



KANSAS BOARD OF REGENTS

**Teleconference Meeting
Fiscal Affairs and Audit Standing Committee
12:15 pm, Tuesday, April 1, 2025
[Link to Zoom Meeting](#) or
Phone: 253 215 8782
Meeting ID: 859 7584 4525
Passcode: 054 549**

FAA AGENDA ITEMS FOR APRIL 16, 2025 BOARD MEETING

FACILITIES – APRIL 16, 2025 – CONSENT AGENDA

1. Act on Request for Acquisition of Real Property from Related Organization – KUMC

The University of Kansas Medical Center Research Properties, Inc. was incorporated as a 501(c)(3) in 1995. It is a subsidiary of the University of Kansas Medical Center Research Institute, Inc. (“KUMCRI”). The main purpose of KUMCRP was to operate KUMC’s Biomedical Entrepreneurial Research Incubator (“BERI”) and to hold property located near KUMC to support BERI, including the current parcel at issue - 3537 Rainbow Boulevard, Kansas City, Kansas. The property is currently being used as a surface parking lot. See Exhibit 1 below.

Incubators such as BERI are created to provide faculty and other startups a place to operate while they set up and establish their businesses. KUMC received a federal grant to renovate the BERI space and so it was committed to operate the Institute for a certain number of years. That time has now passed, and KU plans to open and operate all its future incubators at the KU Innovation Park in Lawrence. For this reason, KUMCRP as an entity is no longer needed and KU plans to dissolve the corporation by the end of the current fiscal year. The property at 3537 Rainbow Boulevard is the only asset that KUMCRP has left, and therefore both entities desire to transfer the property to KU.

The Board of Directors of KUMCRP (which consists of KU’s Chancellor, KU’s Chief Financial Officer, KUMC’s Vice Chancellor for Research, and KUMC’s Vice Chancellor for Finance) held a meeting on August 19, 2024, during which they voted unanimously to request that the Kansas Board of Regents authorize the transfer of 3537 Rainbow Boulevard to KU. They also voted to authorize KUMCRP’s Executive Director to take all necessary actions to begin the process of dissolving the corporation and to close and settle its business affairs.

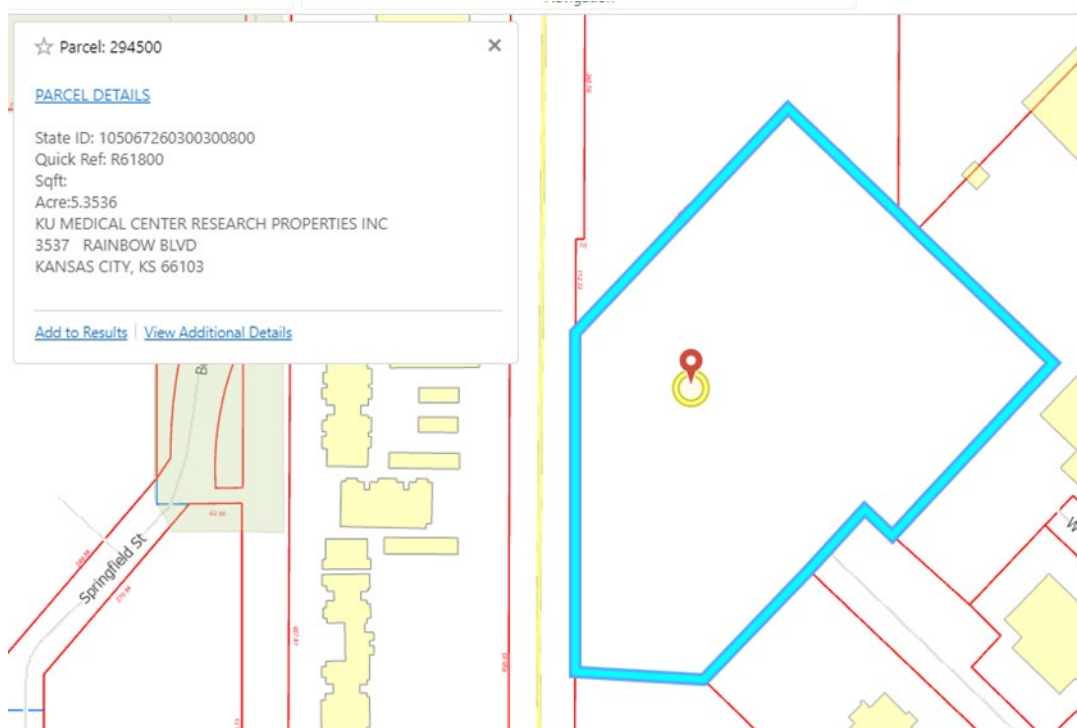
Pursuant to Chapter II, Section E.11.e.i.(1) of the Board of Regents policy, KU requests that the Board of Regents authorize the transfer of 3537 Rainbow Boulevard, Kansas City, Kansas from KUMCRP to KU.

