

Approved 3-19-84
Date

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Bill Bunten at
Chairperson

7:30 a.m. ~~XXXX~~ on Wednesday, March 7, 1984 in room 514-S of the Capitol.

All members were present except:

Committee staff present: Lyn Goering, Legislative Research
Gloria Timmer, Legislative Research
David Monical, Legislative Research
Jim Wilson, Officer of the Revisor
Dave Hanzlick, Administrative Asst.
Nadine Young, Committee Secretary

Conferees appearing before the committee:

None
Others present (Attachment I)

Chairman called the meeting to order at 7:30 a.m.

HB 2805; an act making and concerning appropriations for the fiscal year ending June 30, 1985, for Fort Hays state university, Kansas state university, Kansas state university, University of Kansas, Wichita state university, University of Kansas Medical Center, Kansas technical institute and state board of regents; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and act incidental to the foregoing.

UNIVERSITY OF KANSAS, FY 84

This section was reported on by Representative Shriver. (Attachment II). Subcommittee recommends increasing the expenditure limitation on the General Fees Fund by \$750,000 and the lapse of a corresponding amount of state fund appropriations. Representative Shriver moved for adoption of the report and it was seconded by Representative Duncan. Motion carried.

UNIVERSITY OF KANSAS, FY 85

Representative Duncan reported on this section (Attachment III). Several adjustments were made by the subcommittee. Representative Duncan moved for adoption of the report and Representative Heinemann seconded. Representative Meacham moved to amend the report to provide that the three FY 84 subcommittee reports (Wichita State, Kansas University and Kansas State) to reappropriate any unspent funds from the Center of Excellence appropriation. Seconded by Representative Chronister. Motion carried.

Representative Duncan moved that the subcommittee report, as amended, be adopted. Seconded by Representative Heinemann. Motion carried.

EMPORIA STATE UNIVERSITY - FY 84

Representative Turnquist reported on this section. Subcommittee concurs with Governor's recommendation with a few adjustments (Attachment IV).

EMPORIA STATE UNIVERSITY - FY 85

Representative Chronister reported on this section. Subcommittee concurs with Governor's recommendations with several adjustments (Attachment V). Representative Chronister moved for adoption of FY 84 and FY 85 subcommittee reports. Seconded by Representative Turnquist. Motion carried.

WICHITA STATE UNIVERSITY FY 84 and FY 85

Reported on by Representative Miller. For FY 84 the University requests a \$38,935 increase in the expenditure limitation on the General Fees Fund due to greater than anticipated enrollments. The request would increase the previously approved expenditure limitation from \$10,200,000 to \$10,238,935. Based on full committee action, subcommittee recommends increasing the expenditure limitation on the General Fees Fund by \$230,000 and the lapse of a corresponding amount of State General Fund appropriations. (Attachment VI).

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 7:30 a.m./p.m. on Wednesday, March 7, 1984

For FY 85, Subcommittee concurs with the Governor's recommendations with several adjustments. (Attachment VII).

Representative Meacham made a motion to insert the language "as it would be premature for the Legislature to make judgement about any GTE programs being considered" after the word "request" in Paragraph 3. Seconded by Representative Shriver. Representative Luzzati objected to the motion and made a substitute motion that we remove the last sentence of Paragraph 3 entirely. Seconded by Representative Helgerson. Her motion was corrected to remove the last 2 sentences

Representative Miller expressed objection to the motion. A vote was taken and the Nays appeared to have it; however a division was requested. Those in favor of the substitute motion....9. Those opposed.....11. The motion failed.

Referring back to Representative Meacham's original motion to add the language "as it would be premature for the Legislature to make a judgement regarding this program", a vote was taken and the motion carried.

Representative Luzzati proposed a conceptual motion that the subcommittee report be amended to add Paragraphs 14 and 15 of the KU FY 85 subcommittee report also to the Wichita State FY 85 subcommittee report. This motion would reflect, if adopted, #13 and #14 would go in all of the University budgets and #15 into KU, Wichita State, Kansas State and KU Medical Center. The motion carried.

Representative Miller moved for adoption of the FY 84 and FY 85 reports as amended. Seconded by Representative Mainey. Motion carried.

KANSAS TECHNICAL INSTITUTE FY 84 and FY 85

Representative Mainey reported on these 2 sections (Attachment VIII) and moved the reports be adopted. Seconded by Representative Dyck. Motion carried.

PITTSBURG STATE UNIVERSITY FY 84 and FY 85

Representative Lowther reported (Attachment IX) on these 2 sections and moved the reports be adopted. Seconded by Representative Helgerson. Motion carried.

KANSAS STATE VETERINARY MEDICAL CENTER FY 84 and FY 85

Reported on by Representative Rolfs (Attachment X). Representative Rolfs moved for adoption of the reports and it was seconded by Representative Wisdom. Motion carried.

Meeting adjourned at 8:35 a.m.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 3:30 ~~xx~~ a.m./p.m. on Wednesday, March 7, 1984.

Chairman reconvened the committee at 3:05 p.m.

Representatives Hoy, Solbach and Turnquist were excused from the afternoon meeting.

Chairman turned to continuation of subcommittee reports on HB 2805, Regents Institutions appropriations.

Ft Hays State University FY 84 and FY 85

Representative Bussman presented the FY 84 budget report. Representative Louis reported on the FY 85 report. (Attachment XI and XII). Representative Duncan made a motion to amend this report in Item #4 by adding the following language "should there be any mineral production during FY 85 that the farm would be allowed to keep the resources that come from that mineral production (lease bonus and any other money they get from production) and that there would be no offset against other funds in the farm budget. Seconded by Representative Arbuthnot. Motion carried.

Representative Louis moved that the subcommittee reports, as amended, be adopted. Seconded by Representative Bussman. Motion carried.

Kansas State University - FY 84 and FY 85

Representative Rolfs presented the reports. (Attachment XIII & XIV). Representative Rolfs move for adoption of the reports and Representative Meacham seconded. Motion carried.

University of Kansas Medical Center FY 84 & FY 85 (Attach XV & XVI).

The 84 report was presented by Representative Arbuthnot who moved the report be adopted. Seconded by Representative Hamm. Motion carried.

Representative Arbuthnot also presented the FY 85 report and moved it be adopted. Seconded by Representative Farrar. Motion carried.

(See Attachment XVII)

A draft bill was presented for introduction by the committee concerning the state board of regents; authorizing the conveyance of certain property in Johnson County, Kansas, to the Kansas University endowment association. Representative Arbuthnot moved to introduce the bill and Representative Louis seconded. Motion carried.

BOARD OF REGENTS OFFICE - FY 84 and FY 85 (See Attachment 20)

The FY 84 report was presented by Representative Heinemann. The FY 85 report was presented by Representative Duncan. Representative Shriver moved the report be amended to read as follows: "e. The Subcommittee recommends that the Regents adopt regulations that preference for State Scholarships will be given to high school graduates who have completed the Regents' recommended curriculum. Also beginning with the 1986-87 school year, the subcommittee recommends that all students designated as state scholars receive a \$500 award regardless of need and that those students with financial need be eligible to receive up to an additional \$500." Representative Chronister seconded. Motion carried.

HB 2793, Multi-Year Appropriations

Representative Meacham made a motion that the committee request the introduction of a new bill incorporating the capital improvements for the Regents as recommended in the subcommittee reports and he recommended the bill be recommended favorably for passage. Seconded by Representative Heinemann. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 3:30 a.m./p.m. on Wednesday, March 7, 19 84

HB 3093; Department of Human Resources, Appropriations FY 84 and FY 85
Representative Dyck presented the FY 84 report (Attachment XVIII), and moved
the report be adopted. Seconded by Representative Miller. Motion carried.

Representative Miller presented the subcommittee's report for FY 85 and moved
the report be adopted. Seconded by Representative Dyck. Motion carried.

Representative Miller moved that HB 3093, as amended, be recommended favorably
for passage. Seconded by Representative Louis. Motion carried.

Chairman Bunten asked the committee for introduction of a bill concerning
taxation; concerning the levy of taxes by the state of Kansas upon all
tangible property in the state. Representative Shriver made the motion and
Representative Bunten seconded, that the committee request introduction of
the bill and that it be referred back to this committee. (Attachment XIX).
The motion carried.

The meeting adjourned at 5:05 p.m.

AM

GUESTS -- 1984

3-7-84

	<u>Name</u>	<u>Address</u>	<u>Representing</u>
1.	Fred Sudermann	Wichita	WSU
2.	Tom Kauer	Topeka	Bd of R
3.	WARREN CORMAN	TOPEKA	BD OF REGENT
4.	DAVE ELDRIANE	Emporia	ES4
5.	Loren Ende	Lawrence	The University of Kansas
6.	Nadine P. Barnhill	Topeka	Student Washburn
7.	Mickey Johnson	Manhattan	N.S.U.
8.	Buth Kover	Topeka	KEC
9.	Bill Hollenbeck	Pittsburg	PSU
10.	Anna Lubina	Ways	F.A.S.U.
11.	Chris Seave	Topeka	ABK
12.	Mark Tallman	Topeka	FBK
13.	Marvin Burris	✓	Bd of Regents
14.	WARREN CORMAN	✓	" " "
15.	Stanley Z. Kynka	Topeka	Regents
16.	Bob Klyne	"	KS Independent Colleges
17.	Spencer Lubin	"	KAAAM
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			

PM

10

SUBCOMMITTEE REPORT

Agency: University of Kansas Bill No. _____ Bill Sec. _____

Analyst: Monical Analysis Pg. No. 116 Budget Pg. No. 3-83

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 71,585,426	\$ 71,585,426	\$ (750,000)
General Fees Fund	23,108,879	22,691,000	750,000
Interest	25,000	25,000	—
General Use Funds	\$ 94,719,305	\$ 94,301,426	\$ —
Other Funds	47,760,062	47,760,062	—
Subtotal	<u>\$142,479,367</u>	<u>\$142,061,488</u>	<u>\$ —</u>
Capital Improvements:			
State General Fund	\$ 375,176	\$ 375,176	\$ —
Educational Building			
Fund	6,541,525	6,541,525	—
Other Funds	928,584	919,584	—
Subtotal	<u>\$ 7,845,285</u>	<u>\$ 7,836,285</u>	<u>\$ —</u>
TOTAL	<u>\$150,324,652</u>	<u>\$149,897,773</u>	<u>\$ —</u>
F.T.E. Positions:			
Classified	1,929.8	1,929.8	—
Unclassified	2,228.7	2,228.7	—

Agency Request/Governor's Recommendation

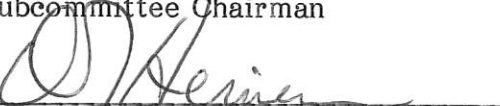
FY 1984 the University requests a \$417,879 increase in the expenditure limitation on the General Fees Fund due to greater than anticipated enrollments. The request would increase the previously approved expenditure limitation from \$22,691,000 to \$23,108,879.

The Governor's Budget Report does not include the requested increase in expenditures.

House Subcommittee Recommendations

Based on full Committee action, the Subcommittee recommends increasing the expenditure limitation on the General Fees Fund by \$750,000 and the lapse of a corresponding amount of State General Fund appropriations.


Rep. J. Santford Duncan
Subcommittee Chairman


Rep. David J. Heineman


Rep. Jack Shriver

②

SUBCOMMITTEE REPORT

Agency: University of Kansas Bill No. 2805 Bill Sec. 7

Analyst: Monical Analysis Pg. No. 116 Budget Pg. No. 3-83

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 81,081,428	\$ 76,117,545	\$ 1,191,476
General Fees Fund	23,981,469	25,500,000	(660,000)
Interest	35,000	35,000	—
General Use Funds	\$105,097,897	\$101,652,545	\$ 531,476
Other Funds	51,861,474	50,881,470	—
Subtotal	<u>\$156,959,371</u>	<u>\$152,534,015</u>	<u>\$ 531,476</u>
Capital Improvements:			
State General Fund	\$ 721,803	\$ —	\$ —
Educational Building			
Fund	4,935,825	4,550,000	—
Other Funds	480,000	480,000	—
Subtotal	<u>\$ 6,137,628</u>	<u>\$ 5,030,000</u>	<u>\$ —</u>
TOTAL	<u>\$163,096,999</u>	<u>\$157,564,015</u>	<u>\$ 531,476</u>
F.T.E. Positions:			
Classified	1,934.2	1,924.3	9.9
Unclassified	2,257.7	2,219.6	19.1

Agency Request/ Governor's Recommendation

The University's request for FY 1985 includes the following systemwide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. The University is also requesting that the fee waiver for Graduate Teaching Assistants be increased from 60 to 75 percent of tuition and that \$100,000 be provided for stipends for Graduate Research Assistants. The University requests a total of \$2,007,519 to annualize the salary increases granted for FY 1984 during FY 1985. In order to provide additional base budget support for other operating expenditures the University requests an increase of \$200,000 along with an additional \$350,000 for purchase of instructional and scientific equipment. A total of \$250,000 is requested to increase the instructional computing capabilities of the campus and \$220,000 is requested for increasing the budget for library acquisitions. The University requests \$225,000 and 21.0 F.T.E. positions for additional Graduate Teaching Assistants to replace positions lost as part of the FY 1984 base budget reductions. Also requested is \$200,000 to support the addition of 6.0 F.T.E. faculty positions for areas which have undergone significant enrollment growth. Additional funding of \$100,000 and 2.0 F.T.E. positions are requested for improvement of shared scientific instrument laboratories. To support the costs related to the occupancy of new facilities the University requests a total of \$198,235, which consists of \$64,316 in salaries for support of an additional 4.4 F.T.E. positions, \$17,832 for other operating expenditures, and \$116,087 for utility costs.

Requested capital improvements include \$721,803 for energy conservation projects, \$255,000 for preliminary planning of a science library, and \$130,825 for preliminary planning of a renovation of Snow Hall. Also requested is expenditure authority of \$100,000 for parking lot improvements and \$380,000 for improvements to residence halls. The request also includes \$4,550,000 previously appropriated for the next to last year construction costs of an addition to Haworth Hall.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board Office to be distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; a 5.0 percent increase for other operating expenditures; and an 8.0 percent increase for utilities. Annualization of FY 1984 salaries in FY 1985 is recommended at \$1,856,232. The Governor also recommends the addition of \$360,000 for equipment purchases and library acquisitions.

In addition to the other recommendations, the Governor's budget includes base budget reductions for all the universities totaling \$1.9 million. The reduction at the University of Kansas totals \$761,019 and is reflected as a reduction in salaries and wages along with the elimination of 9.9 F.T.E. classified and 9.1 F.T.E. unclassified positions.

The Governor's recommended capital improvements include the previously appropriated funding for the Haworth Hall addition along with expenditures from local funds of \$100,000 for parking lot improvements and \$380,000 for residence hall improvements.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

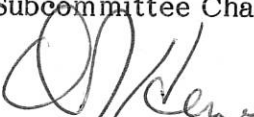
1. Based on full Committee action, the following systemwide adjustments are recommended:
 - a. Deletion of \$1,075,930 for classified salary increases.
 - b. Addition of \$761,019 in salaries and 9.9 F.T.E. classified and 9.1 F.T.E. unclassified positions to restore the base budget reduction recommended by the Governor.
 - c. Addition of \$568,682 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - d. Addition of \$138,129 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - e. Reduction of \$58,154 to reflect an increase in utility expenditures of 7.0 percent.
 - f. Authorization for tuition waivers of up to 65 percent for Graduate Teaching Assistantships resulting in a total FY 1985 waiver authorization of \$294,428.
2. With the decision of the full Committee to maximize expenditures from the General Fees Fund in FY 1984 and because of revised income estimates from the University for FY 1985, the Subcommittee recommends that the expenditure limitation on the General Fees Fund be reduced by \$660,000 and that State General Fund expenditures be increased by a like amount.

3. Addition of \$197,730 from the State General Fund for support of the Geological Survey to replace resources lost by the expiration of the intent to drill fee which provided support for the Geological Survey Fund. The Subcommittee requests the Governor to amend his budget to reflect this need for replacement funding.
4. The Subcommittee recommends that the line item for "Additional Support for Automated Resources Evaluation System" be eliminated and the \$65,214 recommended for support of this program in FY 1985 be included in the appropriation for the Geological Survey.
5. The Subcommittee recommends the creation of a Moore Hall Gift Fund to allow the University to solicit private funds for support of Moore Hall (Geological Survey Building). In addition, the Subcommittee recommends that up to \$27,000 be expended from the Geological Survey Fund for a work of art to grace Moore Hall. Such work of art is to be exempt from statutes regarding competitive bid requirements and is to be selected by the Director of the Survey in consultation with representatives from private industry. Expenditures for any such art work from the Geological Survey Fund are to be reduced by any gift amounts.
6. The Subcommittee has several concerns regarding the Academic Services Fee implemented in fall 1983. As these concerns apply also to Kansas State and to the general rationale for such fees, they are expressed in this Subcommittee's report on the Board of Regents' Office.
7. The Subcommittee recommends that the University and the Geological Survey review in detail fees and charges by the Survey for its various products and services. The Subcommittee feels that there may be the potential for additional income from this source and is concerned that many charges do not even cover the direct costs of production. The Subcommittee requests that a report regarding charges for products and services of the Geological Survey be presented to the Legislature on or before January 14, 1985. In addition, the Subcommittee recommends that when the Geological Survey performs work for other state agencies that the Survey set its charges so that the full direct costs of the services provided are recovered.
8. The Subcommittee concurs with the Governor's recommendation of \$360,000 for equipment purchases and library acquisitions but recommends that it be appropriated as a separate line item along with the \$50,000 (as adjusted for the recommended increase in other operating expenditures) for equipment purchases originally appropriated for FY 1984 and continued for FY 1985. This results in a total FY 1985 line item appropriation for equipment purchases and library acquisitions of \$413,000.
9. The Subcommittee recommends the reappropriation into FY 1985 of any unexpended balances for energy conservation projects begun in FY 1984 with money from utility savings from FY 1983.

10. The Subcommittee recommends the creation of a "Telecommunications Service" account within the Services Clearing Fund of the University.
11. The Subcommittee is concerned that in the process of reducing the FY 1984 base budget that a disproportionate reduction was imposed on Graduate Teaching Assistants. The Subcommittee trusts that if such reductions occur in the future that resources and staffing of Graduate Teaching Assistants not be reduced disproportionately to other areas. Although the Subcommittee does not recommend additional resources, it does recommend the addition of 10.0 F.T.E. unclassified positions for Graduate Teaching Assistants in the hope that they can be supported from resources reallocated from other areas.
12. The Subcommittee recommends the addition of a proviso to the utilities line item appropriation to allow the University to negotiate natural gas prices on a unit basis rather than through competitive bid. Such purchase cost would be subject to State Finance Council approval. This recommendation is prompted because of recent regulations issued by the Federal Energy Regulatory Commission which may enable the University to purchase natural gas directly from a producer rather than a distributor. The Subcommittee also recommends a proviso allowing the University to construct a natural gas pipeline from its utility appropriation, subject to State Finance Council approval. Such a pipeline may be required if the University is successful in negotiating directly with a natural gas producer.
13. The Subcommittee recommends that the expenditure limitation on the "Equipment Reserve Fund" be changed from "0" to "No Limit." This fund allows the University to reappropriate current year savings to the next fiscal year providing such savings are expended for equipment. Because this Fund was created at all the universities, the Subcommittee also recommends that the full Committee take action to change the expenditure limitations on each such fund to "No Limit" to encourage greater use of this vehicle in acquiring equipment.
14. The Subcommittee notes that the University has identified the application of position limitations to Sponsored Research and Sponsored Research Overhead as hindrances to the full exploitation of research opportunities at the University. The Subcommittee feels that concerns regarding position limitations should be considered in a systemwide fashion and that the Board of Regents should review this issue in conjunction with preparation of its budget requests to the 1985 Legislature.
15. The Subcommittee recommends the addition of provisos to the Restricted Fees Fund with regard to the "Sponsored Research Account." Specifically, the provisos would (1) allow expenditures for Sponsored Research to be made within the grant year without restrictions applied to the state's fiscal year; (2) allow the University exemption from competitive bid requirements for contracts when a research project includes the contractual involvement of another entity; and (3) exempt the University from competitive bid requirements when the research project requires expenditures in a foreign country.

