



Board of Trustees Meetings
Thursday, July 12, 2018, 9:00 AM
Experiential Engineering Building, Room 164

AGENDA

- I. APPROVAL OF MINUTES, APRIL 5, 2018 –WOHLFORD
- 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 - HARTER
 - FINANCIAL PLAN REVIEW – BRUUN
 - INNOVATION CAMPUS UPDATE - SCHLAPP
- IV. UNIVERSITY UPDATE - BARDO

FINANCE & AUDIT COMMITTEE

(Ken Hush *Chair*, Laurie Labarca, Joe Norton, Sheryl Wohlford)

CAMPUS DEVELOPMENT COMMITTEE

(Pierre Harter *Chair*, Tom Winters, Vernell Jackson, Cindy Schwan, Steve Packebush)

NOMINATING COMMITTEE

(Cindy Schwan *Chair*, Joe Norton, Tom Winters, Sheryl Wohlford)

Upcoming BOT Meeting Dates

Friday, September 21, 2018, 8:00 am – EEB, Rm 164

Monday, December 3, 2018, 6:30 pm – Presidents Residence, BOT Holiday Dinner

Thursday, January 10, 2019, 8:00 am – EEB, Rm 164

Thursday, April 4, 2019, 8:00 am – EEB, Rm 164

Thursday, May 9, 2019, 5:30 pm – MarkArts, Fairmount Society Dinner

Thursday, July 11, 2019, 8:00 am – EEB, Rm 164

Friday, September 20, 2019 – EEB, Rm 164



WSU Board of Trustees

Board Meeting

Thursday, April 5, 2018, 8:00 am

164 Room, Experiential Engineering Building

In attendance were board members Sheryl Wohlford, Ken Hush, Steve Packebush, Laurie Labarca, Tom Winters, Joe Norton, Pierre Harter, Cindy Schwan, and Vernell Jackson. Also present were John Bardo, John Tomblin, Mert Buckley, Susan Johnson, Andy Schlapp, Troy Bruun, Werner Golling, and Lou Heldman.

Approval of Minutes

Wohlford started the meeting at 8:00 am. Harter made a motion to approve the minutes from the September 22, 2017 meeting. Schwan seconded and the motion passed.

Finance and Audit Report

Hush reviewed the Finance and Audit reports and the board agreed all were in order. Bruun reviewed the FY2019 Mill Levy Budget, noting some changes from the FY2018 budget. Student Support/Workforce Development under Total Capital Improvements now combines all the scholarships into "Undergraduate Support" and "Graduate Support". The payment of \$800K has been moved from a payment to Sedgwick County for bond payment to funding for operations of WSU Tech. This move was agreed to by Sedgwick County. Hush made a motion to accept the budget, Norton seconded and the motion passed.

Buckley reviewed the summary of the Foundation lease, a 3 year term that starts in July. Norton made a motion to approve the lease, and to authorize Wohlford to sign it on behalf of the Board. Labarca seconded and the motion passed.

Campus Development Report

Harter presented the Campus Development Financial plan and Winters stated his approval of showing the 10 year projection for the financial plan.

Tomblin gave an Innovation Campus power point presentation. He discussed the many new buildings starting construction soon, such as the Element by Westin Hotel, Flats II, NIAR Crash Lab, YMCA, Braeburn Square Phase 1, Wonder School, Partnership II Building and other upcoming projects.

University Update

Bardo talked about the increase in enrollment, the largest freshman class so far, the large increase in housing applications, and removal of asbestos from Fairmount Towers. He said WATC becomes WSU Tech officially in July. He also gave an economic review of the population of Kansas and how important Innovation Campus initiatives are to improving the economy of Kansas.

Wohlford adjourned the meeting at 10:00 am.

Respectfully submitted,

Susan Johnson
Assistant Secretary

**Wichita State University Foundation
Updates to WSU Board of Trustees
as of June 30, 2018**

BOT Owned Facilities Maintenance Quasi-Endowed Fund Balance- 611036
(investment return posted through 5/31/18)

\$472,027

Lease agreement income received FY 2018

CMD	\$40,000
WSU Foundation	20,000
Alumni	20,001
BOT annual funding	12,500

\$92,501

Expenses to date FY 2018

\$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
		<u><u>\$722,528</u></u>

WAC= Woodman Alumni Center

**Wichita State University Foundation
Pooled Investment Performance
as of May 31, 2018**

	FY2018 Performance
Composite	7.2%
<i>Target Weighted Benchmark</i>	<i>7.3%</i>
<i>Spending + CPI Benchmark</i>	<i>7.6%</i>

