

MINUTES
Board of Regents
October 24, 2014

The Board of Regents of Washington State University met pursuant to call in Open Meeting at 8:00 a.m. on Friday, October 24, 2014, in the Compton Union Building, Room 204, Pullman, Washington.

Present: Regent Michael Worthy, Chair; Regents Ted Baseler, Scott Carson, Harold Cochran, T. Ryan Durkan, Lura Powell, and Kevin Massimino; President Elson S. Floyd, and Provost and Executive Vice President Daniel J. Bernardo. Joining via telephone: Regents Laura Jennings and Ron Sims.

1. Report from the Chair of the Board of Regents. Regent Worthy welcomed everyone to the meeting. He reminded the audience that the Board provides a public comment period at the conclusion of its meetings and directed those who might be interested to the Board's executive assistant. Regent Worthy noted that Regent Niva was unable to attend the meeting due to an injury and wished her a speedy recovery. Regent Worthy commented that after the meeting the Board plans to participate in a ceremony naming the Carson School of Business and extended the Board's appreciation of Regent Carson for his support and dedication to WSU. Regent Worthy also reported the urban campuses are celebrating their 25th anniversaries this year and have held two ceremonies, one in Spokane and one in Tri-Cities; a ceremony will also take place in Vancouver on November 7. He extended an invitation to the Board to join him in Vancouver for that celebration.

2. Report from the President of the University. President Floyd thanked the Board for the opportunity to report. President Floyd reported that the administration is continuing to pursue ways to provide a salary increase for faculty and administrative professional staff effective January 1, 2015. President Floyd said it is important to keep the best and brightest members of the faculty and staff here at WSU and providing an appropriate salary increase fundamentally made sense. President Floyd said the administration and faculty leadership have consulted and will take the following approach: provide a 3% across-the-board increase for all administrative professional personnel and an average 4% increase for faculty consistent with the salary allocations as determined by the *Faculty Manual*. President Floyd noted that the only exception will be for lecturers within the institution, who will receive a 4% across-the-board increase for individuals who fall in that particular category. President Floyd said he will continue to rely on the Provost and the Chief Budget Officer to help with implementation of the increases.

President Floyd commented that Vice President John Fraire has been very instrumental in working with the University community, and especially the Associated Students of Washington State University, on a new campaign called "It's On Cougs." He said the

campaign is similar to the national campaign announced by the Obama Administration “It’s On Us” regarding sexual assault prevention. President Floyd said sexual assault is a serious issue and WSU needs to do everything possible to maintain a safe and secure environment for every member of this community. He noted that WSU has implemented a number of changes and he thanked Senior Assistant Attorney General Danielle Hess for her leadership and direction. President Floyd also noted that he has appointed University-wide committees to look at various aspects of sexual assault.

President Floyd said our researchers are continuing to be highly productive. He said WSU faculty in Plant Sciences have again successfully competed for national funding—they were awarded more than \$14 million in U.S. Department of Agriculture grants that are aimed at strengthening the markets for specialty crops including grapes, hops, berries and tree fruit. President Floyd also noted that the researchers have won an additional \$1.8 million from the Specialty Crop Block Grant program that is administered by the U.S. Department of Agriculture.

President Floyd noted there are five athletic conferences that are looking at ways of transforming some of the rules and policies around the NCAA to be friendlier to student-athletes. He shared five initiatives in which the Pac-12 has been leading the conversation: 1) to cover the full cost of attendance for student-athletes; 2) to provide additional multi-year scholarships; 3) to facilitate educational opportunities for returning student-athletes; 4) to enhance medical support and insurance for student-athletes; and 5) for rule changes to become effective as of 2015, with actual implementation in 2016.

3. Minutes. It was moved and seconded that the Board of Regents approve the minutes of its September 12, 2014, meeting. Carried.

4. Reports from University Groups. Representatives from each of the University groups—Faculty Senate, Administrative and Professional Advisory Council, Associated Students of Washington State University, Graduate and Professional Student Association, Foundation Board of Governors, and WSU Alumni Association—reviewed their reports as submitted. *(Individual written reports may be found online at the Board of Regents website or requested from the President’s Office.)*

5. Focused Discussion—WSU Medical School. President Floyd and Regent Worthy provided an update of the continuing discussions between WSU and the University of Washington with respect to WSU’s continued participation in the WWAMI (Washington, Wyoming, Alaska, Montana and Idaho) Region Medical Education Program. The Board discussed next steps for WSU in its endeavor to establish a College of Medicine in Spokane.

6. Executive Committee Report. Regent Worthy reported there were two action items for the Board’s consideration today: 1) the adoption of the Board of Regents

Meeting Schedule for the second half of 2015; and 2) the recommendation to confer an honorary doctorate degree to Jordan D. Schnitzer.

Board of Regents Meeting Schedule for the Second Half of 2015. It was moved and seconded that the Board of Regents adopt the proposed meeting schedule for the second half of 2015 as it appears in Exhibit A. Carried.

