

Approved _____

Date

4-23-86

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Bill Buntен at
Chairperson

7:00 a.m./p.m. on Friday, April 4, 1986 in room 514 of the Capitol.

All members were present except:

Committee staff present: Jim Wilson, Revisors Office
Gloria Timmer, Research
Laura Howard, Research
Mary Galligan, Research
Sharon Schwartz, Administrative Aide
Nadine Young, Committee Secretary

Conferees appearing before the committee:

None

Others present (see Attachment A)

Chairman Buntен called the meeting to order at 7:05 a.m.

UNIVERSITY OF KANSAS (Attachment B)

Representative Shriver reported on the subcommittee's recommendations. Concerning Item #5, Representative Mainey moved that the money be reinstated on the restricted use funds for out-of-state travel. Representative Chronister seconded. Motion carried. Representative Shriver moved for adoption of the report, as amended. Representative Ott seconded. Motion carried.

KANSAS STATE UNIVERSITY (Attachment C)

Representative Rolfs presented the report. It was agreed that language would be added concerning vehicles, instructing the Board to develop a uniform policy for the maintenance of administrative vehicles, to make sure they are run to maximum benefit. Representative Chronister moved to change the figure in Item #4, for out of state travel, to 25% of the total rather than 50%. It was seconded by Representative Solbach. Representative Rolfs offered a substitute motion to cut all budget by 50%, i.e. treat all universities the same. This would mean reducing out of state travel by 50% instead of 25% for all universities. Representative King seconded. Motion failed. Representative Mainey offered an additional motion that a 25% reduction from SGF be made on systems-wide issues on out of state travel...i.e. take the out-of-state travel figure, take 25% of that and reduce general fund appropriation by that amount. Representative Chronister seconded. Motion carried.

On the report, Representative Rolfs moved for adoption, as amended. Seconded by Representative Fuller. Motion carried.

KANSAS STATE UNIVERSITY VETERINARY MEDICAL CENTER (Attachment D)

Representative Rolfs presented the report. Representative Hamm moved to delete Item #3, which would reinstate the \$157,920. Seconded by Representative Mainey. Motion carried. On the report, Representative Rolfs moved for adoption as amended. Seconded by Representative Wisdom. Motion carried.

WICHITA STATE UNIVERSITY (Attachment E)

Representative Dyck presented the report. Representative Shriver moved to add \$1,000 funding to Item #4 for the Center for Entrepreneurship program at Wichita State. No second on the motion. Representative Miller offered a motion to amend the report by striking from the Senate subcommittee recommendation, on page 3, Items 4, 5, 6 and 7, and strike from the report the Senate committee of the Whole #1. Representative Louis seconded. For voting purposes, the items were divided. On the motion to delete #5, the motion failed. On the motion to delete #6, motion carried, and the motion to delete #7 carried. On the motion to delete #1 of the Senate Committee of the Whole, carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514, Statehouse, at _____ a.m./p.m. on Friday, April 4, 1986

Representative Turnquist moved to delete from the House subcommittee recommendations, Items #1 and #3. Seconded by Representative Dyck. Motion carried.

On the report, Representative Guldner moved that the subcommittee report, as amended, be adopted. Seconded by Representative Dyck. Motion carried.

FORT HAYS STATE UNIVERSITY (Attachment F)

Representative Lowther presented the report on House subcommittee recommendations. Representative Solbach presented a Minority Report which disagrees with subcommittee in regard to elimination of the funding for off-campus instruction centers, and moved for adoption of his report. Representative Heinemann seconded. The motion failed. Representative Wisdom moved to put in one-half of the Senate's recommendation that \$110,000 be included for this program. Representative Solbach seconded. On a show of hands vote, the motion failed. On the report, Representative Lowther moved for adoption of the report as it stands. Representative Chronister seconded. Motion carried.

Chairman asked for a motion on the Minutes for March 24, 25, 26 and 27. On a motion by Representative Chronister and a second by Representative Dyck, the minutes were approved as written.