16. The Subcommittee concurs with the capital improvement recommendations of the Governor and the Joint Committee on State Building Construction regarding expenditure of local funds for parking lot improvements and residence hall improvements. However, the Subcommittee feels that the science library project is of sufficient importance that the University should be able to begin preliminary planning in FY 1985. Therefore, the Subcommittee recommends that the FY 1985 appropriation for Haworth Hall be reduced by \$170,000 and the FY 1986 appropriation be increased by a like amount. This \$170,000 will become the FY 1985 portion of a multiyear appropriation from the Educational Building Fund (\$85,000 will be needed in FY 1986) to provide funds for preliminary planning of a science library. The Subcommittee also recommends that in order that the Haworth Hall project not suffer from cash flow problems in FY 1985, that the required FY 1985 payment to the State Architect's Office not be made until after May 1, 1985. Finally, the Subcommittee recommends that the expenditure of preliminary planning funds for the science library in FY 1985 be made subject to State Finance Council approval following review by the Joint Committee on State Building Construction.
17. The Subcommittee was informed that both preliminary and final planning for renovation of Snow Hall could be collapsed into a single fiscal year without unduely delaying the project. While the Subcommittee recognizes that resources are not available to undertake this project in FY 1985, it encourages the Joint Committee on State Building Construction to consider both preliminary and final planning funds for FY 1986 to keep the project on schedule.
18. The Subcommittee is of the opinion that as funds become available the Legislature should make every effort to restore the base budget reductions imposed on the universities beginning in FY 1984. The restoration of these funds is a high priority for the Subcommittee as what was a temporary fiscal crisis for the state became a permanent funding reduction for the institutions. In restoring these reductions the Legislature will be ensuring that the quality of higher education is not further eroded.


Representative J. Santford Duncan
Subcommittee Chairman


Representative David J. Heinemann


Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: Emporia State University Bill No. NA Bill Sec. NA
 Analyst: Monical Analysis Pg. No. 104 Budget Pg. No. 3-25

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 14,995,641	\$ 14,969,854	\$ --
General Fees Fund	3,139,898	3,165,685	--
Interest	15,000	15,000	--
General Use Funds	\$ 18,150,539	\$ 18,150,539	\$ --
Other Funds	5,589,493	5,589,493	--
Subtotal	\$ 23,740,032	\$ 23,740,032	\$ --
Capital Improvements:			
State General Fund	\$ 17,801	\$ 17,801	\$ --
Educational Building			
Fund	350,199	350,199	127,996
Other Funds	242,110	242,110	(116,996)
Subtotal	\$ 610,110	\$ 610,110	\$ 11,000
TOTAL	\$ 24,350,142	\$ 24,350,142	\$ 11,000

F.T.E. Positions:

Classified	279.8	279.4	--
Unclassified	355.1	355.1	--

Agency Request/Governor's Recommendation

For FY 1984 the University requests a State General Fund supplemental appropriation of \$25,787 to offset a corresponding reduction to estimated tuition receipts to the General Fees Fund. Also requested is the transfer of \$65,342 from the State General Fund line item for "Student Salaries and Wages" to the State General Fund line item for "Salaries and Wages." This transfer will more accurately reflect where the University accomplished its FY 1984 base budget reductions. Finally, the University requests that the expenditure limitation on the Parking Fees Fund be increased by \$21,000 from \$88,000 to \$109,000 to enable completion of parking lot improvements budgeted for, but not completed in FY 1983.

The Governor's Budget Report does not recommend any of the above three requests.

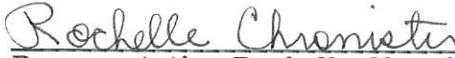
In addition to the above items, the University requests, and the Governor recommended in S.B. 577, that previously appropriated funding for replacement of the Breukelman Hall roof be shifted from the Federal Revenue Sharing Fund to the Educational Building Fund. As originally recommended by the Governor, S.B. 577 lapses \$138,845 from the Federal Revenue Sharing Fund and appropriates \$138,845 from the Educational Building Fund.

Because this recommendation is contained in S.B. 577, it was reviewed first by the Senate committee which, acting on the recommendation of the Joint Committee on State Building Construction, recommends the lapse of \$137,996 and appropriation of \$127,996 from the Educational Building Fund. This recommendation reflects updated expenditures information and the fact that \$10,000 originally appropriated for the project is not required given the construction bids.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:


1. Recommends the lapse of \$137,996 in Federal Revenue Sharing Fund expenditures and appropriation of \$127,996 from the Educational Building Fund for reroofing of Breukelman Hall. This recommendation is contained in S.B. 577.
2. The Subcommittee recommends the transfer of \$65,342 from the State General Fund line item appropriation for "Student Salaries and Wages" to the line item appropriation for "Salaries and Wages." This results in no change in total budgeted expenditures and more accurately reflects where the University accomplished its FY 1984 base budget reductions.
3. The Subcommittee recommends a \$21,000 increase in the expenditure limitation on the Parking Fees Fund (from \$88,000 to \$109,000) to complete capital improvements begun in FY 1983.



Representative Rochelle Chronister,
Subcommittee Chairperson



Representative George Teagarden



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Emporia State University Bill No. 2805 Bill Sec. 5

Analyst: Monical Analysis Pg. No. 104 Budget Pg. No. 3-25

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 16,604,099	\$ 15,953,645	\$ 72,258
General Fees Fund	3,413,453	3,380,356	—
Interest	20,000	20,000	—
General Use Funds	\$ 20,037,552	\$ 19,354,001	\$ 72,258
Other Funds	5,586,833	5,573,515	—
Subtotal	\$ 25,624,385	\$ 24,927,516	\$ 72,258
Capital Improvements:			
State General Fund	\$ 187,500	\$ —	\$ —
Educational Building			
Fund	—	187,500	—
Other Funds	203,133	53,133	150,000
Subtotal	\$ 390,633	\$ 240,633	\$ 150,000
TOTAL	\$ 26,015,018	\$ 25,168,149	\$ 222,258

F.T.E. Positions:			
Classified	279.8	278.8	.8
Unclassified	361.4	352.1	5.0

Agency Request/Governor's Recommendation

The University's request for FY 1985 includes the following systemwide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. The institutions are also requesting that the fee waiver for Graduate Teaching Assistants be increased from 60 to 75 percent of tuition. In adjusting for enrollment changes the request includes a reduction of \$157,888 in other operating expenditures. The University requests a total of \$319,889 to annualize the salary increases granted for FY 1984 during FY 1985. The University requests \$100,000 and 1.25 F.T.E. positions to institute a Mathematics and Science Teacher Enrichment program. The program would provide a variety of support services for up to 20 math and science graduates of the teacher training program during their first year of employment. Also requested is \$92,046 for three faculty positions for the School of Business in the areas of finance, management, and marketing. A total of \$59,940 is requested to add two faculty positions in the area of computer science. The University also requests an increase of \$100,000 in the base budget for other operating expenditures for purchase of scientific and instructional equipment.

Requested capital improvements include \$30,000 for planning of life safety improvements to Plumb Hall (total cost is \$300,000) and \$157,500 for elevators in the William Allen White Library. From local funds, the University requests expenditure authority of \$53,133 for parking lot improvements and \$150,000 for improvements to the student union.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board Office to be distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; a 5.0

percent increase for other operating expenditures; and an 8.0 percent increase for utilities. Annualization of FY 1984 salaries in FY 1985 is recommended at \$345,229. The Governor also recommends the addition of \$90,000 to the base budget for other operating expenditures to provide for equipment purchases and library acquisitions. The Governor concurs with the requested reduction of \$157,888 due to enrollment change, but recommends the reduction of \$39,926 in salaries and \$117,962 in other operating expenditures.

In addition to the other recommendations, the Governor's budget includes base budget reductions for all the universities totaling \$1.9 million. The reduction at Emporia State totals \$157,300 and is reflected as a reduction in salaries and wages along with the elimination of a 0.8 F.T.E. classified and 3.0 F.T.E. unclassified positions.

The Governor's recommended capital improvements include \$30,000 for planning life safety improvements to Plumb Hall and \$157,500 for elevators in the library. Financing for these projects is recommended from the Educational Building Fund. The Governor also recommends expenditure of \$53,133 from parking fees for parking lot improvements.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

1. Based on full Committee action, the following systemwide adjustments are recommended:
 - a. Deletion of \$209,636 for classified salary increases.
 - b. Addition of \$157,300 in salaries and 0.8 F.T.E. classified and 3.0 F.T.E. unclassified positions to restore the base budget reduction recommended by the Governor.
 - c. Addition of \$108,074 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - d. Addition of \$23,594 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - e. Reduction of \$8,381 to reflect an increase in utility expenditures of 7.0 percent.
 - f. Authorization for tuition waivers of up to 65 percent for Graduate Teaching Assistants resulting in a total FY 1985 waiver authorization of \$50,965.
2. The 1983 Legislature provided \$85,740 to assist the School of Library Science in regaining accreditation by the American Library Association. Of this support, \$45,700 was for one-time only purchases of equipment and library acquisitions. Therefore the Subcommittee recommends that for FY

1985 this \$45,700 be shifted from other operating expenditures to salaries and that 2.0 F.T.E. unclassified positions be added. It is the Subcommittee's intent that these resources and positions be used to fill any two of the three requested positions for the School of Business.

3. The Subcommittee reviewed the request for \$100,000 for a Mathematics and Science Teacher Enrichment program. The Subcommittee feels that funding such a program might be beneficial, but, given the current review by the Board of Regents of teacher education programs and the variety of options regarding teacher education being reviewed by the Legislature, does not recommend funding at this time.
4. Because spring semester tuition receipts are down, the Subcommittee notes that there is the potential of an \$80,356 shortfall in resources to the General Fees Fund for FY 1985. However, neither the University nor the Regents have requested an adjustment, nor has one been recommended by the Governor. In the judgement of the Subcommittee, such adjustments may best be considered by the full Committee on a systemwide basis.
5. Increase of \$1,307 to reflect salary increases approved for FY 1985 as a result of the FY 1984 transfer of \$65,342 from student salaries to unclassified salaries.
6. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction and endorses the following capital improvements:
 - a. Renovation of Plumb Hall for life safety improvements. Multiyear appropriation from the Educational Building Fund of \$30,000 for FY 1985 and \$250,000 for FY 1986.
 - b. Installation and replacement of elevators in the Library are recommended for FY 1985 at \$157,500 in Educational Building Fund expenditures.
 - c. Expenditure of \$53,133 from parking fees for parking lot improvements.
 - d. Expenditure of \$150,000 from student fees for improvements to the Student Union.

Rochelle Chronister
Representative Rochelle Chronister
Subcommittee Chairperson

George Teagarden
Representative George Teagarden

Larry Turnquist
Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Wichita State University Bill No. _____ Bill Sec. _____

Analyst: Monical Analysis Pg. No. 124 Budget Pg. No. 3-97

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 30,816,536	\$ 30,816,536	\$ (230,000)
General Fees Fund	10,238,935	10,200,000	230,000
General Use Funds	\$ 41,055,471	\$ 41,016,536	\$ --
Other Funds	14,878,343	14,878,343	--
Subtotal	<u>\$ 55,933,814</u>	<u>\$ 55,894,879</u>	<u>\$ --</u>
Capital Improvements:			
State General Fund	\$ 160,944	\$ 160,944	\$ --
Educational Building			
Fund	531,927	652,670	--
Other Funds	95,578	101,078	--
Subtotal	<u>\$ 788,449</u>	<u>\$ 914,692</u>	<u>\$ --</u>
TOTAL	<u>\$ 56,722,263</u>	<u>\$ 56,809,571</u>	<u>\$ --</u>
F.T.E. Positions:			
Classified	611.3	611.3	--
Unclassified	875.2	875.2	--

Agency Request/Governor's Recommendation

For FY 1984 the University requests a \$38,935 increase in the expenditure limitation on the General Fees Fund due to greater than anticipated enrollments. The request would increase the previously approved expenditure limitation from \$10,200,000 to \$10,238,935.

The Governor's Budget Report does not include the requested increase in expenditures.

House Subcommittee Recommendations

Based on full Committee action, the Subcommittee recommends increasing the expenditure limitation on the General Fees Fund by \$230,000 and the lapse of a corresponding amount of State General Fund appropriations.

David G. Miller
 Representative David G. Miller
 Subcommittee Chairman

Harold P. Dyck
 Representative Harold Dyck

Don Mainey (6)
 Representative Don Mainey

SUBCOMMITTEE REPORT

Agency: Wichita State University Bill No. 2805 Bill Sec. 8

Analyst: Monical Analysis Pg. No. 124 Budget Pg. No. 3-97

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 35,509,322	\$ 33,487,842	\$ 553,205
General Fees Fund	10,736,149	11,215,000	(230,000)
General Use Funds	\$ 46,245,471	\$ 44,702,842	\$ 323,205
Other Funds	15,058,941	15,045,802	--
Subtotal	<u>\$ 61,304,412</u>	<u>\$ 59,748,644</u>	<u>\$ 323,205</u>
Capital Improvements:			
State General Fund	\$ --	\$ --	\$ --
Educational Building			
Fund	5,168,026	--	900,000
Other Funds	30,000	10,000	--
Subtotal	<u>\$ 5,198,026</u>	<u>\$ 10,000</u>	<u>\$ 900,000</u>
TOTAL	<u>\$ 66,502,438</u>	<u>\$ 59,758,644</u>	<u>\$ 1,223,205</u>
F.T.E. Positions:			
Classified	616.3	611.3	2.0
Unclassified	915.7	899.5	9.0

Agency Request/Governor's Recommendation

The University's request for FY 1985 includes the following systemwide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. The University is also requesting that the fee waiver for Graduate Teaching Assistants be increased from 60 to 75 percent of tuition and that \$30,000 be provided for stipends for Graduate Research Assistants. In adjusting for actual enrollment changes the University requests the addition of \$772,201 and 30.3 F.T.E. positions. The University requests a total of \$779,141 to annualize the salary increases granted for FY 1984 during FY 1985. A total of \$300,000 and 9.3 F.T.E. positions are requested for improving instructional and research capabilities of the College of Engineering. To provide additional support for the College of Business Administration the University requests \$75,000 and 2.2 F.T.E. positions. In order to expand the research and planning activities associated with the Office of the President, the University requests the addition of \$60,000 and 2.0 F.T.E. positions. The University requests a \$130,000 increase in the summer school budget to partially offset the impact of base budget reductions taken in FY 1984. Also to partially restore base budget reductions is the request of \$42,000 and 1.7 F.T.E. positions for remedial and developmental education. A total of \$50,000 is requested to provide for the purchase of additional scientific and instructional equipment.

Requested capital improvements include \$66,550 to reroof and remodel Henrion Gym and \$494,200 for remodeling for the College of Business. A multiyear appropriation totaling \$10,574,500 is requested for construction of an addition to and remodeling of Ablah Library. The requested funding sequence is \$4,500,000 for FY 1985; \$4,000,000 for FY 1986; and \$2,074,500 for FY 1987.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board Office to be distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; a 5.0 percent increase for other operating expenditures; and an 8.0 percent increase for utilities. Annualization of FY 1984 salaries in FY 1985 is recommended at \$779,141. The Governor also recommends the addition of \$772,201 and 30.3 F.T.E. positions as requested for actual enrollment growth.

In addition to the other recommendations, the Governor's budget includes base budget reductions for all the universities totaling \$1.9 million. The reduction at Wichita State totals \$323,605 and is reflected as a reduction in salaries and wages along with the elimination of 2.0 F.T.E. classified and 4.0 F.T.E. unclassified positions.

The Governor does not recommend funding to undertake any new capital improvement projects for FY 1985.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

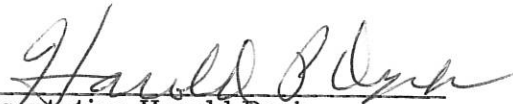
1. Based on full Committee action, the following systemwide adjustments are recommended:
 - a. Deletion of \$455,431 for classified salary increases.
 - b. Addition of \$323,605 in salaries and 2.0 F.T.E. classified and 4.0 F.T.E. unclassified positions to restore the base budget reduction recommended by the Governor.
 - c. Addition of \$246,725 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - d. Addition of \$58,262 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - e. Reduction of \$22,984 to reflect an increase in utility expenditures of 7.0 percent.
 - f. Authorization for tuition waivers of up to 65 percent for Graduate Teaching Assistants resulting in a total FY 1985 waiver authorization of \$84,122.
2. With the decision of the full Committee to maximize expenditures from the General Fees Fund in FY 1984, the Subcommittee recommends that the expenditure limitation on the General Fees Fund be reduced by \$230,000 and that State General Fund expenditures be increased by a like amount.

3. The Subcommittee recommends the addition of \$173,028 in salaries and 5.0 F.T.E. unclassified positions for upgrading programs in the College of Engineering. The recommendation provides for 4.0 F.T.E. faculty positions at \$35,000 each and 1.0 F.T.E. Graduate Teaching Assistant position at \$12,000. The Subcommittee notes that the institution is currently seeking Board of Regents approval to add doctoral programs in engineering. The Subcommittee does not want this increase in funding to be viewed as an endorsement of that request.

4. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction in providing multiyear appropriations from the Educational Building Fund for an addition to and remodeling of Ablah Library (total of \$10,574,500). This recommendation is to be included in H.B. 2793 and provides the following funding sequence: FY 1985 - \$900,000; FY 1986 - \$4,600,000; FY 1987 - \$4,000,000; FY 1988 - \$1,074,500.



Representative David Miller
Subcommittee Chairman



Representative Harold Dyck



Representative Don Maaney

SUBCOMMITTEE REPORT

Agency: Kansas Technical Institute Bill No. _____ Bill Sec. _____

Analyst: Monical Analysis Pg. No. 143 Budget Pg. No. 3-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 2,590,487	\$ 2,590,487	\$ --
General Fees Fund	270,000	270,000	--
General Use Funds	\$ 2,860,487	\$ 2,860,487	\$ --
Other Funds	423,213	423,213	--
Subtotal	<u>\$ 3,283,700</u>	<u>\$ 3,283,700</u>	<u>\$ --</u>
Capital Improvements:			
State General Fund	\$ --	\$ --	\$ --
Educational Building			
Fund	1,149,608	1,149,608	--
Other Funds	3,784	--	--
Subtotal	<u>\$ 1,153,392</u>	<u>\$ 1,149,608</u>	<u>\$ --</u>
TOTAL	<u><u>\$ 4,437,092</u></u>	<u><u>\$ 4,433,308</u></u>	<u><u>\$ --</u></u>
F.T.E. Positions:			
Classified	38.5	38.5	--
Unclassified	52.0	52.0	--

Agency Request/Governor's Recommendation

The agency does not request, nor does the Governor recommend, any adjustments to previously approved FY 1984 expenditures.

