



KANSAS BOARD OF REGENTS

AGENDA PLANNING MEETING
Fiscal Affairs and Audit Standing Committee
12:15 pm, Wednesday, January 28, 2026
[**Link to Zoom Meeting**](#) or
Meeting ID: 862 3736 0366
Passcode: 792 641

FEBRUARY AGENDA ITEMS RELATED TO FISCAL AFFAIRS

CONSENT AGENDA

1. Act on Request to Amend the FY 2026 Capital Improvement Plan and Approve Program Statement for Chiller Building #1 Restoration - KU

The University of Kansas (KU) requests approval to amend the FY 2026 capital improvement project plan and acceptance of the program statement for the Chiller Building #1 Restoration project. Chiller Building #1 was constructed in 1973. The major cooling plant equipment (chillers, cooling towers, pumps, and associated equipment) was replaced in 1998 and is now nearly 30 years old, approaching the end of useful service, and starting to fail. Chiller Building #3, constructed in 2020, is interconnected with Chiller Building #1 and both work in tandem to provide cooling for Malott Hall, Haworth Hall, Dole Human Development Center, Hall Center for the Humanities, and Stauffer-Flint Hall. This project will replace the aging chilled water system in Chiller Building #1 to provide reliable cooling to the existing campus buildings it serves, provide N+1 redundancy to minimize potential for failure, improve energy efficiency, and address life safety issues and meet code compliance requirements.

The current total estimated project cost has increased from \$5 million to \$6 million, including architectural/engineering fees, construction, and contingencies, and will be funded with a portion of the university's allocations of the Educational Building Fund (EBF) and Kansas Campus Restoration Act Fund (KCRA). This increase in cost is a combination of construction inflation, skilled trades availability and additional ancillary equipment that needs to be replaced. Design services will be procured utilizing the standard state processes and procedures and the university intends to utilize a design-bid-build construction delivery method. Project completion is anticipated by the end of 2027.

Program statement is attached (Attachment A).

2. Act on Request to Amend the FY 2026 Capital Improvement Plan and Approve Program Statement for Chiller Expansion Project - KSU

Kansas State University (KSU) requests approval to amend the FY 2026 capital improvement project plan and acceptance of the program statement for the Chiller Expansion project. In 2016, the university

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constructed a new chilled water plant to expand campus chilled water infrastructure and has since connected several buildings and additions onto the district chilled water system. The new plant, CP-2, was designed to expand with future demand, and to operate in concert with the campus's original plant, CP-1. A detailed study of campus utility infrastructure performed as part of the recently approved campus master plan indicates an immediate need to expand the chilled water plant to meet the growing cooling needs of campus. Additional chilled water demands expected from the Global Center for Grain and Food Innovation, Fairchild Hall and Strong Complex will increase the campus peak toward the capacity limit of the existing chillers. Further increases in campus chilled water loads will require additional chiller capacity to ensure a reliable source of cooling can be provided.

The original project scope to expand the university's chilled water plant with an additional 2,950-ton chiller now also includes providing associated equipment, connections, and underground piping to serve the forthcoming Kansas Veterinary Diagnostics Laboratory (KVDL) and Derby Housing Complex with chilled water from the district system. It is anticipated that connection to the KVDL will be accounted for in construction costs for that project which is provided for by an FY 2026 legislative appropriation.

The current estimated total project cost, including the additional scopes of work, is now \$24,750,000 and will be funded with a combination of sources including: Educational Building Fund, housing revenue, deferred maintenance interest earnings, SGF, and other university sources to be determined. Design services will be procured utilizing the standard state processes and procedures and the university intends to evaluate construction delivery method and phasing after selection of the architectural and engineering team to determine if Design-Bid-Build or CMAR will be optimal. Project completion is anticipated in late 2028.

Program statement is attached (Attachment B).

3. Act on Request to Allocate EPSCoR Appropriation—System

In accordance with the 2011 Guidelines for Coordination, Oversight and Fiscal Management of the Experimental Program to Stimulate Competitive Research (EPSCoR), the Kansas Board of Regents appointed a committee to review proposals for state funding. The EPSCoR Program Review Committee recommends the Board award \$300,000 in FY 2026 to fund proposals submitted by three researchers. If approved, all FY 2026 funding will have been awarded.

Draft issue paper is attached (Attachment C).

4. Act on Kansas Comprehensive Grant Program Distributions – FY 2026 – System

The Board of Regents administers the Kansas Comprehensive Grant Program (KCG). The 2024 Legislature appropriated \$40.3 million for FY 2026, with provisions that require (1) 50.0 percent of the state funding be allocated to the private independent institutions and 50.0 percent to the public universities and (2) that the state appropriation be matched by the institution on a \$1 for \$1 basis. The Board approved distribution of the KCG appropriation at the June 2024 meeting. From data provided by the institutions for AY 2025, two private independent institutions did not meet the match requirement, and they have now repaid the amounts not matched to the Board Office. This makes \$395,763 available in FY 2026 to be redistributed among the institutions that did meet the match threshold.

Draft issue paper is attached (Attachment D).

DISCUSSION AGENDA

1. Act on Student Health Insurance Benefits and Premium Rates for Plan Year 2026-2027

During the 2006 Session, the Legislature authorized the Board of Regents to enter into group health insurance contracts to provide voluntary health and accident insurance coverage for students attending state universities and their dependents. Previously, student health insurance coverage was offered through the State of Kansas Health Care Commission.

To assist with administration of this student benefit, a Student Insurance Advisory Committee reports to the Council of Business Officers (COBO) and makes recommendations on rates and benefits. The Committee comprises representatives from each of the state universities, including two students, and is chaired by a member of COBO. The Committee serves in an advisory capacity to COBO, with COBO making the final decisions and recommendations to forward to the Council of Presidents relating to the selection of providers, benefit structure and determination of rates, and other matters affecting the Student Insurance Plan. Once the Council of Presidents acts on recommendations, they advance to the Board of Regents.

In order for Plan Year 2026-2027 premium rates to be established with enough time for regulatory notice to the Kansas Insurance Department, the Board is asked to act on proposed rates and benefits at the February meeting.

The issue paper will be included in the agenda materials.



Fiscal Affairs Committee Agenda

Wednesday, February 11, 2026, 10:15 am
Kansas Board of Regents' Office, Topeka

I. Old Business

- A.** Approve minutes of January 14, 2026 committee meeting
- B.** Follow up on issues raised during the January 28 agenda call

II. New Business

- A.** Receive external management review of Pittsburg State University
Mike Lowry, Allen, Gibbs & Houlak
- B.** *Presentation on Computations for Composite Financial Index:*
Jeff Hunter, University of Kansas
- C.** **FAA 25-04** Review State Universities' Annual Financial Reports, including Composite Financial Index and Current Year Budget Status Relative to Plan
Wesley Wintch, Fort Hays State University
Angela Wolgram, Emporia State University
Doug Ball, Pittsburg State University
- D.** Review Board Agenda Items under Fiscal Affairs
- E.** Receive Update on FY 2027 Unified Appropriations Request

III. Standing Topics

- A.** Monitor Progress on Kansas Campus Restoration Act (FAA 26-08)
- B.** Review Audit Findings (FAA 26-09)