



Board of Trustees Meetings
Thursday, July 11, 2019, 8:00 AM
Experiential Engineering Building, Room 164

AGENDA

- I. APPROVAL OF MINUTES, APRIL 4, 2019 –HARTER
- II. FINANCE AND AUDIT REPORT - HUSH
 - 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
 - BOT AUDIT UPDATE- BRUUN
- III. CAMPUS DEVELOPMENT REPORT - PACKEBUSH
 - FUND & FINANCIAL PLAN REVIEW – BRUUN
 - INNOVATION CAMPUS UPDATE – TOMBLIN
- IV. NOMINATING REPORT – SCHWAN
- V. 67214 PROJECT - SCHLAPP
- VI. CONFLICT OF INTEREST STATEMENTS – BUCKLEY
- VII. UNIVERSITY UPDATE – TOMPKINS
 - CITY/COUNTY MILL LEVY BUDGET VISITS
- VIII. AS MAY ARISE

FINANCE & AUDIT COMMITTEE
(Ken Hush *Chair*, Laurie Labarca, Joe Norton, Pierre Harter)

CAMPUS DEVELOPMENT COMMITTEE
(Steve Packebush *Chair*, Tom Winters, Vernell Jackson, Cindy Schwan, Sheryl Wohlford)

NOMINATING COMMITTEE
(Cindy Schwan *Chair*, Joe Norton, Tom Winters, Sheryl Wohlford, Pierre Harter)

Upcoming BOT Meeting/Event Dates

Friday, September 20, 2019 – EEB, Rm 164
Thursday, October 24, 2019 – President’s Club, Wichita Marriott, 5:30 pm
Monday, December 2, 2019 – BOT Holiday Dinner, TBD 6:30 pm
Thursday, January 9, 2020 – EEB, Rm 164
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

Thursday, April 4, 2019, 8:00 am
 Experiential Engineering Building, Room 164

In attendance were board members Sheryl Wohlford, Steve Packebush, Laurie Labarca, Tom Winters, Joe Norton, Pierre Harter, and Vernell Jackson. Also present were John Tomblin, Mert Buckley, Susan Johnson, Andy Schlapp, Troy Bruun, Werner Golling, Rick Muma, Lou Heldman, Sheila Krug (Foundation Controller), Betty Smith-Campbell (Faculty Senate President), Jeff Jarman (Faculty Senate President elect) and Matt Kelly (editor of The Sunflower).

Approval of Minutes

Harter started the meeting at 8:00 am. Buckley recommended a change to the draft minutes removing “at the July meeting”, changed to “annually”, regarding signing of the conflict of interest reports. Harter and Jackson signed the WSU BOT resolution approving the update to its Policy on Conflict of Interest and Self-Dealing. Labarca made a motion to approve the minutes from the January 10, 2019 meeting. Wohlford seconded and the motion passed.

Finance and Audit Reports

Shelia Krug, Foundation Controller, gave an introduction to Cambridge Associates, the company that manages the investments, and moved into a review of the investment performance report. Bruun reviewed the endowed funds and facilities maintenance endowed fund reports. Bruun continued with a review of the FY2019 & proposed FY2020 Mill Levy Budgets. Schlapp will begin to meet with the City and County to review the FY2020 Mill Levy Budget. The Board agreed all were in order, Labarca made a motion to accept the reports, Norton seconded and the motion passed.

Campus Development Report

Packebush presented the Campus Development Financial plan with Bruun. Muma gave a presentation on the WSU Strategic Enrollment Management Goals and showed the progress that has been made. Golling shared information on the mandatory student fees per semester and how WSU compares to the other state universities. Bruun reviewed the 10 year financial plans for the Mill Levy and the Campus Development Fund. Tomblin gave an overview of the new construction on campus such as the crash lab, the Suites, P3, student health center, Fuzzy’s and another restaurant that will be coming soon. The hotel will break ground soon, and the last partner has signed for P2 building which now brings 100% occupancy. Another construction area is the back of NIAR which will be fitted for a large autoclave machine, increasing the advanced manufacturing capabilities at WSU. Jackson made a motion to accept the report, Harter seconded and the motion passed.

University Update

Schlapp gave a reflection on Dr. John Bardo’s legacy, describing the late president as a visionary who charted a new course for WSU during a tumultuous era of higher education. Strategic enrollment management, applied learning, and industry partnership were the pillars of Bardo’s vision for making WSU a sustainable operation. Schlapp said that under Bardo’s leadership, WSU put itself in a position to become the economic driver of the region by establishing a line of communication with the business community. Schlapp also talked about the new interim president, Dr. Andy Tompkins and how he will help guide the university thru the transition to a new president.