House Subcommittee Recommendation

The Subcommittee recommends no adjustments to the previously approved FY 1984 expenditures.

David G. Miller

 Representative David G. Miller,
 Subcommittee Chairman

Harold Dyck

 Representative Harold Dyck

Don Mainey

 Representative Don Mainey

Agency: Kansas Technical Institute Bill No. 2805 Bill Sec. 10Analyst: Monical Analysis Pg. No. 143 Budget Pg. No. 3-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 3,162,197	\$ 2,934,277	\$ (47,562)
General Fees Fund	284,000	274,000	—
General Use Funds	\$ 3,446,197	\$ 3,208,277	\$ (47,562)
Other Funds	454,594	446,728	—
Subtotal	\$ 3,900,791	\$ 3,655,005	\$ (47,562)
Capital Improvements:			
State General Fund	\$ —	\$ —	\$ —
Educational Building Fund	2,245,520	1,570,000	—
Other Funds	—	—	—
Subtotal	\$ 2,245,520	\$ 1,570,000	\$ —
TOTAL	\$ 6,146,311	\$ 5,225,005	\$ (47,562)
F.T.E. Positions:			
Classified	41.5	38.5	—
Unclassified	55.0	53.0	(1.0)

Agency Request/Governor's Recommendation

Kansas Technical Institute's request for FY 1985 include the following system-wide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. A total of \$43,986 is requested to annualize the salary increases granted for FY 1984 in FY 1985. The Institute requests a total of \$200,000 and 6.0 F.T.E. positions to support actual and anticipated enrollment growth. To support additional purchases of instructional and laboratory equipment the Institute requests \$79,005. A total of \$39,286 is requested to provide additional support for library acquisitions and equipment. To support estimated utility costs for the new Technology Center a total of \$15,000 is requested.

Requested new capital improvements include \$128,270 for planning renovation of the Aeronautical Technology Complex and \$47,250 is requested for planning renovation of the former Base Chapel for use as a women's dormitory. The 1983 Legislature approved construction of phase one of the Technology Center and appropriated \$2,070,000 for FY 1985 for final-year construction costs.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board Office to be distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; and a 5.0 percent increase for other operating expenditures. Utility costs are recommended for a \$4,436 (5.4 percent) increase. Annualization of FY 1984 salaries in FY 1985 is recommended at \$43,986. A total of \$35,913 and 1.0 F.T.E. unclassified position are recommended in anticipation of increased enrollments for FY 1985. The Governor also recommends the addition of \$55,000 for equipment purchases and \$30,000 for increased library acquisitions and equipment. A total of \$15,000 is recommended for utility costs associated with the new Technology Center.

8

The Governor does not recommend funding for any new capital improvement projects in FY 1985 and, because of savings in the Technology Center project, recommends that \$500,000 be lapsed from the previously approved FY 1985 appropriation of \$2,070,000.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

1. Based on full Committee action, the following systemwide adjustments are recommended:
 - a. Deletion of \$34,848 for classified salary increases.
 - b. Addition of \$15,217 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - c. Addition of \$6,648 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - d. Addition of \$1,334 to reflect an increase in utility expenditures of 7.0 percent.
2. The Subcommittee recommends deletion of \$35,913 (\$28,056 in salaries and \$7,857 in other operating expenditures) and 1.0 F.T.E. unclassified position. These resources were recommended by the Governor in anticipation of increased enrollments for fall 1984. Although the information was not available for gubernatorial review, spring enrollments for 1984 are below spring enrollments for 1983. In addition, while the Institute projects an enrollment increase for purposes of expenditures, it projects a slight decline in enrollment for purposes of estimating tuition revenue. Based on these factors, the Subcommittee does not feel it is justified in recommending additional resources for anticipated enrollment growth.
3. The Subcommittee recommends that utilities be appropriated as a separate line item from other operating expenditures with the systemwide proviso allowing for reappropriation of savings and expenditure for energy conservation projects.
4. The Subcommittee notes the request to include a campus telephone network as part of the construction of the Technology Center. However, the Subcommittee does not have sufficient information on which to base a positive recommendation and is concerned regarding the extent to which this request has been reviewed by the Board of Regents. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction in requesting that the Institute prepare a report regarding the campus telephone system and having the report, including a discussion of options, available for review by the 1985 Legislature.

5. The Subcommittee views with concern the relatively modest proportion which tuition represents of institutional expenditures. As recommended by the Governor for FY 1985, tuition represents less than 9.0 percent of general use expenditures. This is in contrast to the systemwide policy of 25 percent which results in the regional universities generating between 15 and 20 percent of expenditures from tuition. Additionally, area vocational technical schools are required to generate 15 percent of program costs from tuition. Based on these observations, the Subcommittee recommends that the Board of Regents examine the tuition policy at Kansas Technical Institute and report to the appropriate subcommittees of the 1985 Legislature findings with regard to increasing tuition or justifications for no change of policy.

6. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction to lapse \$500,000 in construction contract savings from the Technology Center project. Also recommended is a study regarding the feasibility of nonstate funding for dormitories, including the potential for construction costs to be supported by bonds guaranteed by student rents.



Representative David G. Miller
Subcommittee Chairman



Representative Harold Dyck



Representative Don Maaney

SUBCOMMITTEE REPORT

Agency: Pittsburg State University Bill No. _____ Bill Sec. _____

Analyst: Monical Analysis Pg. No. 110 Budget Pg. No. 3-59

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 14,540,639	\$ 14,540,639	\$ —
General Fees Fund	3,238,000	3,238,000	—
General Use Funds	\$ 17,778,639	\$ 17,778,639	\$ —
Other Funds	3,617,358	3,617,358	—
Subtotal	<u>\$ 21,395,997</u>	<u>\$ 21,395,997</u>	<u>\$ —</u>
Capital Improvements:			
State General Fund	\$ 116,598	\$ 116,598	\$ —
Educational Building			
Fund	1,370,492	1,385,492	\$ (144,511)
Other Funds	31,147	31,147	—
Subtotal	<u>\$ 1,518,237</u>	<u>\$ 1,533,237</u>	<u>\$ (144,511)</u>
TOTAL	<u>\$ 22,914,234</u>	<u>\$ 22,929,234</u>	<u>\$ (144,511)</u>
F.T.E. Positions:			
Classified	265.7	265.7	\$ —
Unclassified	320.9	322.4	\$ —

Agency Request/Governor's Recommendation

For FY 1984 the University requests a transfer of \$75,665 from the State General Fund line item for "Student Salaries and Wages" to the State General Fund line item for "Salaries and Wages." This transfer will more accurately reflect where the University accomplished its FY 1984 base budget reductions. This request will not affect total expenditures as approved by the 1983 Legislature.

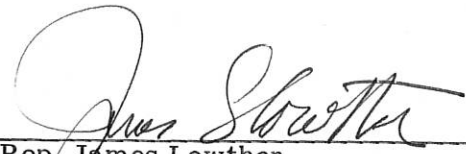
The Governor's Budget Report does not include a recommendation for the requested transfer.

On the recommendation of the Joint Committee on State Building Construction, lapses totaling \$144,511 in Educational Building Fund appropriations are contained in S.B. 577 (the emergency supplemental appropriation bill). The funds are not required for completion of three roofing projects and the bill lapses \$43,185 from the McCray Hall project, \$86,326 from the Weede Building project, and \$15,000 from the Kelce Center project.

House Subcommittee Recommendations

The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction in lapsing \$144,511 in Educational Building Fund expenditures not required for completion of three roofing projects.

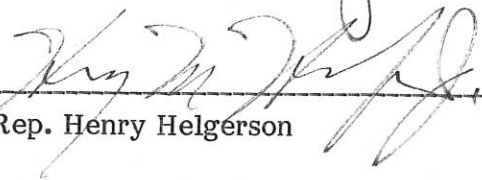
The Subcommittee also recommends the transfer of \$59,144 from the State General Fund line item appropriation for "Student Salaries and Wages" to the line item appropriation for "Salaries and Wages." This results in no change in total budgeted expenditures and more accurately reflects where the University accomplished its FY 1984 base budget reductions. The amount transferred is less than the original request which was overstated.



Rep. James Lowther,
Subcommittee Chairman



Rep. Rex Hoy



Rep. Henry Helgerson

SUBCOMMITTEE REPORT

Agency: Pittsburg State University Bill No. 2805 Bill Sec. 6

Analyst: Monical Analysis Pg. No. 110 Budget Pg. No. 3-59

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 16,380,053	\$ 15,644,550	\$ 57,571
General Fees Fund	3,422,603	3,468,000	--
General Use Funds	\$ 19,802,656	\$ 19,112,550	\$ 57,571
Other Funds	3,882,411	3,828,451	--
Subtotal	<u>\$ 23,685,067</u>	<u>\$ 22,941,001</u>	<u>\$ 57,571</u>
Capital Improvements:			
State General Fund	\$ --	\$ --	\$ --
Educational Building			
Fund	781,000	213,000	(31,000)
Other Funds	15,000	15,000	--
Subtotal	<u>\$ 796,000</u>	<u>\$ 228,000</u>	<u>\$ (31,000)</u>
TOTAL	<u>\$ 24,481,067</u>	<u>\$ 23,169,001</u>	<u>\$ 26,571</u>

F.T.E. Positions:			
Classified	268.2	263.2	2.5
Unclassified	327.2	320.1	2.3

Agency Request/Governor's Recommendation

The University's request for FY 1985 includes the following systemwide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. The institutions are also requesting that the fee waiver for Graduate Teaching Assistants be increased from 60 to 75 percent of tuition. The University requests a total of \$339,362 to annualize the salary increases granted for FY 1984 during FY 1985. A total of \$118,198 and 2.0 F.T.E. positions are requested to improve the services of both the academic and administrative computer system. The University also requests \$145,000 and 5.3 F.T.E. positions to assist in securing or retaining program accreditation and to implement various state mandates in several instructional programs. In order to increase classified personnel support in a variety of areas, the University requests the addition of \$47,000 and 3.5 F.T.E. positions. Also requested is a base increase of \$28,000 for additional purchases of scientific and instructional equipment. With the completion of a new chemistry-biology building scheduled for the summer of 1984, the University requests a total of \$124,985 for costs associated with bringing the facility into service. The request includes \$44,439 for remaining salaries of previously added positions, \$12,517 in other operating expenditures, and \$68,029 in utilities. The University also noted that \$61,891 and 2.0 F.T.E. positions which supported a temporary bus service while the science building was under construction will not be required in FY 1985.

Requested capital improvements include \$228,000 for roof replacements on Yates and McCray Halls and \$538,000 for modifications to the Temporary Science Annex for occupancy by the Vocational Technical Institute. Also requested is the authority to expend \$15,000 in parking fees for parking lot improvements.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board Office to be

distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; a 5.0 percent increase for other operating expenditures; and an 8.0 percent increase for utilities. Annualization of FY 1984 salaries in FY 1985 is recommended at \$328,903. The Governor also recommends a total of \$100,494 for servicing the new chemistry-biology building which consists of \$44,439 for salaries, \$12,517 for other operating expenditures, and \$43,538 for utilities.

In addition to the other recommendations, the Governor's budget includes base budget reductions for all the universities totaling \$1.9 million. The reduction at Pittsburg State totals \$151,520 and is reflected as a reduction in salaries of \$122,778 and in other operating expenditures of \$28,742. Also eliminated are 2.5 F.T.E. classified and 2.3 F.T.E. unclassified positions. It appears that the curtailment of the temporary bus service (\$61,891 and 2.0 F.T.E. positions) is included as part of the base budget reduction.

The Governor's recommended capital improvements include \$213,000 from the Educational Building Fund for roof replacements on Yates and McCray Halls. Expenditure of \$15,000 from parking fees for parking lot improvements is also recommended.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

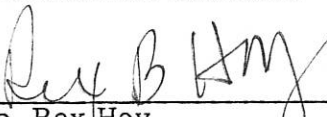
1. Based on full committee action, the following systemwide adjustments are recommended:
 - a. Deletion of \$213,834 for classified salary increases.
 - b. Addition of \$151,520 (\$122,778 in salaries and \$28,742 in other operating expenditures) and 2.5 F.T.E. classified and 2.3 F.T.E. unclassified positions. This restores the base budget reduction recommended by the Governor.
 - c. Addition of \$105,488 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - d. Addition of \$23,270 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - e. Reduction of \$8,873 to reflect an increase in utility expenditures of 7.0 percent.
 - f. Authorization for tuition waivers of up to 65 percent for Graduate Teaching Assistants resulting in a total FY 1985 waiver authorization of \$41,077.

2. The Subcommittee recommends retention of the \$61,891 and 2.0 F.T.E. classified originally scheduled for elimination in FY 1985. In allowing the University to retain these resources, the Subcommittee makes the following recommendations regarding allocations:
 - a. Appropriation of \$28,000 as a line item for acquisition of instructional and scientific equipment and corresponding reduction in other operating expenditures. The Subcommittee recommends that the University use these funds in such manner as to maximize private support and contributions. The Subcommittee requests a report on the impact of these funds in generating private support for equipment acquisitions. This report should be delivered to the appropriate subcommittees of the 1985 Legislature.
 - b. The Subcommittee recommends that of the 2.0 F.T.E. classified positions and \$33,891 retained in the salary budget, that the University give the highest priority to hiring an equipment maintenance technician to provide support primarily for the School of Applied Science and Technology. The remaining F.T.E. positions and salary funds are available to address needs identified in the request for upgrading part-time clerical support in various academic and administrative areas.

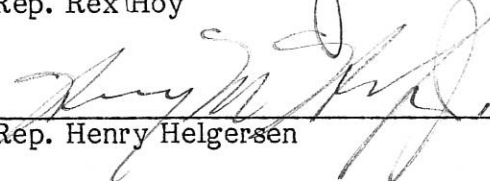
3. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction to provide \$182,000 from the Educational Building Fund for replacement of the Yates Hall roof and \$15,000 from parking fees for parking lot improvements.



Rep. James Lowther
Subcommittee Chairman



Rep. Rex Hoy



Rep. Henry Helgersen

SUBCOMMITTEE REPORT

Agency: KSU Veterinary Medical Center Bill No. _____ Bill Sec. _____

Analyst: Monical Analysis Pg. No. 100 Budget Pg. No. 3-41


<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 4,651,911	\$ 4,651,911	\$ --
General Fees Fund	1,700,000	1,700,000	--
Hospital Revenue Funds	1,170,000	1,170,000	--
General Use Funds	\$ 7,521,911	\$ 7,521,911	\$ --
Other Funds	342,323	342,323	--
Subtotal	<u>\$ 7,864,234</u>	<u>\$ 7,864,234</u>	<u>\$ --</u>
Capital Improvements:			
State General Fund	\$ 119,026	\$ 119,026	\$ --
Educational Building	Fund	135,358	--
Other Funds	--	--	--
Subtotal	<u>\$ 254,384</u>	<u>\$ 254,384</u>	<u>\$ --</u>
TOTAL	<u><u>\$ 8,118,618</u></u>	<u><u>\$ 8,118,618</u></u>	<u><u>\$ --</u></u>
F.T.E. Positions:			
Classified	117.4	117.4	--
Unclassified	88.4	88.4	--

Agency Request/Governor's Recommendation

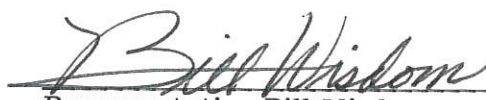
The Veterinary Medical Center does not request, nor does the Governor recommend, any adjustment in previously approved FY 1984 expenditures.

House Subcommittee Recommendations

The Subcommittee recommends no adjustments to previously approved FY 1984 expenditures.


 Representative Ed Rolfs,
 Subcommittee Chairman


 Representative Mike Meacham


 Representative Bill Wisdom

10

SUBCOMMITTEE REPORT

Agency: KSU Veterinary Medical Center Bill No. 2805 Bill Sec. 4Analyst: Monical Analysis Pg. No. 100 Budget Pg. No. 3-41

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 5,577,479	\$ 4,989,490	\$ (55,275)
General Fees Fund	1,697,519	1,916,000	--
Hospital Revenue Fund	1,020,000	1,162,000	--
General Use Funds	\$ 8,294,998	\$ 8,067,490	\$ (55,275)
Other Funds	370,279	363,735	--
Subtotal	\$ 8,665,277	\$ 8,431,225	\$ (55,275)
Capital Improvements:			
State General Fund	\$ --	\$ --	\$ --
Educational Building Fund	--	--	--
Other Funds	--	--	--
Subtotal	\$ --	\$ --	\$ --
TOTAL	\$ 8,665,277	\$ 8,431,225	\$ (55,275)
F.T.E. Positions:			
Classified	118.4	117.4	--
Unclassified	89.4	88.4	--

Agency Request/Governor's Recommendation

The Veterinary Medical Center's request for FY 1985 includes the following systemwide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. The University also requests a total of \$115,872 to annualize the salary increases granted for FY 1984 during FY 1985. Also requested is \$107,396 and 2.0 F.T.E. positions to support improvements in the instructional program. The request includes FY 1985 financing of \$1,697,519 from the General Fees Fund and \$1,020,000 from hospital revenue funds. The Veterinary Medical Center requests that the FY 1985 "revenue floor" on hospital receipts be retained at the FY 1984 level of \$1,015,000.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board office to be distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; a 5.0 percent increase for other operating expenditures; and an 8.0 percent increase for utilities. Annualization of FY 1984 salaries in FY 1985 is recommended at \$115,872. The Governor recommends an FY 1985 expenditure limitation on the General Fees Fund of \$1,916,000 and on hospital revenue funds of \$1,162,000. The "revenue floor" on hospital receipts is recommended at \$1,087,000.

In addition to the other recommendations, the Governor's budget includes base budget reductions for all the universities totaling \$1.9 million. The reduction for the Veterinary Medical Center totals \$27,420 and is reflected as a reduction in salaries and wages although no positions are eliminated.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

1. Based on full Committee action, the following adjustments are recommended:
 - a. Deletion of \$116,690 for classified salary increases.
 - b. Addition of \$27,420 in salaries to restore the base budget reduction recommended by the Governor.
 - c. Addition of \$28,729 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - d. Addition of \$15,710 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - e. Reduction of \$10,444 to reflect an increase in utility expenditures of 7.0 percent.



Representative Ed Rolf,
Subcommittee Chairman



Representative Mike Meacham



Representative Bill Wisdom

SUBCOMMITTEE REPORT

Mar 7

Agency: Fort Hays State University Bill No. _____ Bill Sec. _____Analyst: Monical Analysis Pg. No. 88 Budget Pg. No. 3-29

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 13,855,964	\$ 13,819,690	\$ --
General Fees Fund	2,930,872	2,967,146	--
Royalty Fees	2,000	2,000	--
General Use Funds	\$ 16,788,836	\$ 16,788,836	\$ --
Other Funds	7,038,924	7,038,924	--
Subtotal	<u>\$ 23,827,760</u>	<u>\$ 23,827,760</u>	<u>\$ --</u>
Capital Improvements:			
State General Fund	\$ 56,250	\$ 56,250	\$ --
Educational Building Fund	236,468	236,468	--
Other Funds	1,468	1,468	--
Subtotal	<u>\$ 294,186</u>	<u>\$ 294,186</u>	<u>\$ --</u>
TOTAL	<u><u>\$ 24,121,946</u></u>	<u><u>\$ 24,121,946</u></u>	<u><u>\$ --</u></u>
F.T.E. Positions:			
Classified	293.4	293.4	--
Unclassified	318.6	318.6	--

Agency Request/Governor's Recommendation

For FY 1984 the University requests a State General Fund supplemental appropriation of \$36,274 to offset a corresponding reduction to estimated tuition receipts to the General Fees Fund. The request would maintain general use expenditures at the level approved by the 1983 Legislature.