Meeting reconvened at 12:30 p.m.

INTRODUCTION OF A BILL -- Representative Crowell requested introduction of a bill that would allow for use of dealer car tags on general education cars. On a motion by Representative Rolfs, and a second by Representative Chronister, the motion carried to introduce the bill.

PITTSBURG STATE UNIVERSITY (Attachment G)

Representative Helgerson presented the subcommittee report. Representative Miller moved to amend the report by deleting the \$70,000 that was included by the Senate for technology laboratory equipment. Representative Rolfs seconded. Motion failed. Representative Helgerson then moved for adoption of the report, Representative Louis seconded, and the motion carried.

EMPORIA STATE UNIVERSITY (Attachment H)

Representative Miller read the subcommittee report. Representative Solbach moved to reinstate Items 1 (\$30,347 for second field teaching program); and 2 (\$46,878 for school counselor improvement program) to the budget. Representative Wisdom seconded. Motion failed. Representative Miller then moved for adoption of the report as it stands. Representative Teagarden seconded. Motion carried.

KANSAS TECHNICAL INSTITUTE (Attachment I)

Representative Turnquist read the subcommittee report. House concurred with the Senate - he moved for adoption of the report. Representative Guldner seconded and the motion carried. Representative Chronister moved that the language concerning medical students being self-insured (lines 443 - 446, SB 537) be removed from the bill. Seconded by Representative Heinemann. Motion carried.

Representative Wisdom moved to reinstate in the Kansas State budget the \$125,000 for the library program. Representative Hamm seconded. Motion failed.

On the bill, Representative Chronister moved that SB 537, as amended, be reported favorable for passage. Seconded by Representative Louis. Motion carried.

SB 522 -- Multiyear appropriations, capital improvements for certain state agencies. Representative Heinemann moved and Representative Louis seconded that the bill be reported favorable for passage. Motion carried.

SCHOOL FOR THE VISUALLY HANDICAPPED (Attachment J)

Representative Shriver reported for the subcommittee and moved for adoption of the report. Representative Ott seconded. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514, Statehouse, at _____ a.m./p.m. on Friday, April 4, 1986

SCHOOL FOR THE DEAF (Attachment K)

Representative Ott presented the subcommittee report for FY 1986 and moved for adoption of the report. Seconded by Representative Shriver. Motion carried. Representative Duncan reported for FY 1987 and moved for adoption. Seconded by Representative Fuller. Motion carried.

KANSAS PUBLIC BROADCASTING COMMISSION (Attachment L)

Representative Rolfs read the House subcommittee report for both FY 1986 and FY 1987 and moved for adoption. Seconded by Representative Wisdom. Motion carried.

SCHOOL DISTRICT INCOME TAX REBATE - DEPARTMENT OF REVENUE (Attachment M)

Representative Lowther presented the subcommittee report. Representative Duncan moved to amend the subcommittee report to the effect that legislation will be introduced to reduce the current demand transfer from 20% to 15%. Seconded by Representative Teagarden. Motion carried. Representative Solbach moved for adoption of the report, as amended. Representative Hoy seconded. Motion carried. Representative Duncan requested introduction of legislation to effect the above motion. Seconded by Representative Teagarden. Motion carried.

DEPARTMENT OF EDUCATION (Attachment N)

Representative Rolfs read the FY 1986 subcommittee report, which concurs with Senate. Representative Rolfs reported for FY 1987. Representative Wisdom presented a Minority Report and moved that it be adopted. Seconded by Representative Solbach. This would restore transportation aid to 100% and to 95% for special education. The motion carried. Representative Bunten then offered a motion that transportation be funded at 98% and special education be funded at 93%. Representative Ott seconded. Motion failed.

Representative Shriver offered a motion to delete Items 3, 4, 5 and 6 from the subcommittee report. Representative Rolfs seconded. Motion carried. On the motion to remove Item #7 from the report, the motion failed.

Representative Wisdom moved that the subcommittee report, as amended, be adopted. Representative Fuller seconded. Motion carried.