The Board of Directors of KUMCRP and KU have agreed that, if approved, the property would be transferred to KU for nominal consideration (*i.e.*, \$1.00). This is consistent with past practice regarding the property. The property was originally transferred by the City of Kansas City, Kansas to KUMCRI in 1997

for nominal consideration, and KUMCRI subsequently transferred it to KUMCRP for nominal consideration in 1999.

The Board of Regents is asked to approve the transfer of approximately 5.35 acres at 3537 Rainbow Boulevard, Kansas City, Kansas, from KUMCRP to KU for nominal consideration. Such approval will allow KUMCRP to begin winding down and settling its business affairs and will support KU's efforts to move all its new incubator space to one centralized location at KU Innovation Park in Lawrence, Kansas.

Exhibit 1



2. Act on Request to Amend the FY 2025 Capital Improvement Plan and Approve Revised Program Statement for Strong Complex Residence Hall Renovations –KSU

Kansas State University (KSU) requests approval to amend the FY 2025 capital improvement project plan and to accept the revised program statement for the Strong Complex: Boyd, Putnam, & Van Zile Hall Renovations. The Board approved the initial program statement in November 2023.

Higher than anticipated cost escalation and existing conditions discovered during the demolition process have increased the project budget from \$32 million to \$35 million and extended the project timeline by one additional semester. The current anticipated project completion is December 2026. Funding to cover the increased project budget is available from \$25 million from bonds paid with Housing and Dining revenue, private donations and additional funding sources to be determined.

There are additional project components that the revised budget of \$35 million will not accommodate, such as replacing the sloped roof at Van Zile Hall, adding a new elevator to Putnam Hall, updating the fire alarm system in Putnam Hall and adding mechanical fresh air to the student rooms in all three buildings. If additional funding becomes available, K-State requests approval to increase the budget from \$35 million to

\$40 million to support the inclusion of these additional items. These items will not be incorporated into the overall project if additional funding is not identified.

Revised program statement is attached.

3. Act on Request to Amend the FY 2025 Capital Improvement Plan and Approve Revised Program Statement for Moore Hall Bathroom Remodel – KSU

Kansas State University requests approval to amend the Fiscal Year 2025 capital improvement project plan for the Moore Hall Bathroom Remodel project. The Board approved the initial program statement in March 2024. Higher than anticipated escalation and bid results have increased the project budget from \$3.7 million to \$5.715 million. The budget increase will be funded with Housing and Dining departmental funds.

Revised program statement is attached.

4. Act on Request to Amend the FY 2025 Capital Improvement Plan and Approve Revised Program Statement for Geology Building Remodel for Anthropology Department Move – WSU

Wichita State University (WSU) requests approval to amend the FY 2025 capital improvement plan and approve the revised program statement for the Geology Building project to revise the scope of work and estimated budget and to accept the program statement. The new name of the project will be Geology Building Remodel for Anthropology Department Move.

As part of the Board of Regents' facilities initiative to improve space utilization and address the deferred capital renewal and maintenance backlog on campus, WSU is proposing to consolidate two departments currently housed in separate buildings (Department of Geology in the Geology Building and the Department of Anthropology in Neff Hall) into one shared facility. The Geology Building (approx. 39,400 gross square feet) has been identified as a space with opportunities for more efficient use. The project was initially approved by the Board as the Geology Building Renovation and Addition as part of the FY 2024 Capital Improvement Plan. With an estimated budget of \$18.5 million, the initial project scope included a full building renovation and addition to house the Holmes Anthropology Museum. The project has since been revised to focus on the core building changes that are needed to co-locate both the Geology Department and Anthropology Department in the building. The museum addition is no longer part of this project – it will be located within the Ablah Library.

Following the completion of work in the Geology Building when the Anthropology Department and museum are relocated, Neff Hall will be demolished and replaced by an expanded quad, east of the Rhatigan Student Center.

The anticipated total project cost for the revised project is \$3.82 million, with construction costs estimated to be \$2.6 million. Funding for the project is the university's allocation of EBF revenue. The project delivery method will be design-bid-build (DBB). The total project duration from design team selection to project completion is anticipated to be 23 months.

Program statement is attached.

5. Act on Request to Amend the FY 2025 Capital Improvement Plan and Approve Revised Program Statement for Wilkins Stadium Expansion Phase 1 – WSU

Wichita State University (WSU) requests approval to amend the FY 2025 capital improvement plan and approve the revised program statement for the Wilkins Stadium Expansion Phase 1 project to increase the total project budget. Wilkins Stadium is the home of WSU softball. Phase 1A (indoor practice facility) is currently under construction and is anticipated to be completed in April 2025. Cost estimates during design development for Phase 1B (team operations facility) indicate that increased construction and equipment costs since the beginning of the project have resulted in a total estimated project cost for Phases 1A and 1B together at \$700,000 over initial estimates.