Recommendation to Confer Honorary Doctoral Degree. It was moved and seconded that the Board of Regents confer to Jordan D. Schnitzer the Honorary Degree of Doctor of Fine Arts from WSU. Carried.

7. Finance and Audit Committee. Regent Durkan reported the Finance and Audit Committee had a very long and detailed meeting. Regent Durkan said the meeting started with a presentation from Debra Pennick with the Washington State Auditor's Office. Ms. Pennick presented to the Board an audit entrance document laying out the expectations and responsibilities for the upcoming audit. Regent Durkan said the audit is expected to be completed in December 2014 and there will be a report to the Board at the January 2015 meeting.

Regent Durkan said the committee received an update from WSU's Director of Internal Audit Heather Lopez who provided the Board with status reports on completed and ongoing internal audits.

Regent Durkan said the committee then heard presentations from Vice President for Finance and Administration Roger Patterson and Associate Vice President for Facilities Services Olivia Yang on two Future Action Items: 1) the Washington Building Renovation; and 2) the Spokane Teaching Health Center.

Regent Durkan said the committee had one Action Item for the Board's consideration: the Food Quality Building Addition. Regent Durkan said this project would address increasing costs of disposal of byproducts (whey) created during the cheese-making process at Ferdinand's. Regent Durkan said the addition will enable the University to recycle the whey into new products, realizing significant cost savings. Regent Durkan proposed the following motion:

WSU Pullman, Food Quality Building Addition, Design and Construction. It was moved and seconded that the Board of Regents adopt Resolution #140912-494 to approve the Food Quality Building Addition project with a total budget not to exceed \$4,000,000, to authorize the project to proceed to design and construction, and to delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project within the budgeted amount as it appears in Exhibit B. Carried.

Regent Durkan said the committee discussed debt management with Vice President for Finance and Administration Roger Patterson, Associate Vice President for Finance Barry Johnston, and WSU financial advisor Susan Musselman. Regent Durkan said Vice President Patterson was very reassuring that the current WSU Debt Policy is a very conservative policy, providing flexibility along with assurances that the University is managing its debt responsibly. Regent Durkan said it was agreed to continue discussions regarding debt management at future meetings.

8. Academic and Student Affairs Committee Report. Regent Massimino reported that the committee discussed three Information Items as well as one Future Action Item. The committee was joined by Vice President for Research Dr. Chris Keane, who provided an update on the status of research at WSU. The committee was also joined by Dr. Yogendra Gupta, who made a presentation on the Dynamic Compression Sector in Argonne, Illinois. Regent Massimino also reported the committee heard from Chancellor Keith Moo-Young and student leadership from WSU Tri-Cities to discuss the development of a student union building on its campus and a recent positive vote for by WSU Tri-Cities students for the building. Regent Massimino said Vice President for Student Affairs John Fraire and Dean of Students Melinda Huskey presented the committee with one Future Action Item for review—an Amendment to WAC 504-26, Standards of Conduct for Students.

9. External Affairs Committee Report. Regent Powell reported that due to time constraints the committee was only able to hear one of the two Information Items on the committee's agenda—a presentation on the Campus Gateway and Recognition Fountain project presented by Associate Vice President Olivia Yang. Regent Powell noted that the project costs would be funded through private sources and is projected to begin after graduation in May 2015; completion is scheduled to coincide with the close of the WSU Foundation Campaign.

10. Other Business. Regent Worthy thanked Regents Sims and Jennings for attending the meeting via telephone. He also reminded the Board that the Regents' Distinguished Alumnus Award presentation would be held November 13, 2014, and noted that both he and Regent Carson are scheduled to attend the presentation.

11. Executive Session. No Executive Session was convened.

12. Public Comment Period. Adam Nardo, student, addressed the Board regarding the potential for future resident hall improvements, specifically with regard to Waller Hall.

12. Adjournment. In closing, Regent Worthy announced that the next Regents' Meeting will be held December 12, 2014, at the Spokane Campus.

The meeting adjourned at 9:40 am.

Approved by the Board of Regents at its meeting held December 12, 2014, on the WSU Spokane Campus.

Chair, Board of Regents

Secretary, Board of Regents

ACTION ITEM #1
2015 Board of Regents Meeting Schedule
(Elson S. Floyd)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Establishment of Board of Regents Meeting Schedule for the
Second Half (July through December) of 2015

SUBMITTED BY: Elson S. Floyd, President

PROPOSED: That the Board of Regents approve the September through
December 2015 Board of Regents Meeting Schedule and delegate
authority to the President of the University or his designee to make
changes as needed, select and designate appropriate meeting
locations, establish meeting times, establish the agenda and
prepare agenda items, dispatch all official notices to meet the state
Open Public Meetings Act or other notice requirements, publish
minutes and maintain records of meetings, and take other
necessary action as required for the orderly conduct of Board
Meetings.