As May Arise

Bruun and Buckley discussed whether the Board would like to consider adopting the record retention policy which is used by the University, with slight modifications to keep electronic documents indefinitely and archive most paper documents after 5 years. The modified policy will be formally presented to the Board for action at next meeting.

Harter adjourned the meeting at 9:30 am.

Respectfully submitted,

Susan Johnson
Assistant Secretary

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

BOT Owned Facilities Maintenance Quasi-Endowed Fund Balance- 611036 \$547,772
(investment return posted through 05/31/19)

Lease agreement income received FY 2019

CMD	\$10,000
WSU Foundation	51,978
Alumni	0
BOT annual funding	0

\$61,978

Expenses to date FY 2019

\$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 Wooman Alumni Center	40,155
	<i>(approved \$41,300)</i>	
	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
		<u><u>\$722,528</u></u>

WAC= Woodman Alumni Center

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

**FY2019
Performance**

Composite	0.7%	NOTE: The returns are as of May 31, 2019.
<i>Target Weighted Benchmark</i>	<i>0.2%</i>	
<i>Spending + CPI Benchmark</i>	<i>5.3%</i>	

Historical Investment Returns

	Fiscal Year	Calendar Year
2019	0.7%	N/A
2018	7.2%	N/A
2017	10.4%	12.1%
2016	-3.8%	7.2%
2015	0.4%	3.2%
2014	14.5%	2.4%
2013	8.8%	10.2%
Five Year Annualized Return	3.9%	

<u>Balance of all BOT Funds as of 06/30/2019</u>	<u>5/31/2019</u>		<u>3/31/2019</u>
BOT funds in endowed pool (earnings through 5/31/19)	\$7,727,483	63.9%	\$7,539,145
Gore separately invested fund (earnings through 3/26/19)	4,361,752	36.1%	4,341,345
Total funds balance	<u>\$12,089,234</u>		<u>\$11,880,490</u>

**Wichita State University Board of Trustees
City of Wichita/Sedgwick County Mill Levy Budget
Fiscal Year 2019**

Revenues	Fiscal Year 2019 Budget	Revenue Received as of 06/30/19	Budget Remaining	Percent of Budget Received
Mill Levy	\$ 8,011,005	\$ 7,959,289	\$ 51,716	99.35%
Interest	-	74,574	-	
Contingent Revenue	300,000	-	300,000	0.00%
Total Revenues	\$ 8,311,005	\$ 8,033,863	\$ 351,716	96.67%
Expenditures	Fiscal Year 2019 Budget	Expenditures as of 06/30/19	Budget Remaining	Percent of Budget Expended
Capital Improvement				
Campus Development Transfer	\$ 2,474,140	\$ 2,503,595	\$ (29,455)	101.19%
Building Insurance	20,396	13,799	6,597	67.66%
Total Capital Improvements	\$ 2,494,536	\$ 2,517,394	\$ (22,858)	100.92%
Student Support				
WSU Tech Support	\$ 800,000	\$ 800,000	\$ -	100.00%
Undergraduate Support	3,796,333	4,270,353	(474,020)	112.49%
Graduate Support	417,136	417,136	-	100.00%
Total Student Support	\$ 5,013,469	\$ 5,487,489	\$ (474,020)	109.45%
Economic and Community Development				
Interns-City/County	\$ 136,000	\$ 136,000	\$ -	100.00%
Business and Economic Research	150,000	150,000	-	100.00%
City Government Services	80,000	41,750	38,250	52.19%
County Government Services	80,000	37,923	42,077	47.40%
Total Economic and Community Development	\$ 446,000	\$ 365,673	\$ 80,327	81.99%
University Research and Support Services				
Organization and Development	\$ 57,000	\$ 30,841	\$ 26,159	54.11%
Bank Fees	-	3,538	-	
Total University Research and Support Services	\$ 57,000	\$ 34,379	\$ 26,159	60.31%
Contingency				
Contingency	\$ 300,000	\$ -	\$ 300,000	0.00%
Total Contingency	\$ 300,000	\$ -	\$ 300,000	0.00%
Total Expenditures	\$ 8,311,005	\$ 8,404,935	\$ (90,392)	101.13%

Wichita State University Board of Trustees
Operating Budget for Fiscal Year 2019 (B.O.T. Unrestricted Budget)
Revenue and Expenditures as of June 30, 2019

Expenditures	Fiscal Year 2019 Budget	Expenditures as of 06/30/19	Budget Remaining	Percent of Budget Expended
General and Administrative:				
Maintenance and Repairs	\$ 15,000	\$ -	\$ 15,000	0.00%
Professional Fees	17,000	17,978	(978)	105.75%
Insurance	8,800	12,044	(3,244)	136.87%
Other	450	819	(369)	182.00%
Bank Fees	-	3,538	(3,538)	
Transfer to Cash Flow Reserve	15,750	-	15,750	0.00%
Total Expenditures	\$ 57,000	\$ 34,379	\$ 22,621	60.31%

