

# MINUTES

## **Fiscal Affairs and Audit Standing Committee Meeting Minutes Wednesday, November 19, 2025**

The November 19, 2025, meeting of the Fiscal Affairs and Audit Standing Committee was called to order, at 2:00 p.m. The meeting was held via Zoom. *Proper notice was given according to the law.*

MEMBERS PRESENT:

- Regent John Dicus, Chair
- Regent Neelima Parasker
- Regent Kathy Wolfe Moore
- Regent Matt Crocker

### **Follow up on Questions Raised During Agenda Call**

Elaine Frisbie, Vice President for Finance and Administration, provided an overview of the proposed revisions to the appropriation language, aimed at ensuring the most effective use of state funds allocated by the System.

### **New Business**

**Act on Request to Convey Land from the University of Kansas to the Kansas University Endowment Association – KU**

**Act on Request to Amend the FY 2026 Capital Improvement Plan and Approve Program Statement for East Side of David Booth Kansas Memorial Stadium Renovation (Phase Two) – KU**

**Act on Request to Approve Subleasing of University Land from Kansas University Endowment Association (KUEA) to Third-Party for Gateway Project Development – KU Act on Request for Exchange of Real Property between the University of Kansas and the Kansas University Endowment Association for City of Lawrence Transit Hub – KU**

**Act on Request to Implement an Affiliated Housing Plan for the University of Kansas – KU**

Jeff DeWitt, Chief Financial Officer at The University of Kansas, announced that the University is entering phase two of the Gateway Project. This phase involves the demolition of the east side of the stadium and its redevelopment into a mixed-use complex featuring residential units, a hotel, retail space, a plaza, parking, and other commercial facilities designed to promote economic development for both the university and the City of Lawrence.

KU is seeking approval for the project and related land transfers to the endowment, enabling the University to structure commercially viable leases. Phase two will be financed through multiple sources, including a STAR bond district (estimated net bond proceeds of \$64 million), TIF district (estimated net bond proceeds of \$19 million), a CID district (estimated net bond proceeds of \$20.2 million), university fundraising, and capital investment from the developer and the hotelier. The TIF bond proceeds will be divided between the City of Lawrence for a watershed project (\$14.5 million) and the Gateway Project (\$5 million).

Chair Dicus inquired whether the parcel of land could be transferred under the lease, if necessary, in the future. Jeff DeWitt confirmed that the university is ensuring flexibility to allow such transfers if needed. Regent Wolfe Moore asked whether the STAR bonds are 20-year bonds. Mr. DeWitt responded that the City of Lawrence will issue the bonds, which are typically structured as 20-year bonds. Heather Blanck, Vice Chancellor for Strategic Growth Initiatives and Real Estate, affirmed that the bonds will indeed be 20-year bonds.

**Act on Request to Approve Program Statement for Prophet Aquatic Research and Outreach Center (PAROC) Room Addition – ESU****Act on Request to Amend the FY 2026 Capital Improvement Plan and Approve Program Statement for Morse Hall Complex South and Southeast Demolition – ESU****Act on Request to Raze Welch Stadium East – ESU**

Vice President Frisbie asked if there were any questions regarding Emporia State University's requests. Regent Parasker inquired whether any of the planned demolitions involved buildings with laboratories, noting their high cost to replace. Vice President Frisbie clarified that the structures being removed are older residence halls. Angela Wolgram, Executive Vice President for Finance and Chief Financial Officer at ESU, confirmed that the buildings slated for demolition are residence halls.

**Act on Request to Execute a Master Lease Agreement with 1880 Kimball, LLC – KSU****Act on Request to Enter into a Lease Agreement with Pure Imagination Labs, LLC – KSU**

Vice President Frisbie asked if there were any questions on the requests from Kansas State University. There were none.