KANSAS STATE LIBRARY (Attachment O)

Representative Hoy reported for FY 1986 and being no questions, moved for adoption. Representative Lowther seconded. Motion carried. Representative Lowther read the FY 1987 report. Representative Solbach presented a Minority report which proposes to add \$600,000 from SGF for the interlibrary loan development program. After discussion, Representative Solbach tried for \$300,000, for which Representative Wisdom seconded. The motion failed. Representative Chronister moved to remove from the FY 1987 budget the funding for the computerization change out. Representative Miller seconded. Motion failed. Representative Miller offered a motion to amend the report by deleting the \$67,300 recommended by the Senate to offset reduced federal fund. Representative Chronister seconded. Motion carried.

Representative Lowther moved for adoption of the subcommittee report, as amended. Representative Hoy seconded. Motion carried.

On the bill, Representative Chronister moved that SB 523, as amended, be reported favorable for passage. Seconded by Representative Dyck. Motion carried.

STATE COUNCIL ON VOCATIONAL EDUCATION (Attachment P)

Representative Rolfs read the report and moved for adoption. Seconded by Representative Fuller. Motion carried.

Chairman turned to consideration of SB 584 - Senate Supplemental
Representative Rolfs offered a motion to remove from the bill the amount of appropriation for Belden Daniels, consultant for economic development. It was seconded by Representative Miller. Motion failed.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room _____, Statehouse, at _____ a.m./p.m. on Friday, April 4, 1986

On the bill, Representative Heinemann moved that SB 584, as amended, be reported favorable for passage. Seconded by Representative Dyck. Motion carried.

SB 443 -- appropriations for FY 1987, judicial branch, judicial council, crime victims reparations board and board of indigents' defense services.
On a motion by Representative Heinemann and a second by Representative Turnquist, the bill was reported favorable for passage.

SB 444 -- appropriations for FY 1987, agriculture and natural resources agencies.
On a motion by Representative Chronister and a second by Representative Luzzati, the bill was reported favorable for passage.

Representative Miller reported on the subcommittee's findings concerning the Oskaloosa Meat Processing plant (HB 3048). A copy of the subcommittee's report is included herewith. (Attachment Q) There was discussion about having the property appraised, then let this committee take another look during omnibus session. A motion was made to this effect by Representative Heinemann, it was seconded by Representative Louis and the motion carried.

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

Meeting adjourned at 5:45 p.m.

Date 4-4-86

Name	Address	Representing
Bill Smith	Wichita	MSA-257
Ernie Dvont	Lawrence	K-NEA
Herold H. H. H.	Topeka	USA
Stanley Z. Koplik	Topeka	ACU
Tom Hain	" "	" "
D. B. Dalton	" "	Budget
Bill Hollenbeck	Pittsburg	Pitt St U
Jeanette Friesel	Salina	Kans Tech
James E. Kip	" "	Kansas State
Ron Pollock	Hays	Fort Hays St
Fred Beckman	Wichita	Wichita State
Chris Graves	Topeka	ASK
Miss C. C.	" "	KIA
Richard W. W.	Lawrence	Lawrence
Merle Hee	Topeka	KACC
Marvin Burris	" "	Bd Regents
Melanie Miller	Hays	Public Library
Aida	" "	" "
DALE ANDERSON	Topeka, KS	KTAW

