

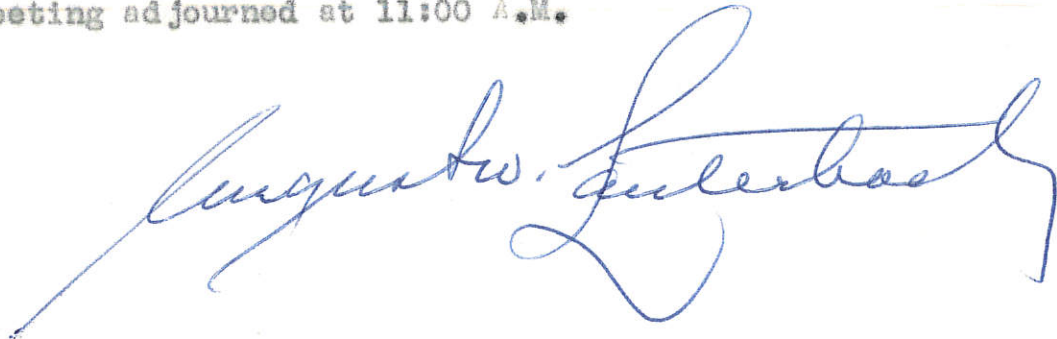
Minutes of Meeting
March 3, 1961

Meeting was called to order at 10:00 A.M. by the Chairman, Senator Lauterbach, with all members present except Senator Doty.

Senator Smith presented a bill to the committee which had been requested by the Board of Regents. This bill is for enabling legislation to permit the state board of regents to accept grants-in-aid or contributions of money or other benefits from the federal government for use at certain state educational institutions. Senator Hulst moved that this bill be given further study before being introduced, seconded by Senator Harper. Motion carried.

Committee approved the subcommittee reports on State Schools under the Board of Regents, also reported for Schools for the Deaf and Blind. Senator Hulst moved that a bill be drafted embodying these subcommittee reports. Senator Glades seconded the motion which carried unanimously. (See subcommittee reports attached.) (Senate Bill #316).

Meeting adjourned at 11:00 A.M.

A large, stylized handwritten signature in blue ink, reading "August W. Lauterbach". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

August W. Lauterbach,
Chairman.

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
SCHOOL FOR THE DEAF
For Fiscal Year 1962

Mr. Chairman:

The Governor has recommended the budget for fiscal year 1962 for the School for the Deaf as it was requested by the agency except for two items: (1) the deletion of \$10,964 for the State's contribution to a retirement plan for unclassified personnel. The funding of the retirement plan was deleted by the Governor from all the budgets of agencies under the Board of Regents so that it could be considered in relation to or as a part of a state-wide retirement plan and (2) the shifting of the requested \$40,000 for a house for the superintendent from an Educational Building Fund appropriation for FY 1962 to FY 1963.

The operating budget for FY 1962 which the Governor recommended compares with FY 1961 in its objects of expenditure as shown below:

	<u>FY 1961</u>	<u>FY 1962</u>	<u>Dollar Change</u>	<u>% Change</u>
Salaries and Wages	\$382,714	\$416,139	\$33,425	8.73
Contractual Services	31,480	34,865	3,385	10.75
Commodities	78,055	84,595	6,540	8.38
Capital Outlay	20,465	22,140	1,675	8.91
Total	<u>\$512,714</u>	<u>\$557,739</u>	<u>\$45,025</u>	<u>8.78</u>

Included in the above increases are allowances for 2 new classified employees to service the addition to the primary school building and one new teacher and the dollar support for one teaching position previously authorized but not filled for a total of \$16,328 for new positions. An explanation of the increase for operating expenditures other than salaries is shown on Page 308 of the budget document.

Capital improvement appropriations are recommended by the Governor over a three-year period:

For FY 1961 -

1. From the Kansas Educational Building Fund - \$20,000 to supplement previous appropriated funds of \$150,000 for remodeling of the gymnasium. The \$20,000 will complete the recreational project by adding bowling equipment.

For FY 1962 -

2. From the General Revenue Fund - ~~\$10~~^{\$10,000} for razing of the old school building.

For FY 1963 -

3. From the Kansas Educational Building Fund - \$40,000 for constructing and equipping a house for the superintendent.

Your subcommittee recommends approval of the operating budget and its supporting appropriations as recommended by the Governor. Also, your subcommittee recommends approval of the capital improvement appropriations except for the FY 1963 appropriation of \$40,000 from the Kansas Educational Building Fund for

a house for the superintendent. We feel that full membership of the Ways and Means Committee should decide first on the necessity of the faculty and second on the possibility of scaling down the cost if the faculty is considered necessary.