**Wichita State University Board of Trustees
Campus Development Fund
Fiscal Year 2019**

Revenues	Fiscal Year 2019 Budget	Revenue Received as of 06/30/19	Budget Remaining	Percent of Budget Received
University EEG for WSIA	\$ 1,852,376	\$ 1,852,376	\$ -	100.00%
Transfer from Mill Levy	2,474,140	2,503,595	(29,455)	101.19%
Total Revenues	\$ 4,326,516	\$ 4,355,971	\$ (29,455)	100.68%
Expenditures	Fiscal Year 2019 Budget	Expenditures as of 06/30/19	Budget Remaining	Percent of Budget Expended
Capital Improvements				
Debt Service - WSIA Series 2014-3(2054)	\$ 1,748,359	\$ 1,748,359	\$ 0	100.00%
Debt Service - WSIA Series 2014-4(2027)	749,445	749,445	-	100.00%
Debt Service Admin Fees	-	4,240	(4,240)	
Total Capital Improvements	\$ 2,497,804	\$ 2,502,044	\$ (4,240)	100.17%
Innovation Campus Support				
Innovation Campus Infrastructure	\$ 600,000	\$ 600,000	\$ -	100.00%
Fitness Facility	1,250,000	1,250,000	-	100.00%
Total Innovation Campus Support	\$ 1,850,000	\$ 1,850,000	\$ -	100.00%
Contingency				
Contingency	\$ -	\$ -	\$ -	
Total Contingency	\$ -	\$ -	\$ -	
Total Expenditures	\$ 4,347,804	\$ 4,352,044	\$ (4,240)	100.10%

**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	\$ 3,706,776										
	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	-	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	
Total Revenues	\$ 8,033,863	\$ 8,418,474	\$ 8,580,843	\$ 8,746,460	\$ 8,915,389	\$ 9,087,697	\$ 9,263,451	\$ 9,442,720	\$ 9,625,574	\$ 9,812,085	\$ 10,002,327	
Expenditures												
Capital Improvements												
National Center for Aviation Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Campus Development	2,503,595	2,578,059	2,700,224	2,865,635	434,810	509,892	588,308	664,930	740,034	825,925	903,570	
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	\$ 2,720,824	\$ 2,886,441	\$ 2,959,599	\$ 3,034,205	\$ 3,110,284	\$ 3,187,868	\$ 3,266,984	\$ 3,347,664	\$ 3,429,938	
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	3,796,333	3,796,333	3,872,260	3,949,705	4,028,699	4,109,273	4,191,458	4,275,287	4,360,793	
Graduate Support	417,136	417,136	417,136	417,136	425,479	433,989	442,669	451,522	460,552	469,763	479,158	
Subtotal Student Support & Workforce Development	\$ 5,487,489	\$ 5,013,469	\$ 5,013,469	\$ 5,013,469	\$ 5,097,739	\$ 5,183,694	\$ 5,271,368	\$ 5,360,795	\$ 5,452,010	\$ 5,545,050	\$ 5,639,951	
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	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	
Total Expenditures	\$ 8,404,935	\$ 8,418,474	\$ 8,580,843	\$ 8,746,460	\$ 8,915,389	\$ 9,087,697	\$ 9,263,451	\$ 9,442,720	\$ 9,625,574	\$ 9,812,085	\$ 10,002,327	
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Campus Development from BOT	2,503,595	2,578,059	2,700,224	2,865,635	434,810	509,892	588,308	664,930	740,034	825,925	903,570
Total Revenues	\$ 4,355,971	\$ 4,670,789	\$ 5,040,576	\$ 5,461,098	\$ 434,810	\$ 509,892	\$ 588,308	\$ 664,930	\$ 740,034	\$ 825,925	\$ 903,570
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	\$ (558,901)	\$ 1,358,722	\$ 434,810	\$ 509,892	\$ 588,308	\$ 664,930	\$ 740,034	\$ 825,925	\$ 903,570
Less Mill Levy/Interest Distributed to Security Bank/Sedgwick Co	(2,512,355)										
Less Debt Payment made by Security Bank	2,497,804										
Add Outstanding Checks	1,750										
Ending Cash (less amount held by Sedgwick Co.)	\$ 3,706,776										
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	\$ 229,554	\$ 1,588,275	\$ 2,023,085	\$ 2,532,977	\$ 3,121,285	\$ 3,786,215	\$ 4,526,249	\$ 5,352,174	\$ 6,255,744