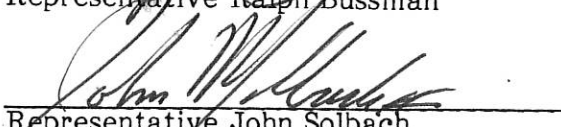
The Governor's Budget Report does not include a recommendation for the requested supplemental appropriation.

House Subcommittee Recommendations

The Subcommittee recommends no adjustments to previously approved FY 1984 expenditures.


Representative David Louis


Representative Ralph Bussman


Representative John Solbach

11

SUBCOMMITTEE REPORT

Agency: Fort Hays State University Bill No. 2805 Bill Sec. 2

Analyst: Monical Analysis Pg. No. 88 Budget Pg. No. 3-29

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 15,333,836	\$ 14,881,544	\$ 53,294
General Fees Fund	3,340,023	3,179,756	—
General Use Funds	\$ 18,673,859	\$ 18,061,300	\$ 53,294
Other Funds	7,530,555	7,415,185	—
Subtotal	\$ 26,204,414	\$ 25,476,485	\$ 53,294
Capital Improvements:			
State General Fund	\$ —	\$ —	\$ —
Educational Building Fund	93,169	16,850	110,000
Other Funds	—	—	—
Subtotal	\$ 93,169	\$ 16,850	\$ 110,000
TOTAL	\$ 26,297,583	\$ 25,493,335	\$ 163,294
F.T.E. Positions:			
Classified	293.4	293.4	—
Unclassified	318.6	318.6	1.0

Agency Request/Governor's Recommendation

The University's request for FY 1985 includes the following systemwide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. The institutions are also requesting that the fee waiver for Graduate Teaching Assistants be increased from 60 to 75 percent of tuition. The University requests \$290,444 to annualize the salary increases granted in FY 1984 during FY 1985. A total of \$375,000 is requested to begin a major upgrade of the University's computing capabilities. The request would fund the replacement of the existing central processing unit, an additional disk controller, and an additional disk drive.

Requested capital improvements include \$76,330 for planning renovation of Sheridan Coliseum and \$16,839 to complete planning for renovation of Martin Allen Hall.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board Office to be distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; a 5.0 percent increase for other operating expenditures; and an 8.0 percent increase for utilities. Annualization of FY 1984 salaries in FY 1985 is recommended at \$290,445. The Governor also recommends the addition of \$35,936 to the base budget for other operating expenditures to provide for equipment purchases and library acquisitions.

In addition to the other recommendations, the Governor's budget includes base budget reductions for all the universities totaling \$1.9 million. The reduction at Fort Hays State totals \$50,000 and is reflected as a reduction in salaries and wages although no positions are eliminated.

The Governor's recommended capital improvement is \$16,850 from the Educational Building Fund to complete planning for renovation of Martin Allen Hall.

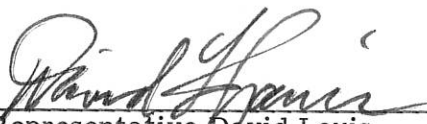
House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:


1. Based on full Committee action, the following systemwide adjustments are recommended:
 - a. Deletion of \$192,091 for classified salary increases.
 - b. Addition of \$50,000 in salaries to restore the base budget reduction recommended by the Governor.
 - c. Addition of \$98,077 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - d. Addition of \$23,589 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - e. Reduction of \$8,186 to reflect an increase in utility expenditures of 7.0 percent.
 - f. Authorization for tuition waivers for up to 65 percent for Graduate Teaching Assistants resulting in a total FY 1985 waiver authorization of \$23,338.
2. The Subcommittee recommends the addition of \$61,905 which, when combined with the \$35,936 recommended by the Governor for equipment purchases, will provide the University with a total of \$97,841 to upgrade its computer system. This recommendation will allow the University to replace its IBM 4341-L10 with the requested IBM 4341-L12. The recommendation assumes a five-year lease purchase plan and the Subcommittee recommends that this improvement be appropriated as a separate line item because it is for purchase of a specific computer configuration.
3. The Subcommittee recommends the addition of 1.0 F.T.E. unclassified position and \$20,000 in salaries and wages for support of the College Studies for the Gifted Program. This program takes gifted high school students in western Kansas and brings them to the campus where, under supervised conditions, they take coursework for which they receive both high school and college credit.
4. The Subcommittee encourages the University in its efforts to expand mineral development on the University Farm. However, the Subcommittee is concerned that any such exploration could be disruptive of farm

activities and recommends that the first priority for expenditure of any resources from mineral exploitation be used to restore any damage to the farm. Because the Subcommittee feels it is important for the University to attempt to develop any mineral resources on the farm, it requests that a report covering University activities in this regard be presented to the appropriate subcommittees of the 1985 Legislature.

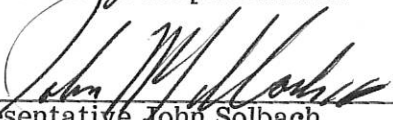
5. The Subcommittee concurs with the recommendations of the Joint Committee on State Building construction in providing FY 1985 financing from the Educational Building Fund for the following projects: \$50,000 to continue preliminary planning for renovation of Sheridan Coliseum; \$16,850 for final planning for renovation of Martin Allen Hall; and \$60,000 for remodeling the Brooks Building and relocation of the print shop. With regard to Sheridan Coliseum, the Subcommittee finds the project to be of merit and encourages the University in its efforts to raise private funding for a portion of the project. However, the Subcommittee does not wish to suggest a specific state-private match on project funding until it has had an opportunity to receive and review in more detail estimated total project costs. The Subcommittee hopes that such cost estimates will be forthcoming following the planning phase for which funding is being recommended.



Representative David Louis
Subcommittee Chairman



Representative Ralph Bussman



Representative John Solbach

SUBCOMMITTEE REPORT

Agency: Kansas State University Bill No. _____ Bill Sec. _____

Analyst: Monical Analysis Pg. No. 93 Budget Pg. No. 3-37

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 67,365,968	\$ 66,882,407	\$ (50,000)
General Fees Fund	15,132,519	15,180,000	—
Land Grant Funds	6,424,782	6,424,782	50,000
Interest	148,000	148,000	—
General Use Funds	\$ 89,071,269	\$ 88,635,189	\$ —
Other Funds	52,199,599	52,199,599	—
Subtotal	<u>\$141,270,868</u>	<u>\$140,834,788</u>	<u>\$ —</u>
Capital Improvements:			
State General Fund	\$ 147,310	\$ 147,310	\$ —
Educational Building Fund	2,598,211	2,598,211	—
Other Funds	1,746,925	1,746,757	—
Subtotal	<u>\$ 4,492,446</u>	<u>\$ 4,492,278</u>	<u>\$ —</u>
TOTAL	<u>\$145,763,314</u>	<u>\$145,327,066</u>	<u>\$ —</u>
F.T.E. Positions:			
Classified	1,857.0	1,857.0	—
Unclassified	2,187.7	2,187.7	—

Agency Request/Governor's Recommendation


For FY 1984 the University requests a State General Fund supplemental appropriation of \$483,561 to offset a corresponding reduction to estimated tuition receipts to the General Fees Fund. This request would maintain general use expenditures at the level approved by the 1983 Legislature. The University also notes the availability of \$50,000 in federal Morrill-Nelson funds for which the 1983 Legislature provided a State General Fund replacement for FY 1984. Therefore, State General Fund expenditures could be reduced by \$50,000 and expenditure of federal funds increased by a like amount. The University requests a State General Fund supplemental appropriation of \$39,000 to provide a 6.5 percent increase for \$600,000 in other operating expenditures which the 1983 Legislature transferred from salaries. In making this transfer the approved increase for other operating expenditures was not added.

The Governor recommends an FY 1984 expenditure limitation on the General Fees Fund. This is \$47,481 over the University's estimate and results in General Use expenditures \$436,080 below the level approved by the 1983 Legislature.

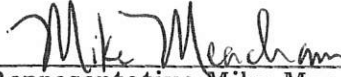
House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations with the following adjustments:

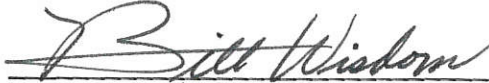
1. Increase of \$50,000 in expenditures to reflect receipt of unanticipated Morrill-Nelson funds.
2. Reduction of \$50,000 in State General Fund expenditures provided by the 1983 Legislature in anticipating the loss of Morrill-Nelson funds.



Representative Ed C. Rolfs
Subcommittee Chairman



Representative Mike Meacham



Representative Bill Wisdom

SUBCOMMITTEE REPORT

Agency: Kansas State University Bill No. 2805 Bill Sec. 3

Analyst: Monical Analysis Pg. No. 93 Budget Pg. No. 3-37

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 74,823,882	\$ 72,778,051	\$ 175,968
General Fees Fund	16,868,482	16,070,494	—
Land Grant Funds	6,780,977	6,780,977	—
Interest	175,000	175,000	—
General Use Funds	<u>\$ 98,648,341</u>	<u>\$ 95,804,522</u>	<u>\$ 175,968</u>
Other Funds	55,893,642	55,117,334	—
Subtotal	<u>\$154,541,983</u>	<u>\$150,921,856</u>	<u>\$ 175,968</u>
Capital Improvements:			
State General Fund	\$ 974,500	\$ —	\$ —
Educational Building	4,239,760	3,517,260	771,500
Fund	3,424,500	3,424,500	—
Other Funds	<u>\$ 8,638,760</u>	<u>\$ 6,941,760</u>	<u>\$ 771,500</u>
Subtotal			
TOTAL	<u>\$163,180,743</u>	<u>\$157,863,616</u>	<u>\$ 947,468</u>
F.T.E. Positions:			
Classified	1,872.2	1,855.2	8.0
Unclassified	2,202.7	2,181.7	6.0

Agency Request/Governor's Recommendation

The University's request for FY 1985 includes the following systemwide items: a 7.0 percent increase in the salary base for unclassified employees; a 5.0 percent increase for classified salaries; a 7.0 percent increase for student salaries; a 7.0 percent increase for other operating expenditures; and a 10.0 percent increase for utilities. The University is also requesting that the fee waiver for Graduate Teaching Assistants be increased from 60 to 75 percent of tuition and that \$100,000 be provided for stipends for Graduate Research Assistants. The University requests a total of \$1,632,524 to annualize salary increases granted for FY 1984 during FY 1985. The University requests a total of \$900,000 plus the addition of 8.0 F.T.E. classified and 10.0 F.T.E. unclassified positions to undertake various improvements in the instructional program. A total of \$200,000 and 5.0 F.T.E. classified positions are requested to improve library services and increase acquisitions. The University also requests \$83,000 and 2.5 F.T.E. unclassified positions to strengthen its research program in conservation tillage. The addition of \$52,000, 1.0 F.T.E. classified and 2.0 F.T.E. unclassified positions, is requested to improve the research program in the reproductive efficiency of food animals. A total of \$15,000 and a 0.5 F.T.E. unclassified position is requested for research in computer controlled systems and robotics. In order to fund computer services activities within the Kansas Cooperative Extension Service, the University requests a total of \$100,000. A total of \$18,526 and 1.2 F.T.E. classified position is requested to service the third floor addition to Shellenberger Hall.

Requested capital improvements include the following: \$250,000 for energy conservation projects; \$485,000 for final planning of a chemistry-biochemistry building; \$140,000 for final planning of greenhouse relocation; and \$99,500 for final planning of renovation of Weber Hall. A total of \$4,239,760 was previously appropriated from the Educational Building Fund for the final year of the Nichols Hall reconstruction. From

various local funds, restricted fees and gift monies the University requests expenditure authorizations for the following projects: \$857,000 for renovation of Van Zile Hall; \$350,000 for parking lot improvements; \$780,000 for renovation of Holton Hall; \$937,500 for planning of a coliseum; and \$500,000 for dormitory maintenance.

The Governor recommends the following systemwide adjustments: a 6.0 percent increase in the unclassified salary base (plus \$2.0 million in the Board Office to be distributed to the campuses for unclassified salaries); a 5.0 percent plus \$204 per position per year increase for classified salaries; a 5.0 percent increase for student salaries; a 5.0 percent increase for other operating expenditures; and an 8.0 percent increase for utilities. Annualization of FY 1984 salaries in FY 1985 is recommended at \$1,632,524. The Governor also recommends the addition of \$240,000 for equipment purchases and library acquisitions.

In addition to the other recommendations, the Governor's budget includes base budget reductions for all universities totaling \$1.9 million. The reduction at Kansas State University totals \$456,726 and is reflected as a reduction in salaries and wages along with the elimination of 6.0 F.T.E. unclassified and 3.0 F.T.E. classified positions.

Recommended capital improvements for which financing is recommended from the Educational Building Fund include \$60,000 for final planning of greenhouses and \$99,500 for final planning of renovation of Weber Hall. The Governor recommends expenditures from local funds for all of the projects requested. Based on actual construction bids, the Governor recommends that \$882,000 be lapsed from the FY 1985 Educational Building Fund appropriation for construction of Nichols Hall.

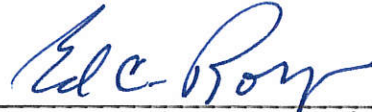
House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

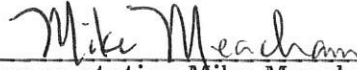
1. Based on full Committee action, the following systemwide adjustments are recommended:
 - a. Deletion of \$960,297 for classified salary increases.
 - b. Addition of \$456,726 and 3.0 F.T.E. classified and 6.0 F.T.E. unclassified positions to restore the base budget reductions recommended by the Governor.
 - c. Addition of \$543,325 (including benefits) to provide an additional 1.0 percent increase in the unclassified salary base (total increase of 7.0 percent).
 - d. Addition of \$127,006 to provide an additional 1.0 percent increase in other operating expenditures (total increase of 6.0 percent).
 - e. Reduction of \$40,792 to reflect an increase in utility expenditures of 7.0 percent.
 - f. Authorization for tuition waivers of up to 65 percent for Graduate Teaching Assistants resulting in a total FY 1985 waiver authorization of \$132,046.

2. The Subcommittee recommends that \$50,000 for other operating expenditures and 5.0 F.T.E. classified positions be added to the Governor's recommendation of \$240,000 for equipment purchases and library acquisitions. Within this total dollar amount, the Subcommittee recommends the following allocations:
 - a. To improve library services and increase acquisitions, the Subcommittee recommends a total of \$200,000 and 5.0 F.T.E. classified positions. The recommendation provides \$59,312 for salaries and wages add \$140,688 for library acquisitions and materials.
 - b. The Subcommittee recommends a line item appropriation of \$90,000 for equipment acquisitions.

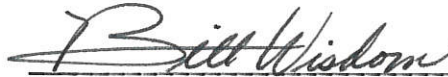
3. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction as follows:
 - a. Lapse of \$882,000 in the previously approved Educational Building Fund (EBF) appropriation for FY 1985 for reconstruction of Nichols Gym and appropriation of \$295,000 from the EBF for FY 1986 to complete the project.
 - b. Appropriation of \$485,000 from the EBF for final planning of a chemistry-biochemistry building.
 - c. Multiyear appropriation from the EBF of \$196,000 for FY 1985 and \$974,000 for FY 1986 for planning and construction of plant sciences greenhouses.
 - d. Appropriation of \$250,000 from the EBF for FY 1985 for final planning of a remodeling of and addition to Weber Hall. Expenditure is subject to State Finance Council approval following review by the Joint Committee on State Building Construction as to the scope of the proposed addition. The planned addition is not to exceed 19,750 net assignable square feet.
 - e. The Subcommittee also concurs in recommending the following projects financed from local or gift funds: Van Zile Hall renovation (\$857,000); parking lot improvements (\$350,000); Holton Hall renovation (\$780,000); coliseum planning (\$937,500); and dormitory maintenance (\$500,000).



Representative Ed C. Rolfs
Subcommittee Chairman



Representative Mike Meacham



Representative Bill Widsom

SUBCOMMITTEE REPORT

Agency: University of Kansas Medical Center Bill No. 2703 Bill Sec. 10
 Analyst: Goering Analysis Pg. No. 131 Budget Pg. No. 3-87

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 133,435	\$ 10,429	\$ --
General Fees Fund	--	--	--
Hospital Revenue Fund	1,790,000	--	--
General Use Funds	<u>\$ 1,923,435</u>	<u>\$ 10,429</u>	<u>\$ --</u>
Other Funds	--	--	100,000
Subtotal	<u>\$ 1,923,435</u>	<u>\$ 10,429</u>	<u>\$ 100,000</u>
Capital Improvements:			
State General Fund	\$ --	\$ --	\$ --
Educational Building Fund	--	--	--
Hospital Fund	--	100,000	(100,000)
Other Funds	--	(6,083)	--
Subtotal	<u>\$ --</u>	<u>\$ 93,917</u>	<u>\$ (100,000)</u>
TOTAL	<u>\$ 1,923,435</u>	<u>\$ 104,346</u>	<u>\$ --</u>

Agency Request/Governor's Recommendation

The University's revised FY 1984 budget includes operating expenditures totalling \$1,923,435 above the general use operating budget approved by the 1983 Legislature and the State Finance Council.

A sum of \$133,435 reflects FY 1983 State General Fund utilities savings which were approved by the 1983 Legislature to be used for energy conservation improvements and other operating expenditures in FY 1984. The University proposes expenditure of this amount for a computerized energy management system and to add electric and steam metering equipment to several facilities on the Kansas City campus.

Also requested by the University is increased expenditure authority totaling \$1,790,000 for the Hospital Revenue Fund. Proposed expenditures from the fund include \$1,600,000 for acquisition of kidney stone lithotripter equipment; \$100,000 for acquisition of equipment associated with expanding the capacity of the neonatal intensive care unit by four intensive care beds; and \$90,000 for acquisition of equipment to establish a center for the study of sleep disorders.

The Governor recommends a net addition of \$10,429 in general use operating expenditures and a net increase of \$93,917 in capital improvement expenditures for FY 1984. The Governor's recommended FY 1984 adjustments to the current approved budget include the \$133,435 State General Fund savings in FY 1983 utilities which was reappropriated to FY 1984. This increase, however, is offset by a reduction of \$123,006 in State General Fund expenditures for the medical scholarship program, based upon the University's most recent revised estimate. The Governor recommends a \$100,000 appropriation from the Hospital Fund as a capital improvement item for acquisition of neonatal ICU equipment. This recommendation is offset in part, however, by a recommended reduction of \$6,083 in Federal Revenue Sharing Fund expenditures for renovating old hospital areas.