**Receive FY 2027 Housing and Food Service Rate Adjustment Proposals Submitted by State Universities (First Read)**

Executive Vice President Wolgram provided information on Emporia State University's proposal. She stated the university is not proposing an increase. The university's meal plans will also not increase for FY 2026 or FY 2027. This proposal was reviewed by both the Residence Hall Association and the Memorial Union Student Advisory Committee, and they supported it. Chair Dicus asked what would happen if they did not meet the 100% occupancy goal. Executive Vice President Wolgram responded that they break even between 700 and 725 students, so if they do not have 100% occupancy, they would not do some deferred maintenance they have planned to do. Regent Parasker asked about planned capital expenditures of \$250,000 for 2026 and 2027, and what would happen if they did not have that revenue. Executive Vice President Wolgram responded that the university would adjust their overall expenses, and they would know by July if that needs to be done. Regent Parasker then asked why students were choosing options for housing, other than the newer dorms on campus. Executive Vice President Wolgram responded that off-campus apartments are not as good as they used to be, and focusing on student engagement has helped students want to live on campus.

Wesley Wintch, Vice President for Administration and Finance at Fort Hays State University, presented their proposed 2026-2027 rates. They are proposing a 6% increase in room rates and a 3% increase in board rates for 2027, for an average of 4.5 -6%. There are no proposed increases to fees associated with housing or food services for the current year. The plan was reviewed and approved by the Student Residence Hall Association. Regent Parasker asked what actions would be taken if revenues do not meet projections. Vice President Wintch responded that they would know by early July and adjust expenses accordingly. Regent Wolfe Moore inquired about projected occupancy rates for the upcoming year; Vice President Wintch stated they anticipate occupancy in the high 90% range. Regent Wolfe Moore also asked whether upperclassmen continue to live on campus. Vice President Wintch noted that while not all do, the University has seen an increase in upperclassmen living on campus in recent years. Regent Crocker observed that debt service appears to decline in FY 2027 and asked if this aligns with expectations. Vice President Wintch explained that the University has a public-private partnership in which a contractor assisted in building residence halls, with shared revenue for 15 years. This agreement concludes in 2028, resulting in a reduction in debt service beginning in 2027 and its elimination in 2028, which will provide additional financial flexibility.

Ethan Erickson, Vice President for Administration and Finance at Kansas State University, presented the University's proposal, which includes an average 1.7% increase in housing and dining rates. The proposal was reviewed by the Association of Residence Halls governing board, which expressed no concerns. There were no questions from the Regents.

Chief Financial Officer DeWitt presented the University of Kansas proposal, which includes a 3–5% increase in housing rates and a 5% increase in dining rates. The proposal was shared with relevant student groups, including representatives from scholarship halls and a subset of the Student Senate, and was accepted. Regent Parasker asked why KU projects a net operating revenue loss despite the proposed rate increases. Chief Financial Officer DeWitt explained that the University is intentionally using its reserves—specifically, days of cash—to fund deferred maintenance projects as part of its capital investment strategy.

Doug Ball, Chief Financial Officer at Pittsburg State University, introduced Jon Bartlow, Dean of Students, who presented the University’s proposal. Jon recommended an average increase of 4.72% for residence hall rooms and dining plans. He also highlighted the Besse Hotel Project in downtown Pittsburg, which will add approximately 60 new student beds. Additionally, apartments in Block 22 are proposed to have a \$25 increase per space. These changes were reviewed with the Residence Hall Association and received strong support.

David Miller, Senior Vice President for Administration, Finance, and Operations at Wichita State University, proposed no increase in room rates and a 4% increase in dining services, resulting in an overall average increase of 1.4% to 1.6% for students. The University held two feedback sessions with students, both of which yielded positive responses.

Chad Bristow, Director of Facilities, reported that Board staff is collaborating with the universities to finalize the 2025 University Facilities Report, which will be presented to the Board in December.

#### **Approval of Minutes**

Regent Parasker moved to approve the minutes of the September 17th meeting. Following Regent Wolfe Moore’s second, the motion carried.

#### **Review Audit Findings**

There were no audit findings.

#### **Adjournment**

The meeting was adjourned at 3 pm.