Theo. A. Sanborn
Senator Theo. A. Sanborn

Tom R. Van Sickle
Senator Tom R. Van Sickle

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
SCHOOL FOR THE BLIND
For Fiscal Year 1962

Mr. Chairman:

The Governor approved the budget of the School for the Blind as it was requested by the agency. The table below shows a comparison of the major objects of expenditures for operation for the recommended fiscal year 1962 budget with the current year's budget.

	<u>FY 1961</u>	<u>FY 1962</u>	<u>Dollar Change</u>	<u>% Change</u>
Salaries and Wages	\$258,210	\$251,724	\$13,514	5.67
Contractual Services	16,550	17,100	550	3.32
Commodities	52,700	54,150	1,450	2.75
Capital Outlay	7,750	6,750	-1,000	-12.90
Total Operating	<u>\$315,210</u>	<u>\$329,724</u>	<u>\$14,514</u>	<u>4.60</u>

No new positions have been requested. The School has 39.0 civil service positions and 26 unclassified positions in its budget and the increased salaries are based on approved salary schedules - civil service employees under civil service regulations and unclassified as described on page 303 of the budget document. The superintendent, the school principal, 20 teachers, an adult worker, and 3 medical service (part-time) employees comprise the unclassified service. Civil service employees are distributed as follows: 11 employees in the dormitories (housing 124 students); a dietitian who supervises 9 employees in the food service department (500 meals per day) and 6 janitorial employees who service 5 buildings; 4 laundry employees; and a maintenance engineer who supervises 4 maintenance employees and 2 power plant firemen.

The operating budget is financed primarily from the general revenue fund although there is a small general fees fund from which \$8,000 is planned in expenditures for fiscal year 1962. The school collects \$10 for each student who enrolls - an estimated \$1,300 receipt item in 1962. \$1,500 is anticipated for entrance fee from an out-of-state student. Miscellaneous sales are estimated at \$900 for non-profit sales of materials to blind people such as leather, rug filler, and other materials and \$100 for reimbursements for guest meals.

Three capital improvement appropriations are requested and are recommended by the Governor.

From the General Revenue Fund:

1. Special maintenance \$22,500
to include three projects: surfacing the parking lots and resurfacing the streets, repairing the tunnel from Wilson hall to the service building and pointing up the stonework on the administration building.
2. For razing the shop building, filling the basement, and landscaping \$ 6,000

From the Educational Building Fund:

1. To complete recreation center - including swimming pool, bowling alley and lounge \$111,485

The legislature appropriated \$75,000 for FY 1960 and \$75,000 for FY 1961 for the swimming pool and recreational center which is planned on the slope of land lying southeast of the administration building. The project is now estimated to cost an additional \$111,485.

Your subcommittee recommend approval of the Governor's recommended budget and of the appropriations to implement the budget.

Theo. A. Sanborn
Senator Theo. A. Sanborn

Tom R. Van Sickle
Senator Tom R. Van Sickle

Subcommittee Report

INSTITUTIONS OF HIGHER EDUCATION UNDER BOARD OF REGENTS
OPERATING BUDGET (EXCLUDING BUILDING PROGRAM)

The institutions under the Board of Regents submitted to the Budget Director for consideration by the Governor operating budget requests for fiscal year 1962 in accord with policy statements of the Board of Regents as set forth in the Board minutes of April 7-8, 1960. Excerpts from these minutes are given below:

"The institutions are authorized to request a net salary increase not to exceed 5% of the net salary budget approved by the Board for the fiscal year 1961, such increases to be made strictly upon a merit basis."

"Provisions also must be made for regularly scheduled increases for classified employees as provided by the Civil Service Program..."

"...the establishment of a contributory, funded retirement program for unclassified personnel, toward which 5% would be contributed by the State..."

"All other increases must be confined to an absolute minimum dictated only by potential enrollment increases..."

"All other increases (other than salaries) must be confined to an absolute minimum dictated only by potential enrollment increases and necessary increases in other operation expense."