15
XVI

The Governor also proposes establishment of a new Hospital Development Fund during FY 1984. The fund would be credited with 50 percent of that amount of revenues accruing to the Hospital Revenue Fund in excess of the Governor's revised revenue projection of \$55,882,252 (after transfers to the Hospital Fund totalling \$600,000). However, the total amount transferred to the new fund could not exceed \$3,000,000. The amounts so transferred to the proposed new fund could be spent without limitation.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation with the following revisions:

1. Shift of \$100,000 in Hospital Fund expenditures for moveable equipment associated with expansion of the neonatal intensive care unit to the operating budget. The Subcommittee notes that this amount is intended as a one-time-only operating expenditure. However, any unexpended balance as of June 30, 1984 is intended to remain available for expenditure in FY 1985. Furthermore, it is intended that expenditures from this appropriation are to be made for the sole purpose of acquiring equipment for expanding the capacity of the neonatal ICU.
2. Addition of language to H.B. 2703 specifying that any unencumbered balance remaining in the Renovating of Old Hospital Areas account as of June 30, 1984 are to be lapsed. The Governor recommended an expenditure reduction of \$6,083 in Federal Revenue Sharing Fund expenditures for FY 1984, but did not include a subsection in H.B. 2703 to lapse these moneys.
3. Deletion of authority recommended by the Governor to expend 50 percent of unanticipated receipts to the Hospital Revenue Fund without limitation.


Representative Bob Arbuthnot
Subcommittee Chairman


Representative Bill Bunten


Representative Keith Farrar


Representative Lee Hamm


Representative Ruth Luzzati

SUBCOMMITTEE REPORT

Agency: University of Kansas Medical Center Bill No. 2805 Bill Sec. 9

Analyst: Goering Analysis Pg. No. 131 Budget Pg. No. 3-87

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 67,882,729	\$ 62,019,757	\$ (2,749,397)
General Fees Fund	4,859,714	5,236,736	—
Hospital Revenue Fund	55,994,298	58,730,365	952,748
General Use Subtotal	<u>\$128,736,741</u>	<u>\$125,986,858</u>	<u>\$ (1,796,649)</u>
Other Funds	33,879,422	33,347,992	1,302,000
Subtotal	<u>\$162,616,163</u>	<u>\$159,334,850</u>	<u>\$ (494,649)</u>
Capital Improvements:			
State General Fund	\$ 3,050,000	\$ —	\$ —
Educational Building	—	2,850,000	(1,602,996)
Fund	—	—	—
Hospital Fund	372,000	—	1,875,000
Other Funds	2,552,755	2,552,755	137,996
Subtotal	<u>\$ 5,974,755</u>	<u>\$ 5,402,755</u>	<u>\$ 410,000</u>
TOTAL	<u>\$168,590,918</u>	<u>\$164,737,605</u>	<u>\$ (84,649)</u>
Bed Complement:			
Neonatal ICU	20	20	—
Bassinets	24	24	—
Other	530	484	—
TOTAL	<u>574</u>	<u>528</u>	<u>—</u>
F.T.E. Positions:			
Classified	3,129.1	3,087.8	2.8
Unclassified	1,349.0	1,342.4	7.4
TOTAL	<u>4,478.1</u>	<u>4,430.2</u>	<u>10.2</u>

Agency Request/Governor's Recommendation

The University's FY 1985 operating budget request includes \$128,736,741 in general use fund expenditures, an increase of 7.3 percent above the revised FY 1984 agency request. The total includes \$67,882,729 from the State General Fund, \$4,859,714 from the General Fees Fund, and \$55,994,298 in expenditures from the Hospital Revenue Fund.

The request includes the following new and improved program funding proposals: resident stipend increments for those in the second and subsequent years of training (\$225,000); nursing faculty salary improvements (\$80,000); increased state support for the Smoky Hill Family Practice Residency Program (\$150,000); increased support for library acquisitions (\$40,000); addition of a 0.2 F.T.E. Medical Director for the emergency medical training program (\$10,000); establishment of Master's Degree programs in nurse anesthesia, physical therapy, and respiratory therapy (\$78,000 and 3.0 F.T.E. faculty positions); additional staff support for the School of Medicine - Wichita library (\$23,000 and 1.5 F.T.E. positions); addition of a Research Director position and associated operating support for the School of Medicine - Wichita (\$27,060 and 1.0 F.T.E. position); additional nursing staff and operating support to allow a four-bed expansion of the neonatal ICU (\$100,000 and 5.0 F.T.E. nursing positions); operating support needed for use of a kidney stone lithotripter (\$200,000); and staffing for a center for the study of sleep disorders (\$28,000 and 1.0 F.T.E. Technical Director).

16

The institution also requested four capital improvement projects for initiation in FY 1985. \$2,850,000 is requested from the State General Fund for FY 1985 to purchase major equipment and initiate construction of an addition to Applegate Energy Center. \$200,000 is requested for initiation of a renovation project to ready space for installation of a nuclear magnetic resonance (NMR) imaging system for Diagnostic Radiology. \$372,000 is requested as an appropriation from the Hospital Fund for initiation of a laundry renovation project. Finally, \$50,000 is requested to be spent from parking fees for miscellaneous parking lot improvements.

The Governor recommends a total general use operating budget of \$125,986,858, including \$62,019,757 from the State General Fund, \$5,236,736 from the General Fees Fund, and \$58,730,365 from the Hospital Revenue Fund. The Governor proposes a reduction of 40.0 F.T.E. classified positions in the hospital, based on a reduction in the number of general hospital beds from 530 to 484. The Governor also recommends a reduction of \$285,488 in the salaries and wages base for residents, assuming a reduction of 16 slots from the current number. A total of 3.2 F.T.E. other positions are proposed for deletion, including 1.8 clerical positions in Kansas City and 1.4 positions in the School of Medicine - Wichita.

Partially offsetting these reductions in the base operating budget are increases for the following new and improved programs: increased state support for the Smoky Hill Family Practice Residency Program (\$150,000); establishment of a Master's Degree program in nurse anesthesia (\$75,000 and 2.0 F.T.E. positions); and expansion of the neonatal ICU (\$100,000 and 5.0 F.T.E. nursing positions).

The Governor recommends \$2,850,000 from the Educational Building Fund for FY 1985 (plus \$1,880,000 in FY 1986) to construct an addition to Applegate Energy Center. Also recommended is the \$50,000 parking lot improvement project.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Revisions as follows to coincide with the Committee's systemwide decisions on Regents' Institutions:
 - a. Deletion of \$2,838,380 from the recommended amount for classified salaries and wages associated with cost-of-living adjustments recommended by the Governor. This adjustment assumes that the intent of the Governor is to apply an overall shrinkage rate of 4.73 percent to the aggregate classified salary base in FY 1985.
 - b. Addition of \$276,736 to provide an additional 1 percent increase in unclassified staff salaries.
 - c. Addition of \$294,065 to allow an additional increase of 1 percent in other operating expenditures. This adjustment includes an increase of \$12,524 to adjust contract resident stipends by 6 percent, rather than 5 percent as recommended by the Governor.
 - d. Reduction of \$1,675 in revenues anticipated in the Governor's recommended budget to the General Fees Fund, associated with increasing Graduate Teaching Assistant fee waivers from 60 to 65 percent.

- e. Reduction of \$52,277 based on a 7 percent increase in utility expenditures, rather than 8 percent as recommended by the Governor.
2. Shift of \$252,000 in recommended expenditures for the medical scholarship program from the State General Fund to the Medical Scholarship Repayment Fund.
3. Addition of \$80,000, plus \$9,936 for associated fringe benefit costs (less shrinkage) to provide increases in salaries for School of Nursing faculty.
4. Addition of \$12,750, and 0.5 F.T.E. unclassified position, to allow the existing half-time Research Director position at the School of Medicine - Wichita to be converted to full-time.
5. Addition of \$23,000, plus \$3,588 for associated fringe benefits (less shrinkage) and 1.5 F.T.E. unclassified positions to increase the staffing complement for the School of Medicine - Wichita library.
6. Revision of the proviso attached to the State General Fund operating expenditure line item appropriation to permit an increase in pay differential from 5 percent to 10 percent for classified nursing personnel who work the 3:00 p.m. to 11:00 p.m. shift. The Subcommittee notes that no addition to the salaries and wages base budget is provided for the purpose of funding this increase.
7. Addition of a proviso to a separate line item for utility expenditures to authorize the University to negotiate natural gas purchase rates. The proviso would also include authority to expend moneys from the line item utilities appropriation for construction of a short pipeline. Further, in accordance with the systemwide decisions of the full Committee, any FY 1984 utility savings would be reappropriated to FY 1985 for energy conservation projects.
8. Addition of "telecommunications services" to the list of internal service activities which may be financed from the Service Clearing Fund.
9. The Subcommittee learned that the University wishes to clarify its authority to expend moneys for advertising in order to promote Bell Memorial Hospital. Reasonable expenditures for such purposes are necessary, in the opinion of the Subcommittee, to allow the University Hospital to compete with private hospitals in the Kansas City area. The Subcommittee has no disagreement with the limited use of state moneys for such purposes, but would encourage the University to use discretion in avoiding unnecessarily expensive methods to market the hospital's services.
10. Deletion of authority to expend without limitation 50 percent of any receipts to the Hospital Revenue Fund in excess of the revenues projected by the Governor.
11. Restoration of \$14,609 and 0.4 F.T.E. unclassified faculty position deleted in the Governor's recommendation for the School of Medicine - Wichita.

12. Restoration of \$8,142 and 0.5 F.T.E. position deleted by the Governor's recommendation from staffing for the School of Medicine - Wichita. Although the recommended reduction was in the classified F.T.E. limitation, the Subcommittee recommends restoration of the half-time slot as an unclassified position as it is currently being utilized.
13. Restoration of \$4,908 and 0.5 F.T.E. unclassified position recommended for reduction by the Governor. The Subcommittee learned that this teaching assistant position, located at Wichita, was filled in the fall of 1983.
14. Addition of \$15,000 to the other operating expenditure base for acquisition of books and journals for the recently opened Archie Dykes Library.
15. Restoration of 1.8 F.T.E. clerical positions deleted by the Governor's recommendation for the Kansas City campus. The Subcommittee notes that it does not recommend restoration of funding for these positions.
16. Addition of a proviso to eliminate the need for closing out accounts on research grants at the end of each state fiscal year. A proviso is also recommended to allow contracts financed from research grants to be exempt from competitive bidding requirements. The Subcommittee is of the opinion that the issue of providing more flexibility for projects funded from research grants is one which would be equally advantageous to other Regents' institutions. Therefore the Subcommittee recommends the addition of similar provisos to the appropriate sections for each institution in H.B. 2805.
17. The Subcommittee notes its concern with the lack of correlation between the University's number of unclassified personnel equated to full-time and the F.T.E. limitation for such employees, both at the Kansas City and Wichita campuses. The Subcommittee recommends that the University thoroughly document the extent of this problem and submit a report to the 1985 Legislature on its results. The report should include a formal review of the alternatives available to the Legislature to address this situation, including removal of the F.T.E. limitation on faculty positions; removal of the F.T.E. limitation on positions (both classified and unclassified) financed from research grants; and/or a one-time-only adjustment of the current F.T.E. limitation to coincide with the number of positions equated to full-time who are actually serving the University.
18. Increase of \$225,000 in Hospital Revenue Fund expenditures for the salary and fringe benefit costs of providing incremental stipend increases to the University's residents located on the Kansas City campus. The increments would be in addition to base stipends financed from state funds, and would be made available to residents who are in their second and subsequent years of resident training.
19. Restoration of \$194,277 in Hospital Revenue Fund expenditures to reduce shrinkage rates recommended by the Governor for classified staff from 4.73 percent to an overall rate of 4.29 percent. The Subcommittee recommends application of a 5 percent shrinkage rate for all classified staff salaries with the exception of nursing staff salaries, for which a 3 percent shrinkage rate is recommended.

20. Reduction of \$587 from Hospital Revenue Fund expenditures to appropriately adjust resident stipends, fringe benefits, and associated other operating costs for medical liability insurance based upon a total of 317 residents. This total number, in addition to 74 residents supported through contract agreements with Wichita hospitals, equates to the number of state-supported residents recommended by the Governor for FY 1985.
21. Reduction of \$40,416 in Hospital Revenue Fund expenditures to appropriately adjust health insurance benefits associated with the reduction of 40.0 F.T.E. classified positions as recommended by the Governor.
22. Addition of \$180,000 in operating expenditures financed from the Hospital Revenue Fund, 4.0 F.T.E. unclassified positions, and 1.0 F.T.E. classified clerical position to establish an internal collection unit in the hospital business office beginning in FY 1985. The Subcommittee notes that the Board of Regents approved this request at its February 17 meeting as an addendum to the University's budget request. The new collection unit is expected by the University to generate \$511,040 in receipts to the Hospital Revenue Fund, in addition to revised revenue projections for both FY 1984 and FY 1985 which were adopted by the Board of Regents at its February 17 meeting.
23. Addition of \$45,000 in Hospital Revenue Fund expenditures to the unclassified salary base for FY 1985 to allow for ongoing salary expenditures associated with employing a marketing professional for the Office of Health Care Resources. The University added this position to the payroll on March 5, 1984; hence it is not necessary to add 1.0 to the unclassified F.T.E. limitation for this purpose.
24. The Subcommittee learned that the University is preparing a response to one of the recommendations of the Budget Committee during the 1983 interim regarding the possible need for revisions to administrative policies in order to provide the University with the necessary flexibility to competitively operate Bell Memorial Hospital. The Subcommittee anticipates that the University's response will be available for legislative review by March 19, 1984. The Subcommittee recommends that the University present the report to a joint meeting of the House and Senate Ways and Means Subcommittees. With particular reference to possible proposals forthcoming in the area of reclassification of positions, the Subcommittee notes that additional consideration may be warranted prior to adjournment of the 1984 Legislature.
25. Increase of \$1,500,000 in the amount of \$600,000 recommended by the Governor to be transferred in FY 1985 from the Hospital Revenue Fund to the University of Kansas Hospital Fund. The Subcommittee also recommends that the entire \$2,100,000 transfer be made on July 1, 1984, rather than the traditional four equal quarterly transfers.
26. Appropriation of \$310,000 from the Hospital Fund for preliminary and final planning and construction necessary to ready space in the old power plant building for installation of automated laundry equipment. This adjustment coincides with the Building Construction Committee's recommendation to provide capital improvement funding for the purpose of renovating the


hospital's laundry. It should be noted that the Subcommittee anticipates inclusion in the FY 1986 budget request of a proposal for acquiring automated laundry equipment on a lease-purchase basis, financed from savings in other operating expenditures now incurred for partial contract laundry work. The proposal is expected to include the number of classified laundry employees which could be eliminated following installation of the automated laundry equipment during FY 1986.

27. Appropriation of \$200,000 from the Hospital Fund, as recommended by the Building Construction Committee, to plan and initiate site preparation for installation of a nuclear magnetic resonance imaging system for Diagnostic Radiology.
28. Increase of \$250,000 in Hospital Revenue Fund operating expenditure authority for lease or lease-purchase of a nuclear magnetic resonance imaging system for Diagnostic Radiology. Lease of such equipment is expected to cost approximately \$40,000 per month, following anticipated installation on January 1, 1985. It should be noted that the total lease-purchase cost will be approximately \$480,000 annually over a five-year period, for a total of \$2,400,000. The Subcommittee is of the opinion that a lease-purchase arrangement is in the best interests of the University for the acquisition of this state-of-the-art diagnostic equipment. The Subcommittee also encourages the institution to enter into cooperative agreements with other hospitals and/or private practice groups for the sharing of lease and operating costs associated with the NMR imaging system. The Subcommittee is of the opinion that the benefits of such equipment can be maximized by locating it in a University hospital where it can be used for educational and research purposes as well as for patient care. The Subcommittee recognizes that additional staffing may be required for operation of the NMR system, and encourages the University to submit a request for any necessary staffing to the 1985 Legislature.
29. Appropriation of \$800,000 for FY 1985 and an additional \$800,000 for FY 1986 from the Hospital Fund for acquisition of a kidney stone lithotripter. These amounts would be added to the other operating expenditure budget for both fiscal years, but are to be excluded from application of any O.O.E. percentage increases. This two-year appropriation will enable the University to acquire a Dornier lithotripter for installation during FY 1986. Appropriation of the full \$1,600,000 is necessary now to authorize the University to order the equipment from the West Germany firm which is the sole manufacturer for the equipment.
30. Revisions to the funding of the proposed addition to the Applegate Energy Center as follows, in accordance with recommendations of the Building Construction Committee:

	<u>FY 1985</u>	<u>FY 1986</u>	<u>TOTAL</u>
<u>Acquisition of Chiller Units and Cooling Towers</u>			
Hospital Fund	\$1,365,000	\$ --	\$1,365,000
<u>Other Equipment and Construction</u>			
Federal Revenue Sharing Fund	137,996	--	137,996
Educational Building Fund	<u>1,247,004</u>	<u>1,980,000</u>	<u>3,227,004</u>
Subtotal/Total	<u>\$2,750,000</u>	<u>\$1,980,000</u>	<u>\$4,730,000</u>


31. Reduction of \$85,000 in the amount estimated by the Governor to be transferred from the Hospital Revenue Fund to finance debt service payments on the new clinical facility in FY 1985.

32. Increase of \$88,960 in anticipated additional receipts to the Hospital Revenue Fund for FY 1985. This amount, in addition to \$100,000 anticipated in the Governor's recommended budget, reflects the University's most recent estimate of the amount of additional revenue which will result from expansion of the neonatal intensive care unit. The Subcommittee has also incorporated the revised revenue projections adopted by the Board of Regents on February 17, 1984, for both FY 1984 and FY 1985. As adjusted for the reasons noted in this report, the total balance in the Hospital Revenue Fund expected to carry forward to FY 1985 is \$5,923,113. Additional receipts expected by the Subcommittee for FY 1985 total \$59,700,000, including \$511,040 as a result of adding an internal collection unit to the hospital's business office and \$188,960 from the expansion of the neonatal ICU. The Board of Regent's estimate, assuming continuation of current hospital programs, is \$59,000,000. The anticipated revenues available for expenditure in FY 1985, less recommended Hospital Revenue Fund expenditures and transfers as adjusted by the Subcommittee, are anticipated to retain a balance of \$2,000,000 in the fund at the end of FY 1985.


Representative Bob Arbuthnot


Representative Bill Bunten


Representative Keith Farrar


Representative Lee Hamm


Representative Ruth Luzzati

DRAFT BILL NO. _____

AN ACT concerning the state board of regents; authorizing the conveyance of certain property in Johnson county, Kansas, to the Kansas university endowment association.

WHEREAS, The property at 5300 Mission Woods in the city of Mission Woods, Kansas, was deeded to the state of Kansas by the Kansas university endowment association at no cost to the state for use by the university of Kansas medical center; and

WHEREAS, The university of Kansas medical center no longer has a use for this property: Now, therefore,

Be it enacted by the Legislature of the State of Kansas:

Section 1. The state board of regents acting for the state of Kansas is hereby authorized to convey by deed, without consideration, back to the Kansas university endowment association all of the property located in Johnson county, Kansas, and described as follows:

Lots 1 and 2 in Block 3, in Mission Woods, formerly a subdivision in Johnson county, Kansas, but now incorporated into the city of Mission Woods, less highway.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

17
XVII

Agency: Department of Human Resources Bill No. 2703 Bill Sec. 6Analyst: Julian Efird Analysis Pg. No. 481 Budget Pg. No. 2-15

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84^a</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 31,335,344	\$ 30,530,322	\$ (276,333)
Aid to Local Units	12,781,843	12,781,843	218,741
Other Assistance	246,747,200	246,747,200	(60,000,000)
Subtotal - Operating	<u>\$290,864,387</u>	<u>\$290,059,365</u>	<u>\$(60,057,592)</u>
Capital Improvements	391,969	391,969 ^a	—
Total	<u>\$ 291,256,356</u>	<u>\$ 290,451,334</u>	<u>\$ (60,057,592)</u>
State General Fund:			
State Operations	\$ 2,215,105	\$ 2,150,762	\$ (62,592)
Other Assistance	15,000	15,000	—
Total	<u>\$ 2,230,105</u>	<u>\$ 2,165,762</u>	<u>\$ (62,592)</u>
F.T.E. Positions:	1,091.35	1,088.8	(19.0)

a) Does not include Governor's Budget Amendments.