Historical Investment Returns

	Fiscal Year	Calendar Year
2018	7.2%	
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%
2012	-4.6%	11.4%
Five Year Annualized Return	5.1%	

Balance of all BOT Funds as of 06/30/18

	<u>6/30/2018</u>		<u>3/31/2018</u>
BOT funds in endowed pool (earnings through 05/31/18)	\$7,733,041	64.0%	\$7,786,601
Gore separately invested fund (earnings through 07/06/18)	4,354,806	36.0%	4,315,463
Total funds balance	<u>\$12,087,847</u>		<u>\$12,102,064</u>

**Wichita State University Board of Trustees
City of Wichita/Sedgwick County Mill Levy Budget
Fiscal Year 2018
Revenue and Expenditures as of June 30, 2018**

	<u>Fiscal Year 2018 Budget</u>	<u>Revenue Received as of 06/30/18</u>	<u>Budget Remaining</u>	<u>Percent of Budgeted Revenue Received</u>
<u>Revenues</u>				
Revenue	\$7,853,926	\$7,734,771	\$119,155	98.48%
Contingent Revenue	300,000	0	300,000	0.00%
Total Revenues	<u>\$8,153,926</u>	<u>\$7,734,771</u>	<u>\$419,155</u>	94.86%
<u>Expenditures</u>				
	<u>Fiscal Year 2018 Budget</u>	<u>Expenditures as of 06/30/18</u>	<u>Budget Remaining</u>	<u>Percent of Budget Expended</u>
<u>Capital Improvement</u>				
National Center for Aviation Training Support	800,000	800,000	0	100.00%
Campus Development	2,317,061	2,206,681	110,380	95.24%
Building Insurance	20,396	13,955	6,441	68.42%
Total Capital Improvements	<u>\$3,137,457</u>	<u>\$3,020,636</u>	<u>\$116,821</u>	96.28%
<u>Student Support</u>				
Merit Scholarship Program	\$1,697,710	\$2,062,582	(\$364,872)	121.49%
Sedgwick County Scholars	\$2,098,623	2,098,623	0	100.00%
Urban Assistantships	50,557	50,557	0	100.00%
Graduate Research Assistantships	214,156	214,156	0	100.00%
Graduate Fellowships	152,423	152,423	0	100.00%
Total Student Support	<u>\$4,213,469</u>	<u>\$4,578,341</u>	<u>(\$364,872)</u>	108.66%
<u>Economic and Community Development</u>				
Interns-City/County	\$136,000	\$136,000	\$0	100.00%
Business and Economic Research	150,000	150,000	0	100.00%
City Government Services	80,000	68,070	11,930	85.09%
County Government Services	80,000	43,729	36,271	54.66%
Total Economic and Community Development	<u>\$446,000</u>	<u>\$397,799</u>	<u>\$48,201</u>	89.19%
<u>University Research and Support Services</u>				
Organization and Development	\$57,000	\$49,336	\$7,664	86.55%
Total University Research and Support Services	<u>\$57,000</u>	<u>\$49,336</u>	<u>\$7,664</u>	86.55%
<u>Contingency</u>				
Contingency	\$300,000	\$0	\$300,000	0.00%
Total Contingency	<u>\$300,000</u>	<u>\$0</u>	<u>\$300,000</u>	0.00%
Total Expenditures	<u>\$8,153,926</u>	<u>\$8,046,112</u>	<u>\$107,814</u>	98.68%

Wichita State University Board of Trustees
Operating Budget for Fiscal Year 2018 (B.O.T. Unrestricted Budget)
Revenue and Expenditures as of June 30, 2018

	Fiscal Year 2018 <u>Budget</u>	Actual Expenditures as of 06/30/18	Budget Remaining	Percent of Budget <u>Expended</u>
Expenditures				
General and Administrative:				
Maintenance and Repairs	\$15,000	\$12,560	\$2,440	83.73%
Professional Fees	17,000	24,407	(7,407)	143.57%
Insurance	8,800	11,906	(3,106)	135.30%
Other	450	463	(13)	102.89%
Transfer to Cash Flow Reserve	15,750	0	15,750	0.00%
Total Expenditures	<u><u>\$57,000</u></u>	<u><u>\$49,336</u></u>	<u><u>\$7,664</u></u>	86.55%