On November 18, 1960, the Board of Regents authorized the schools to amend both the 1961 budget estimates and the 1962 budget estimates to make adjustments for the increases in actual 1960 fall semester enrollments over the original estimates and to request increases for fiscal year 1961 in the legal limitations of expenditures from the General Fees Funds by the amount of fees accruing from the increased enrollees. Three schools filed amended requests for 1961 fiscal year with the Budget Director. These amendments, approved by the Governor, are recommended by the subcommittee as follows:

Kansas State University (enrollment increase - 265)	
To provide 10 teaching positions	\$44,700
Kansas State Teachers College (enrollment increase - 309)	
To provided 2.3 regular positions, additional summer session teachers and student help	\$24,840
To provide library books and materials	7,500
Total	<u>\$32,340</u>
University of Kansas (enrollment increase - 325)	
To provide 10.9 teaching positions	\$44,178
To provide supporting expense for increased staff and students	13,672
Total	<u>\$57,850</u>

The increases for fiscal year 1962 were submitted as revisions of the original 1962 budget requests and have been considered by the Governor and by this subcommittee not as a separate program but as a part of the total program of expenditures for fiscal year 1962.

In accord with the policy directions of the Board of Regents, each institution submitted its proposed operating budget to the Board of Regents. The Board deleted items totaling \$812,562 from the proposals (see summary of decreases in Board Report of July 14, 1960) and authorized submission of the revised budget requests to the Budget Division. These revised budget requests were reviewed by the Budget Division and after formal hearings, the Governor made his recommendations as recorded in the Governor's Budget Report. Table I, attached hereto, summarizes the increases requested for fiscal years 1961 and 1962 by the agencies and also shows the deletions made by the Governor in his budget recommendations. The Governor did not recommend for the separate agency budgets \$834,348 to cover the establishment of a contributory, funded retirement program for unclassified personnel, toward which 5% would be contributed by the State. The Governor recommended that the provision of a separate retirement system for college faculty members should be included in bills to provide retirement for all state employees and be provided a reserve from a general fund resources to allow appropriation of funds necessary to finance a retirement program when the dollar requirements could be more accurately determined. The amounts for contributory retirement which were deducted from each agency request in the Governor's recommendations are as follows:

Fort Hays Kansas State College	\$ 61,551
Kansas State University and Experiment Stations	275,009
Kansas State Teachers College of Emporia	87,808
Kansas State College of Pittsburg	81,625
University of Kansas	288,803
University of Kansas Medical Center	89,552
	<u>\$834,348</u>

Your subcommittee supports a separate contributory, funded retirement program for unclassified personnel, but agrees with the Governor that the appropriations should not be included in the college budgets until the retirement plan is legally authorized.

Also deleted by the Governor were the requests for additional research funds at three Kansas State University branch stations as follows:

(a) Garden City - to replace U.S.D.A. support of research in irrigation problems of western Kansas	
Salaries (1 classified & 1 unclassified)	\$10,200
Other expense	2,800
Total	<u>\$13,000</u>
(b) Fort Hays - to replace U.S.D.A. support of research in soil and water conservation projects	
Salaries (1 unclassified)	\$ 7,144
Other expense	3,856
Total	<u>\$11,000</u>
(c) Colby - for livestock research in feeding and management	
Salaries (1 unclassified)	\$ 7,144
Other expense	7,856
Total	<u>\$15,000</u>

These programs of research are deleted from the separate appropriation requests of the affected branch stations but it is suggested by the Governor and by this subcommittee that the programs should be considered as a part of the total research activity of Kansas State University and that allocations may be made to these programs from centrally controlled funds at the discretion of the University administrators and the Board of Regents.

The Governor deleted from the budget requests four capital improvement items which are included in the regular budgets and not in the building program. These deletions are:

- | | |
|---|-----------|
| (1) <u>At Kansas State University</u> - land for agricultural experiment station | \$124,000 |
| (2) <u>At Kansas University</u> - land for campus expansion and for installation of secondary power cable | 60,000 |
| (3) <u>At the Medical Center</u> - for razing temporary corridor between A and B buildings | 25,000 |
| | 10,000 |

Your subcommittee recommends reinstatement of appropriations for capital improvements as follows:

- (1) At Kansas State University - land for agricultural experiment station \$ 25,000

This amount should be sufficient to purchase the 42 acres of land designated as priority No. 1 on the maps submitted to this Committee. The Tuttle Creek condemnations have averaged \$600 an acre for similar lands and this figure has been used as a basis for the recommended appropriation.

- (2) At Kansas University - land for campus expansion \$ 50,000

It has been determined that the 4.72 acres of land facing Iowa Street and located south of the present mens' dormitories can be negotiated for purchase at \$50,000 and that the acquisition of this property will provide necessary land for future dormitory expansion.

The Board of Regents in its minutes of February 16, 1961, requested that the unexpended balance in the 1960 K.E.B.F. appropriation for a power plant boiler be used to install the requested secondary power cable. It is therefore recommended by this subcommittee that the appropriation title be amended to read "power plant boiler and fuel oil storage and primary electric power distribution modification". The change in title will be included in the K.E.B.F. appropriation bill.