Agency Request/Governor's Recommendations

The Department requests a supplemental State General Fund appropriation of \$56,344 and an adjustment in the WIN program expenditure limitation amounting to an increase of \$110,808. In addition, the agency requests an emergency supplemental of \$29,290 of Reed Act funds as a Governor's Budget Amendment in order to complete remodeling a building purchased in Wichita.

The Governor recommends in the Budget Report a reduction of \$6,047 in State General Fund expenditure authority and concurs with the WIN adjustment of \$110,808. Governor's Budget Amendment No. 1 recommends an additional \$29,290 in expenditures from Reed Act funds for the Wichita project.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations, except for the following:

1. Lapse the following amounts from the State General Fund for salaries and wages because four positions assigned to the programs have been vacant most of FY 1984: \$17,352 from Employment Standards, \$16,374 from the Committee for Employment of the Handicapped, \$12,053 from the Apprenticeship subprogram, and \$10,000 from the Committee for Mexican American Affairs. A total of \$55,779 would be lapsed.

18

XVIII

2. Allow financing for the reclassification of an Employment Relations Administrator from Salary Range 30 to Salary Range 32 instead of Salary Range 35 as recommended by the Governor. The Subcommittee feels that this supervisory position should be on a range where the administrative heads of Unemployment Insurance, Employment Services and Job Training are currently classified. State General Fund salary savings of \$1,813 should be lapsed. (See item 12 in the FY 1985 recommendations also.)
3. Shift \$5,000 of financing from the State General Fund to federal funds for other operating expenses in Veterans Services and lapse the \$5,000 savings from the State General Fund account. A carryover balance in the federal account of \$77,778 estimated by the Governor would be reduced to \$72,778 and allow more than adequate resources to help finance the Governor's FY 1985 recommendations.
4. Delete 19.0 F.T.E. positions, of which 6.0 F.T.E. were assigned to Data Processing Services and 13.0 F.T.E. (19 positions budgeted for nine months) assigned to Job Training Service. All positions have been vacant all year to date (since October 1 for the Job Training positions). The Subcommittee recommends that savings of \$218,741 from Job Training be shifted to Aid to Local Units for financing local programs in the five Service Delivery Areas (SDAS). The Data Processing savings should be made available to finance part-time help if necessary. (See item 2 in the FY 1985 recommendations for other details.)

In addition, the Subcommittee recommends that expenditure limitations be placed on the Job Training accounts which the State Finance Council approved with no-limit expenditure authority. The Subcommittee requested information from the Department about changes in anticipated receipts and expenditures which have occurred since the Governor's Budget Report recommendations were presented in January, but no response has been received by this Subcommittee. Therefore, the Subcommittee recommends that the Governor's recommendations less the Subcommittee adjustments be established as expenditure limitations for the Job Training Service accounts in order that some legislative oversight be assured if additional receipts or expenditures are to be included this fiscal year. If the revised estimates are lower, then the recommended limitations will allow for spending at levels recommended by the Governor and adjusted by the Legislature.

5. Reject the supplemental request for \$29,290 from Reed Act funds for capital improvements as recommended by Governor's Budget Amendment No. 1 and do not include any expenditure authority increase in the supplemental finance bill. In addition, the Subcommittee recommends that expenditure limitations be placed on the Employment Security Administration Fund in the amount of \$391,969 to restrict spending to Reed Act funds since the Department is apparently spending other federal funds for maintenance and repair projects. Information reviewed by the Joint Committee on State Building Construction indicated that financing for capital improvements would be exclusively from Reed Act funds and their recommendations for FY 1984, which the 1983 Legislature approved, were based on that assumption.

The Department failed in its revised FY 1984 estimate for capital improvements to request any expenditures to be financed from funding sources other than Reed Act funds. The appropriatiuons bill language, however, does allow such expenditures from sources other than Reed Act funds. The Joint Committee on State Building Construction reviewed this matter and recommends the supplemental request for \$29,290 should be denied. (See item 18 in the FY 1985 recommendations.)

6. Decrease the estimate of expenditures for Unemployment Insurance Benefits in FY 1984 by \$60,000,000, of which \$50,000,000 is attributed to regular benefits financed by the Trust Fund and \$10,000,000 is related to Federal Supplemental Compensation (FSC) which are 100 percent federally funded payments. No revisions were provided by the Department, although both actual expenditures for the first seven months and data provided the House Committee on Labor and Industry in late January would suggest that these levels of reductions are likely. The Trust Fund ending balance would be adjusted from the Governor's estimate of \$108 million to \$158 million if the Subcommittee adjustments are adopted. Retain a no-limit line item to allow higher payments if the demand varies from the adjustment in estimate.
7. Add a proviso to limit capital outlay expenditures to the amount recommended by the Governor since the Department spent \$825,222 in FY 1983 or almost three times the amount recommended by the Governor and approved by the Legislature. (See item 16 in the FY 1985 recommendations.)
8. Add a proviso which would allow the transfer of WIN funding for the Department of Social and Rehabilitation Services' portion of the federal contract to be effected without an encumbrance against the WIN expenditure limitation.
9. Add a \$0 limitation to replace a no-limit line item for the Special Employment Security Fund since no expenditures are requested by the agency nor recommended by the Governor in FY 1984. The agency apparently plans to spend at least \$50,000 from the Fund and the Subcommittee feels that legislative review should be guaranteed since the Fund has a balance in excess of \$1 million. (See item 19 in the FY 1985 recommendations for additional details.)
10. In addition, a technical change in the appropriations bill is recommended by the Subcommittee in order to lapse State General Fund money before the end of the fiscal year as the Governor's plan would effect. Expenditure authority of \$2,081 in salaries and wages and \$3,966 in other operating expenses which the Department used in FY 1983 out of its legislative reappropriation from anticipated FY 1983 savings would be lapsed June 30 under the current appropriations language and the Subcommittee recommends the effective date be upon publication of the supplemental bill.



Representative David Miller
Subcommittee Chairman



Representative Harold P. Dyck



Representative Don Mainey

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85^a</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 33,688,846	\$ 32,001,139	\$ (1,746,661)
Aid to Local Units	10,185,000	10,185,000	372,371
Other Assistance	166,617,000	166,617,000	—
Subtotal - Operating	<u>\$210,490,846</u>	<u>\$208,803,139</u>	<u>\$ (1,374,290)</u>
Capital Improvements	351,500	351,500 ^a	(147,500) ^b
Total	<u>\$210,842,346</u>	<u>\$209,154,639</u>	<u>\$ (1,521,790)</u>
State General Fund:			
State Operations	\$ 2,533,711	\$ 2,392,174	\$ (239,120)
Other Assistance	17,000	17,000	—
Total	<u>\$ 2,550,711</u>	<u>\$ 2,409,174</u>	<u>\$ (239,120)</u>
F.T.E. Positions	1,071.5	1,065.5	(28.0)

a) Does not include Governor's Budget Amendments.

b) Includes Governor's Budget Amendment No. 1 for \$147,500 reduction.

Agency Request/Governor's Recommendations

The Department's operating budget in FY 1985 reflects a reduction in expenditures from the current year because of lower estimated unemployment benefit payments. Between FY 1984 and 1985 the Department requests an increase in state operations of \$2,353,502 or 7.5 percent from all funds, while the State General Fund request would amount to an increase of \$320,606 or 14.4 percent over the current year agency request.

The Governor's recommendations for unemployment benefit payments coincide with the agency's estimate. The Governor recommends expenditures for state operations which are \$1,470,817 more than the revised FY 1984 estimate. State General Fund expenditures would increase \$243,412 by the Governor's plan, which is 11.2 percent over the current year estimate.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations except for the following adjustments:

1. Remove financing for the 5 percent plus \$17 per month salary adjustment pending legislative determination of a state salary policy, including \$113,061 from the State General Fund, \$937,970 from the Employment Security Administration Fund (including \$45,811 for WIN), \$129,542 from the Job Training funds, \$94,633 from the ESSI Fund, \$56,309 from the Workers' Compensation Fee Fund, \$12,273 from the OSHA Fund, \$6,615 from the Boiler Inspection Fee Fund, and \$5,470 from the Occupational Information System Fund. (The appropriate offsets have been made in these reductions to take into account the Governor's recommended salary turnover savings.)

25
14

2. Delete 19.0 F.T.E. positions out of 115.0 F.T.E. positions recommended by the Governor for the Job Training program and shift salary savings of \$372,371 to aid for local units where Service Delivery Areas (SDAs) operate local programs. The staffing recommended by the Governor includes 37.0 F.T.E. in the central administration and 78.0 F.T.E. in five SDAs. All central administrative positions are currently filled, but only 52.0 are filled at field locations. In part, these vacancies are attributed to two things: 13.0 F.T.E. budgeted for SDA 3 (Kansas City) are vacant because the PIC has not contracted with the state to provide service workers and 3.0 F.T.E. area supervisors are jointly appointed in this program and Employment Service, while their F.T.E. positions and salaries are budgeted 100 percent against both programs. Since 50 percent of the three area supervisors' salaries are paid by Employment Service and Job Training, the Subcommittee recommends prorating the financing (and making the appropriate reductions, including \$58,470 in Employment Service program) and deleting 3.0 F.T.E. positions assigned to Job Training since the same three positions are assigned to the Employment Service program. Because of additional vacancies, including the 13.0 budgeted for SDA 3, the Subcommittee recommends deleting another 16.0 positions and financing.

In addition, the Subcommittee recommends that expenditure limitations be added to the appropriations bill for Title II-A, II-B, and III since the state will receive a higher allocation of federal funds than was anticipated by the Governor's recommendations for Job Training. The Subcommittee requested the Department to provide a current estimate of how the additional funds would be expended, but failed to receive the data in time to consider the impact of \$3.4 million in additional receipts. By establishing limits on expenditures based on the Governor's recommendations (less Subcommittee adjustments), the Legislature will be able to exercise oversight as to how the Department intends to spend these additional funds.

3. Restore \$125,000 in federal financing for part-time employees in the Unemployment Insurance program based on trends in FY 1984 which suggest that intermittent employees' compensation may be underfunded in FY 1985.
4. Delete 2.0 new F.T.E. positions and \$46,533 from the State General Fund in salaries and benefits plus \$930 in other operating expenses for an Attorney II and Secretary II to handle wage claim litigation. The Subcommittee notes that an Attorney II was approved by the 1983 Legislature for wage claim litigation, but then reclassified to an Attorney I in recent months to serve as a hearing officer for wage claim cases. The Governor rejected establishing an Attorney I for such duties as requested in the FY 1984 C level budget and the 1983 Legislature concurred with that recommendation. The Subcommittee recommends \$3,354 from the State General Fund to finance reclassifying the Attorney I position back to an Attorney II for wage claim litigation and also recommends an additional \$10,000 from the State General Fund to finance an intermittent Attorney I for wage claim hearings. The Subcommittee notes that the Department has indicated an intent to reallocate a vacant full-time Employment Standards Administrator position to a hearing officer for wage claim cases and that the Governor's recommendations anticipate this change by reducing the financing to an appropriate level. Since the Department apparently employs a part-time Special Projects attorney to assist in wage claim hearings, the Subcommittee adds the financing of \$10,000 which the Department failed to budget.

5. Reduce \$24,538 from the State General Fund for a new Administrative Officer II in the Apprenticeship Training program. The Subcommittee does not delete the 1.0 F.T.E. new position and suggests that the Department seek federal funds (such as Job Training funds) in order to finance new staff. The Subcommittee notes that the other position budgeted for this program, a Clerk III, has been vacant since July 18, 1983 and urges the Department to fill the position in FY 1985 since State General Funds are recommended to finance it.
6. Delete 6.0 F.T.E. existing positions in the Data Processing Services program, leaving 56.0 F.T.E. positions. The Subcommittee notes that the staffing level in this program has ranged between 51.5 and 54.5 this fiscal year, while 52.3 positions were filled in FY 1983. The Subcommittee does not reduce federal funds and suggests that the salary savings be used to hire part-time employees if the need arises.
7. Reduce \$17,519 from the State General Fund and shift financing of \$17,519 to the Kansas Veterans' Commission Fund in order to spend down approximately one-third of its projected balance each year over a three year period. The financing represents the salary of one Veterans Service Representative I.

The Subcommittee also reviewed the Post Audit report on the Veterans' Commission, but the agency response to Subcommittee questions came too late to be addressed by the Subcommittee. The Subcommittee recommends that the House Governmental Organization Committee and the Senate Ways and Means Subcommittee on the Department review these documents.

8. Increase the budgeted salary turnover savings in the Workers' Compensation program from \$4,995 (0.5 percent) to \$21,270 (2.1 percent) for a reduction of \$16,275 of expenditure authority. This rate more closely approximates actual experience of the agency in FY 1983 when actual expenditures were \$808,240 for salaries and benefits, while its approved budget was \$829,510, a difference of \$21,270. In FY 1983 the agency had an approved salary turnover rate of \$4,168 or 0.5 percent. Total salary turnover savings in FY 1983 amounted to \$25,438 or 3.1 percent.

The Subcommittee strongly urges the Workers' Compensation program administrators to lower their assessment rate because the fee fund balance appears to be 50 percent greater than the current annual operating budget.

9. Reallocate rental expenses at 512 W. 6th Street where a building addition will expand currently leased space into which other Departmental agencies will be relocating in early July, 1984. The Governor's recommendations do not take into account the proposed move nor are rental expenses assessed against the federally-funded portion of the Industrial Safety program or the fee funded Boiler Inspection program. The Subcommittee recommends that State General Fund financing be reduced by \$5,324, OSHA financing increased by \$16,569 and Boiler Inspection Fee Fund financing increased by \$1,494 to pay prorated costs at 512 W. 6th Street. The Subcommittee does not recommend any adjustments in the Governor's recommendations for Veterans' Services, Committee for the Employment of the Handicapped or Committee for Mexican-American Affairs to pay the costs of additional space at 512 W. 6th Street. The Subcommittee believes that these agencies should pay the same State General Fund amount at the new location that was anticipated in the Governor's recommendations for FY 1985.


10. Reallocate financing for the Industrial Safety program to reflect more closely the provisions of the federal OSHA contract for prorating services between state and federal duties. Approximately 6.5 F.T.E. positions should be financed from the State General Fund and 8.5 F.T.E. (including 1.0 new positions for Industrial Health) should be financed from OSHA funds. The Subcommittee recommends a reduction in State General Fund financing of \$19,131 and a corresponding increase in OSHA financing. This shift is possible because of a carryover balance of OSHA funds resulting from overfinancing from the General Fund in the past when additional OSHA funds could have been used instead.
11. Reduce other operating expenditures in Employment Standards by \$8,186 to remove financing for activities related to a wage survey which were not recommended for funding by the Governor and for funding travel at the current year level. If H.B. 2797 is enacted this Session, then financing of the wage survey should be addressed in the Omnibus Appropriations bill.
12. Concur with the upgrading of two administrators, an Industrial Safety Administrator and a Labor Relations Administrator, but provide financing to allow reclassifications from Salary Range 30 to Salary Range 32 instead of Salary Range 35 as recommended by the Governor. The Subcommittee feels that reclassifications should be to ranges no higher than those of other Departmental administrators who are in charge of such programs as Unemployment Insurance, Employment Services and Job Training since they are assigned Salary Range 32. State General Fund reductions of \$8,312 and OSHA reductions of \$3,200 would be possible.
13. Reduce travel expenditures for Public Employees Relations to current year estimates which would allow savings of \$3,066 from the State General Fund.
14. Reduce financing of \$5,874 from the State General Fund and shift to the Dispute Resolution Fund which has recovered \$5,874 under provisions of K.S.A. 72-5427 and 72-5428 for expenditures in prior years encumbered against the State General Fund. The Subcommittee believes that these available funds should be spent from the Dispute Resolution Fund in place of those from the State General Fund and that expenditures of \$5,874 reflect this intent.
15. Delete 1.0 F.T.E. positions for a Special Projects position in the Office of the Secretary. The Governor recommends only three months of financing in FY 1985 and a Special Projects position does not require an F.T.E. position to be assigned.
16. Add a proviso to limit the expenditures of Employment Security Administration funds for capital outlay to the amounts recommended by the Governor. The Subcommittee notes that the department spent almost three times more than the amount approved for capital outlay in FY 1983, with total expenditures of \$825,222 for equipment.

17. Add an expenditure limitation to restrict expenditures for capital improvements to financing from Reed Act funds since the Department has spent Employment Security Administration funds in the current year for maintenance and repair projects originally budgeted with Reed Act funds. The Subcommittee is concerned about the degree of flexibility exercised by the Department through the use of no-limit expenditure authority and believes that the Joint Committee on State Building Construction should be aware that financing for capital improvements is currently being charged against both Reed Act funds and Employment Security Administration funds as described in the Subcommittee's FY 1984 recommendations.
18. Approve Governor's Budget Amendment No. 1 which reduces the amount of Reed Act funds to be expended in FY 1985 by \$147,500, with the projected projects estimated at \$204,000. Remove language in the bill which does not apply to the maintenance and repair of buildings.
19. Add a \$0 expenditure limitation to the Special Employment Security Fund since neither the agency requests nor the Governor recommends any expenditures from this fund in FY 1985. Add a proviso which allows for transfers out of this fund to pay for audit exceptions or to use as a revolving fund in order to conform with K.S.A. 44-716a. The Subcommittee's FY 1984 recommendations addressed this fund at length.

In other matters, the Subcommittee wishes to make several observations and issue several directives for the Department.

1. After reviewing the recent trends for financing the Employment Service and noting that reductions in federal funding are projected to continue for this program in the next few years, the Subcommittee wishes to go on record as opposed to any future shifting of operating costs to State General Fund financing to replace lost federal dollars. The Subcommittee is extremely concerned about the impending reductions in federal dollars and the projected increases in salaries, especially after hearing about a comprehensive reclassification study which could raise salaries even more than cost-of-living and merit increases. In addition, the Subcommittee is concerned about the limited ability to track in the Department's budget the flow of revenues from the different Employment Service grants into the Employment Security Administration Fund where other federal reimbursements, including Unemployment Insurance administration funds, are deposited and commingle. On the expenditure side of the budget, it becomes impossible to track how the different sources of federal funds are allocated among the different programs when activities such as Staff Services are financed from the Employment Security Administration Fund without reference in the budget as to how much service is attributed to Unemployment Services as opposed to Employment Service. By statute, federal funds as provided under 48 Stat. 113; U.S.C., title 29, sec. 49 (c1) as amended are deposited in this Fund. K.S.A. 44-716 establishes the state fund.

