Student Support	$ 5,013,469	$ 2,962,791	$ 2,050,678	59.10%
Economic and Community Development				
Interns-City/County	$ 136,000	$ -	$ 136,000	0.00%
Business and Economic Research	150,000	$ 75,000	75,000	50.00%
City Government Services	80,000	$ 38,380	41,620	47.98%
County Government Services	80,000	$ -	80,000	0.00%
Total Economic and Community Development	$ 446,000	$ 113,380	$ 332,620	25.42%
University Research and Support Services				
Organization and Development	$ 57,000	$ 17,835	$ 39,165	31.29%
Total University Research and Support Services	$ 57,000	$ 17,835	$ 39,165	31.29%
Contingency				
Contingency	$ 300,000	$ -	$ 300,000	0.00%
Total Contingency	$ 300,000	$ -	$ 300,000	0.00%
Total Expenditures	$ 8,471,225	$ 3,094,006	$ 5,377,219	36.52%

Wichita State University Board of Trustees
Operating Budget for Fiscal Year 2020 (B.O.T. Unrestricted Budget)
Revenue and Expenditures as of December 31, 2019

Expenditures	Fiscal Year 2020 Budget	Actual Expenditures as of 12/31/19	Budget Remaining	Percent of Budget Expended
General and Administrative:				
Maintenance and Repairs	$ 15,000	$ -	$ 15,000	0.00%
Professional Fees	17,000	15,390	1,611	90.53%
Insurance	8,800	-	8,800	0.00%
Other	450	418	32	92.78%
Bank Fees	-	2,028	(2,028)	
Transfer to Cash Flow Reserve	15,750	-	15,750	0.00%
Total Expenditures	$ 57,000	$ 17,835	$ 39,165	31.29%

Wichita State University Board of Trustees
Campus Development Fund
Fiscal Year 2020

Revenues	Fiscal Year 2020 Budget	Revenue Received as of 12/31/19	Budget Remaining	Percent of Budget Received
University EEG for WSIA	$ 2,092,730	$ 2,092,730	$ -	100.00%
Transfer from Mill Levy	2,634,360	-	2,634,360	0.00%
Total Revenues	$ 4,727,090	$ 2,092,730	$ 2,634,360	44.27%

Expenditures	Fiscal Year 2020 Budget	Expenditures as of 12/31/19	Budget Remaining	Percent of Budget Expended
Capital Improvements				
Debt Service - WSIA Series 2014-3(2054)	$ 1,748,359	$ 874,179	$ 874,180	50.00%
Debt Service - WSIA Series 2014-4(2027)	746,795	80,898	665,898	10.83%
Debt Service Admin Fees	-	-	-	
Total Capital Improvements	$ 2,495,154	$ 955,077	$ 1,540,077	38.28%
Innovation Campus Support				
Innovation Campus Infrastructure	$ 600,000	$ -	$ 600,000	0.00%
Fitness Facility	1,250,000	1,250,000	-	100.00%
Total Innovation Campus Support	$ 1,850,000	$ 1,250,000	$ 600,000	67.57%
Reserve				
Project Reserve	$ 381,936	$ -	$ 381,936	0.00%
Total Reserve	$ 381,936	$ -	$ 381,936	0.00%
Total Expenditures	$ 4,727,090	$ 2,205,077	$ 2,522,013	46.65%

Wichita State University Board of Trustees
City of Wichita/Sedgwick County Mill Levy Financial Plan