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

Beginning Cash (less amount held by Sedgwick Co.)	\$ 5,857,054	\$ 3,677,516										
	Actual FY 2017	Actual FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues												
Mill Levy	\$ -	\$ -	\$ 7,898,417	\$ 8,056,385	\$ 8,217,513	\$ 8,381,863	\$ 8,549,500	\$ 8,720,490	\$ 8,894,900	\$ 9,072,798	\$ 9,254,254	\$ 9,439,339
Mill Levy Distributed to BOT	5,505,763	5,184,315	-	-	-	-	-	-	-	-	-	-
Mill Levy Distributed to Security Bank/Sedgwick County	1,871,117	2,550,456	-	-	-	-	-	-	-	-	-	-
Interest	26,393	52,078	-	-	-	-	-	-	-	-	-	-
Alumni Association	1	1	-	-	-	-	-	-	-	-	-	-
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	\$ 7,403,274	\$ 7,786,850	\$ 8,198,417	\$ 8,356,385	\$ 8,517,513	\$ 8,681,863	\$ 8,849,500	\$ 9,020,490	\$ 9,194,900	\$ 9,372,798	\$ 9,554,254	\$ 9,739,339
Expenditures												
Capital Improvements												
National Center for Aviation Training	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Campus Development	539,441	2,206,681	2,361,348	2,519,110	2,680,030	2,844,170	417,158	491,802	569,771	645,937	720,577	804,402
Debt Service - Refunding of Series 2001	1,512,000	-	-	-	-	-	-	-	-	-	-	-
Debt Service - WSIA Series 2014-3	-	-	-	-	-	-	1,748,359	1,748,359	1,748,359	1,748,359	2,063,359	2,495,659
Debt Service - WSIA Series 2014-4	-	-	-	-	-	-	750,968	750,068	747,298	747,818	436,380	-
Building Insurance	19,311	13,955	20,600	20,806	21,014	21,224	21,648	22,081	22,523	22,973	23,432	23,901
Subtotal Capital Improvements	\$ 2,870,752	\$ 3,020,636	\$ 3,181,948	\$ 3,339,916	\$ 3,501,044	\$ 3,665,394	\$ 3,738,133	\$ 3,812,310	\$ 3,887,951	\$ 3,965,087	\$ 4,043,748	\$ 4,123,962
Student Support & Workforce Development												
Undergraduate Support	\$ 1,542,659	\$ 2,062,582	\$ 1,697,710	\$ 1,697,710	\$ 1,697,710	\$ 1,697,710	\$ 1,731,664	\$ 1,766,297	\$ 1,801,623	\$ 1,837,655	\$ 1,874,408	\$ 1,911,896
Sedgwick County Scholars	2,098,623	2,098,623	2,098,623	2,098,623	2,098,623	2,098,623	2,140,595	\$ 2,183,407	\$ 2,227,075	\$ 2,271,617	\$ 2,317,049	\$ 2,363,390
Urban Assistantships	50,557	50,557	50,557	50,557	50,557	50,557	51,568	\$ 52,599	\$ 53,651	\$ 54,724	\$ 55,818	\$ 56,934
Graduate Research Assistantships	214,156	214,156	214,156	214,156	214,156	214,156	\$ 218,439	\$ 222,808	\$ 227,264	\$ 231,809	\$ 236,445	\$ 241,174
Graduate Fellowships	152,423	152,423	152,423	152,423	152,423	152,423	\$ 155,471	\$ 158,580	\$ 161,752	\$ 164,987	\$ 168,287	\$ 171,653
Subtotal Student Support & Workforce Development	\$ 4,058,418	\$ 4,578,341	\$ 4,213,469	\$ 4,213,469	\$ 4,213,469	\$ 4,213,469	\$ 4,297,737	\$ 4,383,691	\$ 4,471,365	\$ 4,560,792	\$ 4,652,007	\$ 4,745,047
Economic & Community Development												
Interns - City/County	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 138,720	\$ 141,494	\$ 144,324	\$ 147,210	\$ 150,154	\$ 153,157
Business & Economic Research	150,000	150,000	150,000	150,000	150,000	150,000	153,000	156,060	159,181	162,365	165,612	168,924
City Government Services	101,560	68,070	80,000	80,000	80,000	80,000	81,600	83,232	84,897	86,595	88,327	90,094
County Government Services	43,251	43,729	80,000	80,000	80,000	80,000	81,600	83,232	84,897	86,595	88,327	90,094
Subtotal Economic & Community Development	\$ 430,811	\$ 397,799	\$ 446,000	\$ 446,000	\$ 446,000	\$ 446,000	\$ 454,920	\$ 464,018	\$ 473,299	\$ 482,765	\$ 492,420	\$ 502,269
University Research & Support Services												
Organization & Development	\$ 43,293	\$ 51,930	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 58,710	\$ 60,471	\$ 62,285	\$ 64,154	\$ 66,079	\$ 68,061
Subtotal University Research & Support Services	\$ 43,293	\$ 51,930	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 58,710	\$ 60,471	\$ 62,285	\$ 64,154	\$ 66,079	\$ 68,061
Contingency	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Total Expenditures	\$ 7,403,274	\$ 8,048,707	\$ 8,198,417	\$ 8,356,385	\$ 8,517,513	\$ 8,681,863	\$ 8,849,500	\$ 9,020,490	\$ 9,194,900	\$ 9,372,798	\$ 9,554,254	\$ 9,739,339
Revenues Over/(Under) Expenditures	\$ -	\$ (261,856)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Wichita State University Board of Trustees
Campus Development Fund Financial Plan**