2. Because of difficulty in using the budget document, as noted in item 1 above in reference to one specific instance, the Subcommittee recommends that the Division of Budget and Legislative Research Department provide advisory services to the Department in revising the basic budget document prior to its submission of the FY 1986 request and that the Department undertake changes in the budget format to make it more meaningful and informative and to coincide with the Department's organization.
3. The Subcommittee directs the Department to submit as part of the budget review process any and all reclassifications which may be undertaken in regard to the Employment Service, Unemployment Service, Job Training and WIN programs. The fiscal impact of such reclassifications should be reviewed by both the Governor and Legislature prior to implementation even if sufficient resources are available in the FY 1984 or 1985 operating budgets.
4. In regard to the new Job Training program, the Subcommittee believes that training funds should be used for class size programs and that costs of classes should be paid exclusively from federal funds. This would limit the state's cost paid to area vocational schools or community colleges for vocational training programs. Otherwise JTPA funds are used as "seed money" that place greater demands on the General Fund.
5. The Subcommittee recommends that the fees of the Boiler Inspection program be increased in the near future in order to avoid a possible cash flow problem in FY 1985. The Subcommittee notes that a State General Fund transfer of \$48,800 was required in FY 1983 to maintain the program and that receipts to the Boiler Inspection Fee Fund are less than needed to support its level of expenditures.
6. Add a proviso which has no fiscal impact except to allow the transfer of WIN funding for the Department of Social and Rehabilitation Services' portion of the federal contract to be effected without an encumbrance against the WIN expenditure limitation for administration of the program.



Representative David Miller
Subcommittee Chairman



Representative Harold P. Dyck



Representative Don Mainey

DRAFT BILL NO. _____

AN ACT relating to taxation; concerning the levy of taxes by the state of Kansas upon all tangible property in the state; amending K.S.A. 76-6b09 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 76-6b09 is hereby amended to read as follows: 76-6b09. (a) There is hereby levied in the year ~~1977~~ 1984, a state tax of ~~one-tenth-(1/10)~~ 1/2 mill upon all taxable tangible property in the state. Such tax levy shall be in addition to all other state tax levies authorized by law. Such tax levy shall be for the use and benefit of state correctional institutions.

(b) The county treasurer of each county shall make the proceeds of the tax levy provided for in this section available to the state treasurer immediately upon collection. When available the state treasurer shall withdraw from each county the proceeds of the taxes raised by such tax levy. Upon such withdrawal the state treasurer shall deposit the same in the state treasury.

(c) All moneys received by the state treasurer under this section shall be credited to the correctional institutions building fund, which is hereby created, to be appropriated by the legislature for use and benefit of state correctional institutions.

Sec. 2. K.S.A. 76-6b09 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

19

XIX

SUBCOMMITTEE REPORT

Agency: Board of Regents' Office Bill No. 2805 Bill Sec. 11

Analyst: Monical Analysis Pg. No. 147 Budget Pg. No. 3-71

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,646,770	\$ 3,267,551	\$ (2,050,476)
Other Assistance	5,954,438	5,296,129	—
Aid to Local Units	—	—	—
Subtotal	\$ 7,601,208	\$ 8,563,680	\$ (2,050,476)
Capital Improvements	4,000,000	4,000,000	(1,200,000)
TOTAL	\$ 11,601,208	\$ 12,563,680	\$ (3,250,476)
State General Fund:			
State Operations	\$ 1,646,770	\$ 3,267,551	\$ (2,050,476)
Other Assistance	5,290,000	4,431,691	—
Subtotal	\$ 6,936,770	\$ 7,699,242	\$ (2,050,476)
Capital Improvements	4,000,000	4,000,000	(1,200,000)
TOTAL	\$ 10,936,770	\$ 11,699,242	\$ (3,250,476)
F.T.E. Positions	17.5	17.5	—

Agency Request/Governor's Recommendation

The Board's request includes a total of \$893,288 in State General Fund expenditures for Board operations which consists of \$629,458 for salaries, \$226,830 for other operating expenditures, \$12,000 for an employees blanket bond, and \$25,000 for presidential search expenses. The request provides for a 7.0 percent increase for unclassified salaries, a 5.0 percent increase in classified salaries, and the addition of an Assistant General Counsel position. The request also includes \$40,000 for reciprocal agreements with the University of Missouri; \$12,000 for dental education contracts; \$155,000 for optometry education contracts; \$180,000 for seat purchases and loans in Osteopathic Medicine; \$400,000 for scholarships in Osteopathic Medicine; and \$56,482 for postgraduate training stipends in Osteopathic Medicine. The Board requests \$400,000 for the Regents' Distinguished Professors Program which would provide for ten professorships at \$15,000 each and \$25,000 for each position for equipment and laboratory support. Funding for the State Scholarship Program is requested at \$864,000 and assumes \$664,000 in federal funds and \$200,000 from the State General Fund. The Board requests \$4.6 million from the State General Fund for support of the Tuition Grant Program. A total of \$4.0 million from the State General Fund is requested for support of major repairs, special maintenance, and remodeling at the institutions.

The Governor recommends a total of \$870,551 for Board operations which includes \$621,635 for salaries, \$211,916 for other operating expenditures, \$12,000 for an employees blanket bond, and \$25,000 for presidential search expenditures. The recommendations provide for a 6.0 percent increase for unclassified salaries and a 5.0 percent plus \$204 per year per position for classified salaries. The addition of an Assistant General Counsel position is also recommended. The Governor also recommends \$40,000 for reciprocal agreements with the University of Missouri; \$12,000 for dental education contracts; \$155,000 for optometry contracts; \$180,000 for seat purchases and loans in Osteopathic Medicine; and \$341,691 for scholarships in Osteopathic Medicine. A total of \$100,000 is recommended for the Regents' Distinguished Professors Program which would provide for five professorships at \$15,000 each and \$5,000 for each position for equipment

and laboratory support. The Governor recommends \$864,438 in federal funds (based on revised estimates) for the State Scholarship Program. The Governor recommends \$4.0 million from the State General Fund for support of the Tuition Grant Program. Also included in the Governor's recommendation is \$2.0 million from the State General Fund for faculty salary improvements at the institutions. The Governor also recommends \$4.0 million from the State General Fund for major repairs, special maintenance, and remodeling at the institutions which can also be used for energy conservation projects.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and comments:

1. Deletion of \$29,152 recommended for salary increases for classified and unclassified staff.
2. Reduction of \$5,096 in salaries and wages for Associate General Counsel. This assumes a starting salary of \$25,520 (\$30,044 including benefits) rather than the \$30,000 recommended by the Governor.
3. Reduction of \$5,228 in salaries associated with turnover in the position of Director of Academic Affairs. This assumes a starting salary of \$42,500 for the position.
4. Reduction of \$10,000 in State General Fund appropriation for other operating expenditures based on reappropriated savings from FY 1984.
5. Reduction of \$12,500 for presidential search expenditures in FY 1985. Final expenditures have not been made for the Emporia State University search and this recommendation will allow a balance of \$12,500 in this account at the beginning of FY 1985.
6. The Subcommittee recommends a total of \$42,500 for office rental of 4,050 square feet in the Capitol Towers Building in accordance with its recommendation that the Board office be relocated from the Merchants Bank to the new facility. The Subcommittee notes that the agency will require additional space in the present facility and that a rent increase in excess of the rate charged by the Capitol Towers was anticipated. An addition of \$1,500 is included for costs associated with the relocation of telecommunication service. The Executive Officer of the Board has indicated that other moving expenses can be absorbed in the existing budget.
7. The Subcommittee recommends that the seat purchase program in optometry become subject to payback provisions similar to those in the Osteopathic Scholarship Program. Therefore, the Subcommittee recommends the introduction of legislation requiring students who participate in the seat purchase program in optometry to return to Kansas to practice for the number of years in which they participated or face repayment of the seat purchase amount (currently \$4,000) plus 15 percent interest.

8. The Subcommittee is concerned regarding the policies and precedents implicit in the creation of Academic Services Fees at the University of Kansas and Kansas State University. These fees, approved by the Board in May, 1983 for the fall semester, were not reviewed by the 1983 Legislature and can be construed as a form of tuition as they are charged to all students as a condition of enrollment. The Subcommittee reached this conclusion prior to the decision of the full Committee recommending introduction of legislation to provide for a more formal review procedure of fees to be charged to students. The Subcommittee endorses the decision by the full Committee. The Subcommittee also notes that there appears to be confusion on the part of the institutions involved as to the duration of the fee since the Regents' office has indicated that the service fees are to expire on June 30, 1984. If the Regents approve the service fees for FY 85, the Subcommittee requests that the Board clearly indicate that the fee will sunset on June 30, 1985 and that they not approve any such fees in the future unless they follow the procedure recommended by the Committee.
9. The Subcommittee recommends that the Board of Regents complete its program review of teacher education programs prior to September 15, 1984 so that any relevant recommendations can be considered by the Governor and the Legislature in the FY 1986 budget cycle.
10. The Subcommittee recommends continuation of the "Private Postsecondary Educational Institution Degree Authorization Expense Reimbursement Fee Fund" with a "no-limit" appropriation. This fund was created by the 1983 Legislature to allow reimbursement of costs when the Regents' review requests from private institutions for degree granting authority.
11. Pursuant to action by the full Committee, the \$2.0 million recommended by the Governor for unclassified salary increases is deleted from the Board Office budget.
12. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction to provide a multi-year appropriation from the State General Fund for the Major Repairs, Special Maintenance and Remodeling account. These funds are transferred to the institutions and expenditures are also allowed from this account for energy conservation projects. The Subcommittee recommendation is for \$2.8 million in FY 1985 and \$4.0 million for FY 1986. This recommendation is \$1.2 million below the Governor's for FY 1985.
13. The Subcommittee reviewed in detail the operations of the State Scholarship and Tuition Grant Programs and offers the following recommendations:
 - a. Funding for the State Scholarship Program in FY 1985 of \$764,438 from federal funds. This is \$100,000 below the level recommended by the Governor and \$50,000 over estimated expenditures in the current year.
 - b. Funding for the Tuition Grant Program in FY 1985 of \$4.1 million of which \$4.0 million is from the State General Fund and \$100,000 is from federal funds. This is \$100,000 above the level recommended by the Governor.

- c. The Subcommittee recommends that the Board of Regents adopt regulations providing that a student must maintain a 2.0 grade point average to receive a continuation of a tuition grant after the second semester. The Subcommittee wishes this recommendation to be implemented as soon as legally possible.
- d. The Subcommittee recommends that the Board establish in regulation priority dates for application and award of Tuition Grants and that in no case awards be given to students who apply after the start of a semester for that semester.
- e. The Subcommittee recommends that the Regents adopt regulations that first preference for State Scholarships will be given to high school graduates who have completed the Regents' recommended curriculum. In addition, the Subcommittee recommends that beginning with the 1986-87 school year that in order to receive a financial award as a state scholar a student must have completed the Regents' recommended curriculum. Also beginning with the 1986-87 school year, the Subcommittee recommends that all students designated as state scholars receive a \$500 award regardless of need and that those students with financial need be eligible to receive up to an additional \$500. The Subcommittee feels that these recommendations, along with the recently adopted regulation requiring a 3.0 grade point average to continue to receive a scholarship, will provide larger awards to truly outstanding scholars without the need to substantially increase resources.
- f. The Subcommittee requests that the Board report to the appropriate Subcommittees of the 1985 Legislature on the status of the implementation of these recommendations regarding the State Scholarship and Tuition Grant programs.



Representative J. Sanford Duncan
Subcommittee Chairman



Representative David Heinemann



Representative Jack Shriver

Agency: Board of Regents' Office Bill No. _____ Bill Sec. _____

Analyst: Monical Analysis Pg. No. 147 Budget Pg. No. 3-71

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,329,892	\$ 1,244,660	\$ (10,000)
Other Assistance	5,102,657	5,094,348	—
Aid to Local Units	52,770	52,770	—
Subtotal	<u>\$ 6,485,319</u>	<u>\$ 6,391,778</u>	<u>\$ (10,000)</u>
Capital Improvements	190,643	190,643	—
TOTAL	<u><u>\$ 6,675,962</u></u>	<u><u>\$ 6,582,421</u></u>	<u><u>\$ (10,000)</u></u>
State General Fund:			
State Operations	\$ 1,318,579	\$ 1,233,347	\$ (10,000)
Other Assistance	4,436,000	4,427,691	—
Aid to Local Units	52,770	52,770	—
Subtotal	<u>\$ 5,807,349</u>	<u>\$ 5,713,808</u>	<u>\$ (10,000)</u>
Capital Improvements	—	—	—
TOTAL	<u><u>\$ 5,807,349</u></u>	<u><u>\$ 5,713,808</u></u>	<u><u>\$ (10,000)</u></u>
F.T.E. Positions	16.5	16.5	—

Agency Request/Governor's Recommendation

The Board requests no adjustments to its previously approved FY 1984 expenditures.

The Governor recommends the following reductions in State General Fund expenditures to reflect actual participation in the programs: a reduction of \$28,750 in the Regents' Distinguished Professor Program; a reduction of \$8,309 in the Osteopathic Scholarship Program; and a reduction of \$56,482 for postgraduate stipends in osteopathic medicine.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Based on a review of current year other operating expenditures, the Subcommittee has identified several areas of savings. The Subcommittee recommends a \$10,000 reduction in FY 1984 operating expenditures and reappropriation of this amount to FY 1985 to offset requirements for State General Fund support. Areas of savings include rents (\$2,000), communications (\$4,000), travel and subsistence (\$2,000), and office supplies (\$2,000).

20



Representative J. Sanford Duncan
Subcommittee Chairman



Representative David J. Heinemann



Representative Jack Shriver

asfiled 3/12/84

CRH2805k1

REPORTS OF STANDING COMMITTEES

mar 7 minutes

MR. SPEAKER:

Your Committee on Ways and Means

Recommends that House Bill No. 2805

"AN ACT making and concerning appropriations for the fiscal year ending June 30, 1985, for Fort Hays state university, Kansas state university, Kansas state university veterinary medical center, Emporia state university, Pittsburg state university, university of Kansas, Wichita state university, university of Kansas medical center, Kansas technical institute and state board of regents; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing."

Be amended:

On page 1, by striking all in line 38 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....\$12,014,032
Supplemental retirement benefits..... 2,072";

Also on page 1, in line 45, by striking all after "system"; by striking all in lines 46 to 52, inclusive; in line 53, by striking all preceding the period;

On page 2, preceding line 54, by inserting the following material to read as follows:

"Other operating expenditures (including official hospitality)..... 1,191,985

Provided, That expenditures may be made from this account to purchase accident and health insurance for students participating in women's intercollegiate athletics.

Student salaries and wages..... 734,098

Provided, That expenditures may be made from this account for an off-campus work-study program: Provided, however, That expenditures from this account for such program shall be matched by an equal amount of salaries and wages paid by employers other than state agencies.

Computer system upgrade..... 97,841

Other operating expenditures for utilities..... 875,927

Provided, That any unencumbered balance in excess of

\$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects.";

Also on page 2, in line 56, after "That" by inserting "any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That all"; in line 57, by striking "private"; in line 58, preceding the period by inserting "other than state agencies";

Also on page 2, in line 66, by striking "\$14,881,544" and inserting in lieu thereof "\$14,934,838";

On page 3, in line 180, by striking "0" and inserting in lieu thereof "No limit"; following line 186, by inserting the following material to read as follows:

"Sheridan coliseum renovation -- planning.....	50,000
Remodeling for and relocation of print shop.....	60,000
Total.....	<u>\$126,850</u> ";

On page 4, by striking all in line 200 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....	\$40,520,790
Supplemental retirement benefits.....	5,236";

Also on page 4, in line 207, by striking all after "system"; by striking all in lines 208 to 219, inclusive; in line 220, by striking all preceding the period; preceding line 221, by inserting the following material to read as follows:

"Other operating expenditures (including official hospitality).....	4,009,833
---	-----------

Provided, That expenditures may be made from this account to purchase health and accident insurance for students participating in women's intercollegiate athletics.

Operating expenditures for utilities.....	4,364,754
---	-----------

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects.

Extension.....	7,852,188
----------------	-----------

Experimental fields..... 1,099,062
Organized research.....10,650,313
Equipment purchases..... 90,000
Agricultural institute expenses (including official
hospitality)..... 299,345

Provided, That the Kansas state university food and
feed grains institute shall be planned and developed
in conjunction with representatives of the Kansas
wheat commission, the Kansas corn commission, the
Kansas grain sorghum commission, the Kansas soybean
commission and the marketing division of the state
board of agriculture.

Colby branch station operations..... 427,630
Fort Hays branch station operations..... 962,860
Garden City branch station operations..... 661,018
Southeast Kansas branch station operations..... 578,278
Tribune branch station operations..... 156,296";

Also on page 4, in line 221, by striking "136,591" and
inserting in lieu thereof "139,150"; in line 227, by striking
"\$26,500" and inserting in lieu thereof "\$26,750"; in line 229,
by striking "\$57,750" and inserting in lieu thereof "\$58,300"; in
line 231, by striking "\$204,887" and inserting in lieu thereof
"\$208,725"; in line 232, preceding the period, by inserting "":
And provided further, That any unencumbered balance in excess of
\$100 as of June 30, 1984, is hereby reappropriated for fiscal
year 1985"; preceding line 233, by inserting the following
material to read as follows:

"Student salaries and wages..... 1,063,209

Provided, That expenditures may be made from this
account for an off-campus work-study program:
Provided, however, That expenditures from this
account for such program shall be matched by an
equal amount of salaries and wages paid by employers
other than state agencies.";

Also on page 4, in line 235, after "That" by inserting "any
unencumbered balance in excess of \$100 as of June 30, 1984, is
hereby reappropriated for fiscal year 1985: Provided further,
That all"; in line 236, by striking "private"; in line 237,
preceding the period by inserting "other than state agencies"; in
line 240, by striking "\$72,778,051" and inserting in lieu thereof

"\$72,954,019";

On page 5, in line 254, by striking "(h)" and inserting in lieu thereof "(g)";

On page 6, in line 319, preceding the period by inserting the following: ": And provided further, That expenditures from the sponsored research account or any other account of this fund for a sponsored research project may be made at any time during the term of the grant or contract for the project regardless of the state fiscal year in which the expenditures are made: And provided further, That when such sponsored research project involves one or more other entities, Kansas state university is hereby authorized to enter into contracts with such entities and such contracts shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes: And provided further, That when such sponsored research project requires that certain expenditures be made in foreign nations, such expenditures shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes";

On page 7, in line 425, by striking "0" and inserting in lieu thereof "No limit"; by striking all in lines 437 and 439 and inserting in lieu thereof the following material to read as follows:

"Renovation of and addition to Weber hall -- final planning..... \$250,000

Provided, That no expenditures may be made from this account for final planning of any addition to Weber hall of more than 19,750 net assignable square feet: Provided further, That no expenditures may be made from this account until after the preliminary plans for this project have been presented to the joint committee on state building construction: And provided further, That no expenditures may be made from this account except upon approval of the state finance council, after consultation with the joint committee on state building construction, acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c.

Chemistry-biochemistry building -- final planning..... 485,000";

Also on page 7, in line 443, by striking "\$159,500" and inserting in lieu thereof "\$735,000"; by striking all in lines

457 to 462, inclusive;

On page 8, in line 463, by striking "(g)" and inserting in lieu thereof "(f)"; in line 467, by striking "(h)" and inserting in lieu thereof "(g)"; in line 470, by striking "(i)" and inserting in lieu thereof "(h)"; in line 475, by striking "(j)" and inserting in lieu thereof "(i)"; in line 499, by striking "(k)" and inserting in lieu thereof "(j)";

On page 9, in line 503, by striking "(l)" and inserting in lieu thereof "(k)"; in line 507, by striking "(m)" and inserting in lieu thereof "(l)"; in line 511, by striking "(n)" and inserting in lieu thereof "(m)"; by striking all in line 521 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....	\$3,266,445
Other operating expenditures (including official hospitality).....	459,360
Operating expenditures for utilities.....	1,117,471

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects.