Table II, attached hereto, summarizes the expenditures by funds as follows:

- (a) for fiscal year 1961, which includes the release of General Fee Funds as recommended in preceding pages of this report.
- (b) agency requests for fiscal year 1962.
- (c) changes in agency financing recommended by the Governor, which includes the deletions reported in Table I and also the increases in application of General Fee Fund resources and the resultant decrease in General Revenue Fund appropriations.

The Board of Regents at its meeting on December 16, 1960, amended the fee schedule for non-resident undergraduate students to become effective September 1, 1961, and the Governor applied the estimated increase in General Fee Fund resources as follows:

Fee Changes:

Fort Hays Kansas State College	\$ 720	(from 98 to 110 per sem.)
Kansas State University	114,000	(from 165 to 225 per sem.)
Kansas State Teachers College, Emporia	4,200	(from 98 to 110 per sem.)
Kansas State College, Pittsburg	7,850	(from 98 to 110 per sem.)
University of Kansas	247,500	(from 165 to 225 per sem.)
	<u>\$374,270</u>	

It has been the policy of the legislature in past sessions to apply all resources in General Fees Fund, Interest Fund, Oil and Gas Royalty Funds and other special revenue funds which are non-dedicated as to their use to fund the operating budgets of the institutions except for the following unappropriated balances which could be used as reserves to be released by the Finance Council in case of emergencies: \$50,000 each at Kansas State University and at University of Kansas; \$35,000 each at Fort Hays Kansas State College, Kansas State Teachers College, Emporia, and Kansas State College, Pittsburg; and \$200,000 at the Medical Center. In support of this previously established policy for reserve balances, the Governor reduced General Revenue Fund appropriation requests for operating budgets by increasing the application of the following general-use special revenue fund reserve balances in the agency requests:

At Kansas State University:

Interest Fund	\$ 49,152
Oil Lease Fees - Fort Hays Branch Station	3,370
Oil Lease Fees - Garden City Branch Station	471
Oil Lease Fees - Colby Branch Station	701
Total	<u>\$ 53,694</u>

At University of Kansas:

General Fees	\$ 93,701
Interest	14,164
	<u>\$107,865</u>

At Medical Center:

Hospital Earnings	<u>\$200,000</u>
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Your subcommittee approves the Governor's recommendation regarding the allowable reserve balances and the application of the additional resources to reduce General Revenue Fund requirements. If collections in the special revenue funds should fall below estimates and if expenditures could not be reduced the Budget Session of the Legislature could make supplemental appropriations to balance the budget.

The budget request of University of Kansas included a capital improvement authorization to spend \$165,000 from the General Fees Fund for miscellaneous campus repairs and improvements. The Governor recommended and this subcommittee agrees that capital improvement expenditures should be charged to the General Revenue Fund and that resources in the General Fees Fund should be applied for operating expenditures.

Requests of the Board of Regents made subsequent to the publication of the Governor's Budget Report are recommended by this subcommittee for inclusion in the appropriation bills as follows:

- (1) To add to the Restricted Fee Fund at Kansas State University a new restricted fee account, "physics storeroom." This is to allow the Physics Department to sell to other departments and to research projects some liquid nitrogen, special glass stock and other supplies. (Regents Minutes of 1-20-61).
- (2) To appropriate from the General Revenue Fund for fiscal year 1961 \$25,000 to repair the southeast wall of Anderson Hall. In December of 1960, it was discovered that the southeast outside wall of Anderson Hall was settling or shifting and due to this condition there is danger of the entire wall collapsing. (Regents Minutes of 1-20-61).
- (3) To transfer the unencumbered balance in the K.E.B.F. appropriation "Equipment and Furniture for New Addition to Russ Hall" to "Furniture and Equipment for Education Building." (Regents Minutes of 1-20-61).
- (4) To provide for cancellation any claim for reimbursement of \$75,877.63 from the College Book Store Fund to the General Fee Fund at Kansas State College of Pittsburg expenditures in fiscal year 1961 from the General Fee Fund for the purpose of purchasing a building, land, equipment and inventories necessary to begin operation of a college book store. (Regents Minutes of 1-20-61).
- (5) To change the title of the K.E.B.F. account "Power Plant Boiler and Fuel Oil Storage" to "Power Plant Boiler and Fuel Oil Storage and Primary Electric Power Distribution Modification." This change will permit the requested installation of the secondary power cable to be made out of the unexpended balance in an existing appropriation and will not require allocation of general revenue fund monies. (Regents Minutes of 2-16-61).
- (6) To pay paving tax assessment on Ford Street in City of Pittsburg for abutting property belonging to Kansas State College - for 1961 fiscal year appropriation, the sum of \$8,986.56. (Regents Minutes of 2-16-61).