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues												
University EEG for WSIA	\$ 2,200,000	\$ 1,619,078	\$ 1,852,376	\$ 2,092,730	\$ 2,340,352	\$ 2,595,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Experiential Engineering Bldg Change Orders	68,243	-	-	-	-	-	-	-	-	-	-	-
Campus Development from BOT	539,441	2,206,681	2,361,348	2,519,110	2,680,030	2,844,170	417,158	491,802	569,771	645,937	720,577	804,402
Total Revenues	\$ 2,807,684	\$ 3,825,759	\$ 4,213,724	\$ 4,611,840	\$ 5,020,382	\$ 5,439,633	\$ 417,158	\$ 491,802	\$ 569,771	\$ 645,937	\$ 720,577	\$ 804,402
Expenditures												
Capital Improvements												
Debt Service - WSIA Series 2014-3	\$ 1,748,359	\$ 1,748,359	\$ 1,748,359	\$ 1,748,359	\$ 1,748,359	\$ 1,748,359	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service - WSIA Series 2014-4	185,463	750,463	749,445	746,795	746,878	749,778	-	-	-	-	-	-
Balance of Debt Service per bond documents	66,178	-	-	-	-	-	-	-	-	-	-	-
Experiential Engineering Bldg Construction	122,276	-	-	-	-	-	-	-	-	-	-	-
Bond Trustee Admin Fees	5,830	4,240	-	-	-	-	-	-	-	-	-	-
Student Athlete Building	2,500,000	-	-	-	-	-	-	-	-	-	-	-
Innovation Campus Infrastructure	-	600,000	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	\$ 4,628,106	\$ 3,103,062	\$ 4,347,804	\$ 4,345,154	\$ 5,595,237	\$ 4,098,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 4,628,106	\$ 3,103,062	\$ 4,347,804	\$ 4,345,154	\$ 5,595,237	\$ 4,098,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues Over/(Under) Expenditures	\$ (1,820,422)	\$ 722,697	\$ (134,080)	\$ 266,686	\$ (574,855)	\$ 1,341,497	\$ 417,158	\$ 491,802	\$ 569,771	\$ 645,937	\$ 720,577	\$ 804,402
Less Mill Levy Distributed to Security Bank/Sedgwick County	(1,871,117)	(2,550,456)										
Less Debt Payment made by Security Bank	1,512,000	2,498,822										
Ending Cash (less amount held by Sedgwick Co.)	\$ 3,677,516	\$ 4,086,722										
Less cash not available for Campus Development*	\$ (1,040,260)	\$ (723,589)										
Less cash held for cash flow	\$ (2,900,000)	\$ (2,900,000)										
Cash available for Campus Development (cumulative)	\$ (262,745)	\$ 463,133	\$ 329,053	\$ 595,739	\$ 20,884	\$ 1,362,380	\$ 1,779,538	\$ 2,271,340	\$ 2,841,111	\$ 3,487,048	\$ 4,207,625	\$ 5,012,027

***Cash not available for Campus Development**

	FY 2017	FY 2018	
City Government Services	\$ 14,333	\$ 26,263	Prior years unspent budget
County Government Services	112,876	149,147	Prior years unspent budget
City Internships	12,000	12,000	Prior years unspent budget
County Internships	18,000	18,000	Prior years unspent budget
Scholarships	883,051	518,179	Prior years unspent budget
	\$ 1,040,260	\$ 723,589	