Student salaries and wages.....	90,939
---------------------------------	--------

Provided, That expenditures may be made from this account for an off-campus work-study program: Provided, however, That expenditures from this account for such program shall be matched by an equal amount of salaries and wages paid by employers other than state agencies.

Total.....	<u>\$4,934,215"</u> ;
------------	-----------------------

On page 10, in line 553, preceding the period, by inserting the following: ": And provided further, That expenditures from the sponsored research account or any other account of this fund for a sponsored research project may be made at any time during the term of the grant or contract for the project regardless of the state fiscal year in which the expenditures are made: And provided further, That when such sponsored research project involves one or more other entities, Kansas state university veterinary medical center is hereby authorized to enter into

contracts with such entities and such contracts shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes: And provided further, That when such sponsored research project requires that certain expenditures be made in foreign nations, such expenditures shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes"; in line 587, by striking "0" and inserting in lieu thereof "No limit";

On page 11, by striking all in line 621 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....\$13,148,940
Other operating expenditures (including official
hospitality)..... 1,259,494";

Also on page 11, in line 625, by striking all after "athletics"; by striking all in lines 626 to 629, inclusive; in line 630, by striking all preceding the period; preceding line 631, by inserting the following material to read as follows:

"Operating expenditures for utilities..... 896,826

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects.

Student salaries and wages..... 699,993

Provided, That expenditures may be made from this account for an off-campus work-study program: Provided, however, That expenditures from this account for such program shall be matched by an equal amount of salaries and wages paid by employers other than state agencies.";

Also on page 11, in line 633, after "That" by inserting "any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That all"; in line 634, by striking "private"; in line 635, preceding the period by inserting "other than state agencies"; in line 638, by striking "\$15,953,645" and inserting in lieu thereof "\$16,025,903";

On page 13, in line 770, by striking "0" and inserting in lieu thereof "No limit"; by striking all in lines 779 to 783,

inclusive; by striking all in line 800 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....	\$12,947,876
Supplemental retirement benefits.....	315";

Also on page 13, in line 807, by striking all after "system"; by striking all in lines 808 to 811, inclusive;

On page 14, by striking all in lines 812 to 814, inclusive; in line 815, by striking all preceding the period; preceding line 816, by inserting the following material to read as follows:

"Equipment purchases.....	28,000
Other operating expenditures (including official hospitality).....	1,183,089

Provided, That expenditures may be made from this account to purchase health and accident insurance for students participating in women's intercollegiate athletics.

Student salaries and wages.....	530,471
---------------------------------	---------

Provided, That expenditures may be made from this account for an off-campus work-study program: Provided, however, That expenditures from this account for such program shall be matched by an equal amount of salaries and wages paid by employers other than state agencies.

Other operating expenditures for utilities.....	992,897
---	---------

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects.";

Also on page 14, in line 816, by striking "19,551" and inserting in lieu thereof "19,473"; in line 818, after "That" by inserting "any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That any"; in line 819, by striking "private"; in line 820, preceding the period, by inserting "other than state agencies"; in line 829, by striking "\$15,644,550" and inserting in lieu thereof "\$15,702,121";

On page 15, in line 937, by striking "0" and inserting in lieu thereof "No limit"; by striking all in line 947 and inserting in lieu thereof the following material to read as

follows:

"Replace roof on Yates hall..... \$182,000";

On page 16, by striking all in line 967 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....\$55,750,324
Supplemental retirement benefits..... 723";

Also on page 16, in line 977, by striking all after "lifetime"; by striking all in lines 978 to 985, inclusive; in line 986, by striking all preceding the period; preceding line 987, by inserting the following material to read as follows:

"Operating expenditures for utilities..... 6,296,510

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects: And provided further, That expenditures may be made from this account for the acquisition of natural gas by negotiating costs per unit and such expenditures shall not be subject to the competitive bid requirements of K.S.A. 75-3739 and amendments thereto: Provided, however, That no such expenditures for acquisition of natural gas by negotiating costs per unit may be made from this account except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto: And provided further, That expenditures may be made from this account for construction of a natural gas pipeline for use in connection with natural gas acquired by negotiating costs per unit: Provided, however, That no expenditures may be made from this account for construction of a natural gas pipeline except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.";

Other operating expenditures (including official hospitality)..... 7,734,785

Provided, That expenditures may be made from this account to purchase insurance for the university aircraft: Provided further, That such insurance for the university aircraft may include public liability, physical damage, medical payments and voluntary settlement coverages.

Fire service training program operations..... 191,045
Equipment purchases and library acquisitions..... 413,000

Geological survey..... 3,398,641

Provided, That expenditures may be made from this account to purchase insurance for the university aircraft: Provided further, That such insurance for the university aircraft may include public liability, physical damage, medical payments and voluntary settlement coverages.

General research..... 1,424,662

Research program in tertiary oil recovery..... 366,855

For renting Carruth O'Leary hall for office space..... 186,640

Kansas applied remote sensing program..... 54,796

Student salaries and wages..... 1,097,324

Provided, That expenditures may be made from this account for an off-campus work-study program: Provided, however, That expenditures from this account for such program shall be matched by an equal amount of salaries and wages paid by employers other than state agencies.";

Also on page 16, in line 989, after "That" by inserting "any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That any"; in line 990, by striking "private"; in line 991, preceding the period, by inserting "other than state agencies"; in line 992, by striking "157,358" and inserting in lieu thereof "160,770"; in line 994, by striking "137,429" and inserting in lieu thereof "138,826"; in line 1000, by striking "\$26,500" and inserting in lieu thereof "\$26,750"; in line 1002, by striking "\$57,750" and inserting in lieu thereof "\$58,300"; in line 1004, by striking "\$206,143" and inserting in lieu thereof "\$208,239"; in line 1005, preceding the period by inserting ": And provided further, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985";

On page 17, by striking all in lines 1010 to 1013, inclusive; in line 1017, by striking "\$76,117,545" and inserting in lieu thereof "\$77,309,021"; in line 1025, by striking "25,500,000" and inserting in lieu thereof "24,840,000";

On page 18, in line 1098, preceding the period by inserting the following: ": And provided further, That expenditures from the sponsored research account or any other account of this fund for a sponsored research project may be made at any time during

the term of the grant or contract for the project regardless of the state fiscal year in which the expenditures are made: And provided further, That when such sponsored research project involves one or more other entities, the university of Kansas is hereby authorized to enter into contracts with such entities and such contracts shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes: And provided further, That when such sponsored research project requires that certain expenditures be made in foreign nations, such expenditures shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes"; in line 1109, preceding the colon by inserting "; telecommunications service";

On page 19, following line 1165, by inserting the following material to read as follows:

Provided, That expenditures may be made from this fund for a work of art for Moore hall which shall be selected by the state geologist after consultation with industry representatives: Provided further, That such expenditures shall not be subject to the competitive bid requirements of K.S.A. 75-3739 to 75-3741, inclusive, and amendments to those statutes.";

Also on page 19, in line 1167, by striking "0" and inserting in lieu thereof "No limit"; following line 1175, by inserting the following material to read as follows:

"Moore hall gift fund..... No limit

Provided, That expenditures may be made from this fund for a work of art for Moore hall which shall be selected by the state geologist after consultation with industry representatives: Provided further, That such expenditures shall not be subject to the competitive bid requirements of K.S.A. 75-3739 to 75-3741, inclusive, and amendments to those statutes.";

On page 20, by striking all in line 1207 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....\$27,566,249
Other operating expenditures (including official hospitality)..... 2,694,905";

Also on page 20, in line 1211, by striking all after "athletics"; by striking all in lines 1212 to 1215, inclusive; in line 1216, by striking all preceding the period; preceding line 1217, by inserting the following material to read as follows:

"Operating expenditures for utilities..... 2,459,325

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects.

General research..... 191,838
Rental of Grace Wilkie hall and dormitory food facilities buildings..... 25,652
Purchase of additional instructional and research equipment..... 53,000
Student salaries and wages..... 863,686

Provided, That expenditures may be made from this account for an off-campus work-study program: Provided, however, That expenditures from this account for such program shall be matched by an equal amount of salaries and wages paid by employers other than state agencies.";

Also on page 20, in line 1219, after "That" by inserting "any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That any"; in line 1220, by striking "private"; in line 1221, preceding the period by inserting "other than state agencies"; in line 1222, by striking "136,500" and inserting in lieu thereof "137,709"; in line 1228, by striking "\$26,500" and inserting in lieu thereof "\$26,750"; in line 1230, by striking "\$57,750" and inserting in lieu thereof "\$58,300"; in line 1232, by striking "\$204,750" and inserting in lieu thereof "\$206,564"; in line 1233, preceding the period, by inserting ": And provided further, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985"; by striking all in lines 1234 to 1237, inclusive; in line 1241, by striking "\$33,487,842" and inserting in lieu thereof "\$34,041,047"; in line 1247, by striking "\$11,215,000" and inserting in lieu thereof "\$10,985,000";

On page 21, in line 1285, preceding the period by inserting

the following: " : And provided further, That expenditures from the sponsored research account or any other account of this fund for a sponsored research project may be made at any time during the term of the grant or contract for the project regardless of the state fiscal year in which the expenditures are made: And provided further, That when such sponsored research project involves one or more other entities, Wichita state university is hereby authorized to enter into contracts with such entities and such contracts shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes: And provided further, That when such sponsored research project requires that certain expenditures be made in foreign nations, such expenditures shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes";

On page 22, in line 1377, by striking "0" and inserting in lieu thereof "No limit";

On page 23, in line 1413, by striking "\$58,249,197" and inserting in lieu thereof "\$50,156,104"; in line 1422, by striking "5%" and inserting in lieu thereof "10%"; following line 1443, by inserting the following material to read as follows:

"Operating expenditures for utilities..... 5,593,696

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects: And provided further, That expenditures may be made from this account for the acquisition of natural gas by negotiating costs per unit and such expenditures shall not be subject to the competitive bid requirements of K.S.A. 75-3739 and amendments thereto: Provided, however, That no such expenditures for acquisition of natural gas by negotiating costs per unit may be made from this account except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto: And provided further, That expenditures may be made from this account for construction of a natural gas pipeline for use in connection with natural gas acquired by negotiating costs per unit: Provided, however, That no expenditures may be made from this account for construction of a natural gas pipeline except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in

subsection (c) of K.S.A. 75-3711c and amendments thereto.";

Also on page 23, in line 1448, by striking "\$62,019,757" and inserting in lieu thereof "\$59,520,360"; in line 1456, by striking "58,730,365" and inserting in lieu thereof "59,683,113";

On page 24, in line 1472, preceding the period, by inserting the following: "And provided further, That expenditures from the sponsored research account or any other account of this fund for a sponsored research project may be made at any time during the term of the grant or contract for the project regardless of the state fiscal year in which the expenditures are made: And provided further, That when such sponsored research project involves one or more other entities, the university of Kansas medical center is hereby authorized to enter into contracts with such entities and such contracts shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes: And provided further, That when such sponsored research project requires that certain expenditures be made in foreign nations, such expenditures shall not be subject to K.S.A. 75-3738 to 75-3740a, inclusive, and amendments to those statutes"; in line 1491, preceding the colon by inserting the following: "; telecommunications services";

On page 25, by striking all in line 1556 and inserting in lieu thereof the following material to read as follows:

"Medical scholarship repayment fund..... 252,000";

Also on page 25, in line 1587, by striking all after "1984,"; in line 1588, by striking all before "the"; in line 1590, by striking "\$150,000 each quarter" and inserting in lieu thereof "\$2,100,000"; following line 1591, by inserting the following material to read as follows:

"(h) There is appropriated for the above agency from the university of Kansas hospital fund for the fiscal year ending June 30, 1985, the following:

Plan and prepare site for installation of nuclear

magnetic resonance imaging system for diagnostic radiology.....	\$200,000
Plan and remodel old power plant building boiler room area for installation of automated laundry equipment.....	310,000
Total.....	<u>\$510,000"</u> ;

On page 26, by striking all in lines 1592 to 1602, inclusive; by striking all in line 1608 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....	\$2,163,363
Other operating expenditures (including official hospitality).....	589,711"

Also on page 26, in line 1614, by striking all after "institute"; by striking all in lines 1615 to 1617, inclusive; in line 1618, by striking all preceding the period; preceding line 1619, by inserting the following material to read as follows:

"Student salaries and wages.....	30,440
----------------------------------	--------

Provided, That expenditures may be made from this account for an off-campus work-study program: Provided, however, That expenditures from this account for such program shall be matched by an equal amount of salaries and wages paid by employers other than state agencies.

Operating expenditures for utilities.....	103,201
---	---------

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from such reappropriated balance for energy conservation projects.

Total.....	<u>\$2,886,715"</u> ;
------------	-----------------------

On page 27, in line 1657, by striking "0" and inserting in lieu thereof "No limit"; by striking all in lines 1678 to 1687, inclusive, and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....	\$582,159
Other operating expenditures (including official hospitality).....	215,416

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985.

Expenses for recruiting, interviewing and selecting chief executive officers of institutions and state board of regents (including official hospitality)... 12,500

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further, That expenditures may be made from this account for actual expenditures of applicants, members of the state board of regents and designated personnel and applicants' spouses when accompanying applicants on official business.

Scholarships and tuition grants..... 4,000,000

Provided, That an amount of not greater than \$4,100,000 shall be made available from this account and from available federal funds for tuition grants authorized by article 61 of chapter 72 of the Kansas Statutes Annotated if sufficient eligible applications are received therefor: Provided, however, That whenever a state scholar is awarded both a state scholarship and a tuition grant and the total of the amount of the state scholarship and the amount of the tuition grant exceeds \$1,450, the amount of the state scholarship awarded to such state scholar shall be reduced by the amount that such total exceeds \$1,450.

Regents' distinguished professors..... 100,000";

Also on page 27, in line 1692, by striking all after "professor"; by striking all in lines 1693, 1694 and 1695;

On page 28, by striking all in lines 1696 to 1702, inclusive; in line 1703, by striking all preceding the period; by striking all in lines 1704 to 1711, inclusive, and inserting in lieu thereof the following material to read as follows:

"Scholarships for osteopathic medical education..... 341,691
Contractual agreements and loans for osteopathic education..... 180,000
Reciprocal agreement -- university of Missouri..... 40,000
Contractual agreements -- dental education..... 12,000

Provided, That no expenditure shall be made from this account for persons commencing dental education during the academic year which commences in the fall of 1985.

Contractual agreements -- optometry education..... 155,000";

Also on page 28, in line 1714, by striking "\$11,699,242" and inserting in lieu thereof "\$5,638,766"; following line 1742, by inserting the following material to read as follows:

"Private postsecondary educational institution degree

authorization expense reimbursement fee fund..... No limit";

On page 29, in line 1761, by striking "1,855.2" and inserting in lieu thereof "1,863.2"; in line 1765, by striking "278.7" and inserting in lieu thereof "279.6"; in line 1767, by striking "263.2" and inserting in lieu thereof "265.7"; in line 1769, by striking "1,924.3" and inserting in lieu thereof "1,934.2"; in line 1771, by striking "611.3" and inserting in lieu thereof "613.3"; in line 1773, by striking "3,087.8" and inserting in lieu thereof "3090.6"; in line 1789, by striking "318.6" and inserting in lieu thereof "319.6"; in line 1791, by striking "2,181.7" and inserting in lieu thereof "2,187.7"; in line 1795, by striking "352.2" and inserting in lieu thereof "357.1"; in line 1797, by striking "320.1" and inserting in lieu thereof "322.4"; in line 1799, by striking "2,219.6" and inserting in lieu thereof "2,238.7"; in line 1801, by striking "899.5" and inserting in lieu thereof "908.5"; in line 1803, by striking "1,342.4" and inserting in lieu thereof "1,349.8"; in line 1809, by striking "91.5" and inserting in lieu thereof "90.5";

And the bill be passed as amended.

Chairperson

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your Committee on Ways and Means

Recommends that House Bill No. 3093

"AN ACT making and concerning appropriations for the fiscal year ending June 30, 1985, for the department of human resources; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing."

Be amended:

On page 1, in line 33, by striking "\$174,659" and inserting in lieu thereof "\$118,845"; in line 35, by striking "234,553" and inserting in lieu thereof "208,729"; in line 37, by striking "249,962" and inserting in lieu thereof "239,573"; in line 39, by striking "1,116,458" and inserting in lieu thereof "1,042,297"; in line 42, preceding the colon, by inserting "and amendments thereto"; in line 48, by striking "633,542" and inserting in lieu thereof "560,610"; in line 51, preceding "and" by inserting "and amendments thereto"; in line 52, preceding the comma by inserting "and amendments thereto"; in line 56, by striking "\$6,910" and inserting in lieu thereof "\$1,036";

On page 2, in line 59, by striking "\$2,409,174" and inserting in lieu thereof "\$2,170,054"; in line 66, by striking "\$1,362,854" and inserting in lieu thereof "\$1,290,270"; in line 68, by striking "111,733" and inserting in lieu thereof "129,252"; in line 74, by striking "278,007" and inserting in lieu thereof "298,234"; in line 76, by striking "164,124" and inserting in lieu thereof "159,003"; in line 78, by striking "No limit" and inserting in lieu thereof "0"; following line 78, by inserting the following material to read as follows:

"Provided, That any expenditures for purposes specified in K.S.A. 44-716a and amendments thereto shall be in addition to any expenditure limitation imposed on this fund.";

Also on page 2, in line 84, by striking "\$1,218,742" and inserting in lieu thereof the following: "\$1,172,931: Provided, however, That any transfers of any work incentive program moneys from this fund to state agencies shall be in addition to any expenditure limitation imposed on this fund: Provided further, That expenditures from this fund for equipment shall not exceed \$235,000: And provided further, That no expenditures may be made from this fund for any capital improvements including but not limited to (1) maintaining, repairing or remodeling existing buildings; (2) acquiring land or constructing new buildings or additions to existing buildings; (3) purchasing buildings; or (4) paving or landscaping"; in line 90, by striking "No limit" and inserting in lieu thereof "2,406,054"; in line 93, by striking "No limit" and inserting in lieu thereof "8,873,658"; in line 96, by striking "No limit" and inserting in lieu thereof "2,519,806"; in line 98, by striking "126,419" and inserting in lieu thereof "120,949"; in line 116, preceding "and" by inserting "and amendments thereto"; in line 117, preceding "shall" by inserting "and amendments thereto"; in line 120, preceding "and" by inserting "and amendments thereto"; also in line 120, preceding the comma, by inserting "and amendments thereto";

On page 3, in line 132, by striking all after "used by the"; in line 134, by striking all after "(2)"; by striking all in line 135; in line 136, by striking all preceding "for"; in line 138, by striking "(4)" and inserting in lieu thereof "(3)"; in line 141, by striking "\$351,500" and inserting in lieu thereof "\$204,000"; in line 146, by striking "1,065.5" and inserting in lieu thereof "1,037.5";

And the bill be passed as amended.

Chairperson