Subcommittee Members:


August W. Lauterbach


Glee Smith

July 14, 1960

SUMMARY OF DECREASES MADE BY BOARD
In Schools 1961 Legislative Requests

UNIVERSITY OF KANSAS MEDICAL CENTER

No Decreases

UNIVERSITY OF KANSAS

1. New Positions:

	Requested	Approved	Decrease	
Unclassified	27	24	22,500	
Classified	5	5		
			TOTAL DECREASE	<u>22,500</u>

KANSAS STATE UNIVERSITY

1. New Positions:

	Requested	Approved	Decrease	
Unclassified	31	21	64,064	
Classified	10	3	22,300	
			<u>86,364</u>	86,364

2. Capital Improvements:

	Requested	241,950	
	Approved	133,650 (a,b,c)	
	Not Approved	108,300	
	Additions	85,000 (d,e,f)	
	Actual Decrease	<u>23,300</u>	23,300

Approved:

a. Land for Campus Expansion	124,000
b. Replace roof - Nichols Gymnasium	8,000
c. Replace room - Military Science	1,650
d. Books, Binding & Periodicals (transferred from Other Operating Expenditures)	50,000
e. Replace barn and equipment destroyed by fire at Hays Ex. Station (Additional)	10,000
f. Replace 5000 volt cable to Veterinary Hospital (add.)	25,000
	<u>218,650</u>

Not approved:

a. Remodel Small Animal Laboratory	45,000
b. Remodel Crane Bay - Seaton Hall	6,000
c. Improvements - Agricultural Experiment Station	56,800
	<u>108,300</u>

3. Other Operating Expenditures (Including 100,000 decrease for books, etc.) 408,165

TOTAL DECREASE 517,829

KANSAS STATE TEACHERS COLLEGE OF EMPORIA

1. New Positions: No Decrease

2. Capital Improvements:

Requested	80,000	
Approved	<u>55,000</u>	
Decrease	25,000	-25,000

Approved:

a. Books, Binding & Periodicals	35,000
b. Campus drives, walks and parking	<u>20,000</u>
	55,000

Not Approved:

a. Campus drives, walks and parking (reduction)	25,000
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3. Other Operating Expenditures (requested for new projects) 41,500

TOTAL DECREASE 66,500

KANSAS STATE COLLEGE OF PITTSBURG

1. New Positions:

	Requested	Approved	Decrease	
Unclassified	13	7	36,000	
Classified	10	2	<u>25,116</u>	
			61,116	61,116

2. Capital Improvements:

Requested	157,500	
Approved	<u>47,500</u>	(a,b,c)
Not Approved	110,000	
Additions	<u>54,500</u>	(d,e)
Actual Decrease	55,500	55,500

Approved

a. Roof replacement - Russ Hall & Gymnasium	10,000
b. Equipment for courses in Electricity	12,500
c. Steam Lines covering replacement	25,000
d. Books, Binding & Periodicals (transferred from Other Operating Expenditures)	35,000
e. 100 HP Boiler (Additional)	<u>19,500</u>
	102,500

Not approved

a. Walks, drives, parking and landscaping	8,000
b. Russ Hall Remodeling and Equipment	22,500
c. Equipment for courses in Electricity (reduction)	12,500
d. Drawing Tables and Machines	20,000
e. Printing Equipment - Process Camera	5,000
f. Steam Lines covering replacement (reduction)	25,000
g. Paving	<u>17,000</u>
	110,000

3. Other Operating Expnd. (Including 29,018 in new projects requested) 59,018

TOTAL DECREASE 175,634

FORT HAYS KANSAS STATE COLLEGE

No Decrease

SCHOOL FOR THE DEAF

1. New Positions: No Decrease

2. Capital Improvements:

Requested	50,000	
Approved	<u>10,000</u>	
Decrease	40,000	40,000

Approved

a. Razing old School Building	10,000
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Not approved

a. New home for Superintendent (To be requested from Educational Building Fund)	40,000
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ADDITIONS

Salaries and Wages	5,601	
Other Operating Expenditures	<u>2,300</u>	
	7,901	- 7,901

ACTUAL TOTAL DECREASE	<u>32,099</u>
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SCHOOL FOR THE BLIND

No Decreases

<u>ADDITIONS</u>	Other Operating Expenditures	- 2,000
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TOTAL DECREASE ALL SCHOOLS	812,562
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