SUPPORTING
INFORMATION: At its September 12, 2014, meeting, the Board of Regents
approved the first half (January through June) of the 2015 meeting
schedule. The Action Item for that matter indicated the second
half of the 2015 meeting schedule would be proposed at a later
date.

Proposed dates for the second half (July through December) of
2015 are:

<u>Dates</u>	<u>Location</u>
September 17-18, 2015	Pullman
October 29-30, 2015	Pullman
December 10-11, 2015	Spokane

BOARD OF REGENTS

2015 Board Meeting Dates

Resolution #140912-495

BE IT RESOLVED that the Board of Regents of Washington State University hereby adopts the following schedule of meeting dates for 2015:

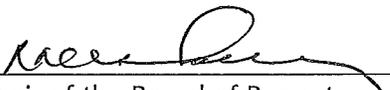
<u>Dates</u>	<u>Location</u>
September 17-18, 2015	Pullman
October 29-30, 2015	Pullman
December 10-11, 2015	Spokane

BE IT FURTHER RESOLVED that pursuant to RCW 28B.10.528, authority is hereby delegated to the President of the University or his designee to select and designate appropriate meeting places, establish meeting times, establish the agenda and prepare agenda items, dispatch all official notices to meet the state Open Public Meetings Act or other notice requirements, publish minutes and maintain records of meetings, and take other necessary action as required for the orderly conduct of Board meetings.

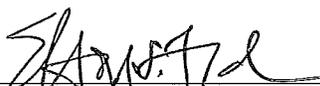
BE IT FURTHER RESOLVED that when a regular meeting is rescheduled, notice thereof will be given in conformance with the notice requirements specified by the Open Public Meetings Act for special meetings, with the understanding that special meetings may be called by the President of the Board or as otherwise provided by law.

BE IT FURTHER RESOLVED that the Board of Regents may convene Executive Sessions whenever it is deemed necessary in the interest of the University for the purpose of discussing matters or items for which Executive Sessions are authorized in RCW 42.30 as it now exists or may be amended hereafter.

DATED this 24th day of October, 2014.



Chair of the Board of Regents



Secretary of the Board of Regents

ACTION ITEM #1
WSU Pullman, Food Quality Building Addition,
Design and Construction
(Patterson/Yang)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Pullman, Food Quality Building Addition,
Design and Construction

PROPOSED: That the Board of Regents approve the Food Quality Building Addition project with a total budget not to exceed \$4,000,000, authorize the project to proceed to design and construction, and further delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project within the budgeted amount.

SUBMITTED BY: Roger Patterson, Vice President for Finance and Administration

SUPPORTING INFORMATION: The WSU Creamery is a self-supporting unit of the School of Food Science in the College of Agricultural, Human, and Natural Resource Sciences. Aside from providing part-time jobs for up to 70 students per year, the revenue from the sales of ice cream and cheese helps support teaching and research. The Creamery purchases milk from the WSU Dairy Farm to produce cheese and ice cream, which is then sold through the retail store known as "Ferdinand's Ice Cream Shoppe." The WSU Creamery is one of the largest university creameries in the nation.

In the cheese-making process, whey is the by-product produced. The whey contains nutritious components that large-scale cheese makers are able to process into valuable commodities they can then offer for sale. It is essential for students to receive training and experience in the area of whey processing technologies to become more marketable in the dairy industry.

The Creamery's current processing equipment does not allow for the recycling or sustainable use of the whey by-product. A new whey processing room would add space for a membrane filtration system, enabling the creamery to convert a portion of the whey into marketable products such as protein, lactose, and water, and provide whey processing experience for the students.

The planned addition to the east side of the Food Quality Building (see Attachment A) will expand the existing processing facility with a 4,000 square foot, two-story addition, to include a whey processing area, a training room, offices, and a milk receiving bay large enough for deliveries from 6,000 gallon tanker trucks.

Project Schedule:

Regents approval of design & construction	October 2014
Design	Nov 2014 - March 2015
Construction	May 2015 – Dec 2015

Project Budget:

Construction (including contingency & sales tax)	\$2,950,000
Professional Fees	479,000
Project Management	167,000
Moveable Equipment/Furnishings	404,000
Total Project Budget	<u>\$4,000,000</u>

Source of Funds:

Departmental	<u>\$4,000,000</u>
--------------	--------------------

Attachment A



Board of Regents

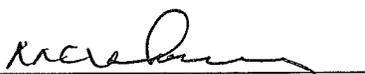
WSU Pullman, Food Quality Building Addition,
Design and Construction

Resolution #140912-494

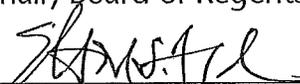
WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee, to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED That the Board of Regents approve the Food Quality Building Addition project with a total budget not to exceed \$4,000,000, authorize the project to proceed to design and construction, and further delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project within the budgeted amount.

Dated this 24th day of October, 2014.



Chair, Board of Regents



Secretary, Board of Regents