Beginning Cash (less amount held by Sedgwick Co.)	$ 4,086,723	$ 3,705,028									
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues											
Mill Levy	$ -	$ 8,118,474	$ 8,280,843	$ 8,446,460	$ 8,615,389	$ 8,787,697	$ 8,963,451	$ 9,142,720	$ 9,325,574	$ 9,512,085	$ 9,702,327
Mill Levy Distributed to BOT	5,462,589	-	-	-	-	-	-	-	-	-	-
Mill Levy Distributed to Security Bank/Sedgwick County	2,496,700	-	-	-	-	-	-	-	-	-	-
Interest	74,574	-	-	-	-	-	-	-	-	-	-
Alumni Association	-	-	-	-	-	-	-	-	-	-	-
Contingent Mill Levy	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	$ 8,033,863	$ 8,118,474	$ 8,280,843	$ 8,446,460	$ 8,615,389	$ 8,787,697	$ 8,963,451	$ 9,142,720	$ 9,325,574	$ 9,512,085	$ 9,702,327
Expenditures											
Capital Improvements											
National Center for Aviation Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Campus Development	2,503,595	2,578,059	2,615,954	2,695,410	261,181	332,791	407,666	480,675	552,093	634,225	708,036
Debt Service - Refunding of Series 2001	-	-	-	-	-	-	-	-	-	-	
Debt Service - WSIA Series 2014-3	-	-	-	-	1,748,359	1,748,359	1,748,359	1,748,359	2,063,359	2,495,659	2,499,819
Debt Service - WSIA Series 2014-4	-	-	-	-	750,968	750,068	747,298	747,818	436,380	-	-
Debt Service Admin Fees	-	-	-	-	4,240	4,240	4,240	4,240	4,240	2,650	2,650
Building Insurance	13,799	20,396	20,600	20,806	21,222	21,646	22,079	22,521	22,971	23,430	23,899
Subtotal Capital Improvements	$ 2,517,394	$ 2,598,455	$ 2,636,554	$ 2,716,216	$ 2,785,970	$ 2,857,104	$ 2,929,642	$ 3,003,613	$ 3,079,043	$ 3,155,964	$ 3,234,404
Student Support & Workforce Development											
WSU Tech Support	$ 800,000	$ 800,000	$ 800,000	$ 800,000	$ 800,000	$ 800,000	$ 800,000	$ 800,000	$ 800,000	$ 800,000	$ 800,000
Undergraduate Support	4,270,353	3,796,333	3,872,260	3,949,705	4,028,699	4,109,273	4,191,458	4,275,287	4,360,793	4,448,009	4,536,969
Graduate Support	417,136	417,136	425,479	433,989	442,669	451,522	460,552	469,763	479,158	488,741	498,516
Subtotal Student Support & Workforce Development	$ 5,487,489	$ 5,013,469	$ 5,097,739	$ 5,183,694	$ 5,271,368	$ 5,360,795	$ 5,452,010	$ 5,545,050	$ 5,639,951	$ 5,736,750	$ 5,835,485
Economic & Community Development											
Interns - City/County	$ 136,000	$ 136,000	$ 136,000	$ 136,000	$ 138,720	$ 141,494	$ 144,324	$ 147,210	$ 150,154	$ 153,157	$ 156,220
Business & Economic Research	150,000	150,000	150,000	150,000	153,000	156,060	159,181	162,365	165,612	168,924	172,302
City Government Services	41,750	80,000	100,000	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,868
County Government Services	37,923	80,000	100,000	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,868
Subtotal Economic & Community Development	$ 365,673	$ 446,000	$ 486,000	$ 486,000	$ 495,720	$ 505,634	$ 515,747	$ 526,061	$ 536,582	$ 547,313	$ 558,258
University Research & Support Services											
Organization & Development	$ 30,841	$ 57,000	$ 57,000	$ 57,000	$ 58,710	$ 60,471	$ 62,285	$ 64,154	$ 66,079	$ 68,061	$ 70,103
Bank Fees	3,538	3,550	3,550	3,550	3,621	3,693	3,767	3,842	3,919	3,997	4,077
Subtotal University Research & Support Services	$ 34,379	$ 60,550	$ 60,550	$ 60,550	$ 62,331	$ 64,164	$ 66,052	$ 67,996	$ 69,998	$ 72,058	$ 74,180
Contingency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ 8,404,935	$ 8,118,474	$ 8,280,843	$ 8,446,460	$ 8,615,389	$ 8,787,697	$ 8,963,451	$ 9,142,720	$ 9,325,574	$ 9,512,085	$ 9,702,327
Revenues Over/(Under) Expenditures	$ (371,072)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Wichita State University Board of Trustees
Campus Development Fund Financial Plan

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues											
University EEG for WSIA	$ 1,852,376	$ 2,092,730	$ 2,340,352	$ 2,595,463	$ -	$ -	$ -	$ -	$ -	$ -	$ -
WSU Contribution											
Campus Development from BOT	2,503,595	2,578,059	2,615,954	2,695,410	261,181	332,791	407,666	480,675	552,093	634,225	708,036
Total Revenues	$ 4,355,971	$ 4,670,789	$ 4,956,306	$ 5,290,873	$ 261,181	$ 332,791	$ 407,666	$ 480,675	$ 552,093	$ 634,225	$ 708,036
Expenditures											
Capital Improvements											
Debt Service - WSIA Series 2014-3	$ 1,748,359	$ 1,748,359	$ 1,748,359	$ 1,748,359	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Debt Service - WSIA Series 2014-4	749,445	746,795	746,878	749,778	-	-	-	-	-	-	-
Debt Service Admin Fees	4,240	4,240	4,240	4,240	-	-	-	-	-	-	-
Innovation Campus Infrastructure	600,000	600,000	600,000	1,600,000	-	-	-	-	-	-	-
Fitness Facility - Health & Wellness	1,250,000	1,250,000	2,500,000	-	-	-	-	-	-	-	-
Subtotal Capital Improvements	$ 4,352,044	$ 4,349,394	$ 5,599,477	$ 4,102,377	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contingency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ 4,352,044	$ 4,349,394	$ 5,599,477	$ 4,102,377	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenues Over/(Under) Expenditures	$ 3,927	$ 321,395	$ (643,171)	$ 1,188,497	$ 261,181	$ 332,791	$ 407,666	$ 480,675	$ 552,093	$ 634,225	$ 708,036
Less Mill Levy/Interest Distributed to Security Bank/Sedgwick Co	(2,512,355)										
Less Debt Payment made by Security Bank	2,497,804										
Rounding	2										
Ending Cash (less amount held by Sedgwick Co.)	**$ 3,705,028**										
Less cash not available for Campus Development*	**$ (317,535)**										
Less cash held for cash flow	**$ (2,900,000)**										
Cash available for Campus Development (cumulative)	**$ 467,060**	**$ 788,455**	**$ 145,284**	**$ 1,333,780**	**$ 1,594,961**	**$ 1,927,752**	**$ 2,335,418**	**$ 2,816,093**	**$ 3,368,186**	**$ 4,002,411**	**$ 4,710,447**

Maintenance & improvements Request for the Woodman Alumni Center from Foundation:

Restroom Remodel/Refresh – Refresh finishes & fixtures of upper level men & women's restrooms. This is another request originated through the help of Facilities which would cover the remodel of one set of men & women restrooms on the upper level of our building including updates to ADA accessibility, with a base bid around $25,000. In addition to that base bid, we would like to consider 2 alternatives:

1) Refresh finishes & fixtures on the second set of men & women restrooms on the upper level so they match, bid around $17,500.
2) Refresh finishes & fixtures in men & women's restrooms on the lower level to include updates to ADA accessibility, bid around $15,000.

Some additional costs may include the engagement of a plumbing engineer & drawings required by the state, at minimum of the base bid around $1,500 - $3,000 depending on the work needed. We would like this to be added to the agenda for consideration by the Board at the next scheduled meeting.