The anticipated total project cost for the entire Phase 1 expansion project is now estimated to be \$10.35 million. The project scope remains the same as previously approved. Funding for the project also stays the same, consisting of private gifts and Board of Trustees funds. The project delivery method is construction manager at risk (CMAR).

Revised program statement will be provided in advance of the Board meeting.

6. Act on Request to Amend the FY 2025 Capital Improvement Plan and Approve Revised Program Statement for Henrion Hall HVAC Improvements Phases 3 and 4 – WSU

Wichita State University (WSU) requests approval to amend the FY 2025 capital improvement plan and approve the revised program statement for Henrion Hall HVAC Improvements Phase 3 and 4 to increase the total project budget. Over the past few years, WSU invested just under \$2 million in two separate projects to improve the health and safety of Henrion Hall, home of the School of Art, Design, and Creative Industries (ADCI), by improving ventilation and dust collection in the ceramics, sculpture, and foundry areas of the building. This final project includes the scope of work required to provide central heating, air conditioning, and ventilation (HVAC) to the remainder of the building (approx. 29,000 square feet) to address the remaining deferred HVAC renewal and maintenance items.

Cost estimating projections during design development indicate that the project costs for the HVAC improvements are \$350,000 over current approvals. It was also determined that the size of the existing wood shop is insufficient to appropriately accommodate the equipment. An additional \$350,000 is currently budgeted to relocate the wood shop within the building to provide a dedicated room with a new dust collection system.

The new total project budget with increase to \$4.7 million, up from \$4.0 million previously approved by the Board. The project is being delivered with a construction manager at risk (CMAR) project delivery method and is being funded with allocations of the FY 2025 and FY 2026 capital renewal initiative fund allocations (SGF), EBF, and private gifts.

Revised program statement will be provided in advance of the Board meeting.

7. Act on Request to Amend the FY 2025 Capital Improvement Plan and Approve Program Statement for the Outdoor Track Complex – PSU

Pittsburg State University (PSU) requests approval to amend the FY 2025 capital improvement project plan and to accept the program statement for the Outdoor Track Complex. The estimated total project cost has increased from \$10 million to \$11 million.

The Outdoor Track Complex is a culmination of the efforts by PSU's determined donor base and the community excitement generated by events hosted at the adjacent Robert W. Plaster Center, Weede Physical Education Building, Soccer Pitch, Bicknell Family Center for the Arts, and surrounding grounds. The region currently lacks a venue to host regional or national track meets, and the synergies of the available site make the project an attractively viable resource that could generate revenue for the city, county, and region while supporting and growing PSU's already successful track and field programs. A private donor group is currently working with a design team to finalize the concept that will be used to secure approvals and gift funds to deliver this entirely privately funded Athletics project.

A program statement will be provided in advance of the Board meeting.

FACILITIES – APRIL 16, 2025 – DISCUSSION AGENDA

1. Receive Capital Improvement Requests and Five-Year Plans for FY 2027 – University System (First Read)

As required by Kansas law and in accordance with the format traditionally prescribed by the Division of the Budget, the campuses have submitted their FY 2027 capital improvement requests and five-year capital plans. The Board will act on the plans at the May meeting, as the capital improvement requests are due to the Division of Budget and Legislative Research Department on July 1, 2025.

The five-year plans will be provided within the April Board agenda materials.

Fiscal Affairs & Audit Standing Committee

Wednesday, April 16, 2025, 10:15 am - 11:45 am
Pittsburg State University Campus

I. Old Business

- A. Approve minutes of March 12, 2025 committee meeting
- B. Follow up on issues raised during the April 1 teleconference call

II. New Business

- A. **FAA 25-05** Receive debt capacity plans for state universities and assess universities' indebtedness
Jim MacMurray, Senior Vice President for Finance, Kansas Development Finance Authority
- B. First Read of Johnson County Educational Research Triangle (JCERT) Budgets by Fiscal Affairs & Audit Committee – KUMC, KU Edwards, KSU Olathe (*Budgets are attached*)
- C. Presentation from Internal Auditors: Data on Comparison to Peers
- D. Review Board Agenda Items under Fiscal Affairs
- E. **FAA 25-09** Monitor Progress on State University Capital Renewal Initiative and Campus Restoration Act (standing item)
- F. **FAA 25-10** Review Audit Findings (standing item)
- G. Other Committee Business

Next meeting dates:

April 29 – 12:15pm, [Agenda Planning Conference Call](#)
May 14 – 10:15 am [Committee Meeting](#), Board Office, Topeka

May 27 – 12:15pm, [Agenda Planning Conference Call](#)
June 11 – 10:15 am [Committee Meeting](#), Board Office, Topeka