SUBCOMMITTEE REPORT

Agency: University of Kansas

Bill No. 537

Bill Sec. 7

Analyst: Galligan

Analysis Pg. No. 777

Budget Pg. No. 3-81

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Committee Adjustments</u>
State Operations:			
State General Fund	\$ 92,248,737	\$ 79,227,643	\$ 4,058,604
General Fees Fund	29,277,311	31,026,478	(889,344)
Interest on Endowment	35,000	35,000	0
General Use Funds	\$121,561,048	\$110,289,121	\$ 3,169,260
Other Funds	63,003,288	62,818,515	0
Subtotal	<u>\$184,564,336</u>	<u>\$173,107,636</u>	<u>\$ 3,169,260</u>
Other Assistance:			
State General Fund	\$ 165,005	\$ 154,210	\$ 0
General Fees Fund	0	0	0
Other Funds	8,299,885	8,299,885	0
Subtotal	<u>\$ 8,464,890</u>	<u>\$ 8,454,095</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$121,726,053</u>	<u>\$110,443,331</u>	<u>\$ 3,169,260</u>
Total Operating Expenditures	<u>\$193,029,226</u>	<u>\$181,561,731</u>	<u>\$ 3,169,260</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 109,276
Educational Building Fund	2,344,000	1,600,000	0
Other Funds	8,140,500	8,140,500	0
Subtotal	<u>\$ 10,484,500</u>	<u>\$ 9,740,500</u>	<u>\$ 109,276</u>
GRAND TOTAL	<u>\$203,513,726</u>	<u>\$191,302,231</u>	<u>\$ 3,278,536</u>
FTE Positions:			
Classified	1,973.0	1,952.4	4.5
Unclassified	2,304.8	2,256.2	(2.95)
TOTAL	<u>4,277.8</u>	<u>4,208.6</u>	<u>1.55</u>

Agency Request/Governor's Recommendation

The requested educational and general operating budget (including both restricted and general use funds) for FY 1987 totals \$169,404,136 which is \$13,137,840 more than the revised budget for FY 1986. The general use portion of the request for FY 1987 includes \$72,689,828 for unclassified salaries and benefits, \$21,551,666 for classified salaries and benefits, \$19,428,423 for OOE and \$6,574,986 for utilities. The total general use request for FY 1987 is 10.7 percent greater than the approved FY 1986 general use budget. The request includes funds to provide 7 percent increases to the classified, unclassified and student wage bases and OOE and a 5 percent increase for utilities. A 1 percent increase

*Atch. B
J. H. M. 4/4/86*

of the employer contribution to the unclassified employees' retirement program is also included in the request. A total of \$4,446,967 is requested for program improvements.

The Governor recommends total restricted and general use fund expenditures of \$158,178,677 for FY 1987. The general use fund portion of that amount totals \$110,443,331 which includes \$86,860,554 for personnel and \$23,582,777 for OOE. The recommendation does not include a general salary increase nor does it include an increase of the employer contribution to the unclassified retirement program. The recommendation includes funds for the classified employees' pay plan step movement and a 2 percent increase for OOE. The amount recommended for utility expenditures is equal to the amount actually expended during FY 1985 plus amounts approved for support of new buildings. The Governor recommends a total of \$327,024 for program improvements. The amount includes \$92,737 from the State General Fund for the Law Enforcement Training Center to supplement the special revenue funds that support its operation.

Senate Subcommittee Recommendation

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

1. Based upon the systemwide recommendations of the full Committee:
 - a. Addition of \$150,000 and 5.0 FTE classified positions for support of the campus telephone system.
 - b. Addition of \$1,922,790 to provide a 3 percent salary increase for unclassified employees.
 - c. Addition of \$517,295 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. The Committee recommends introduction of the legislation necessary to permit the additional employer contribution.
 - d. Addition of \$54,392 to provide a 4 percent increase for the student wage base and continuation of the separate student salaries and wages line item.
 - e. Addition of \$334,264 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.
 - f. The Committee recommends that one-half of the amount reappropriated from the utilities account at the end of FY 1986 be used for energy conservation projects and that unexpended energy conservation funds be reappropriated at the end of FY 1986.
 - g. The Committee requests an interim study of the funding and mission of higher education in Kansas.

2. Addition of \$288,020 and 5.0 FTE unclassified positions for base support for new distinguished professor positions.
3. Addition of \$157,436 and 4.5 FTE positions to implement the second year of the Bachelor of Science in Computer Engineering program.
4. Addition of \$180,262 and 4.0 FTE unclassified positions for development of economic modeling capability for the state.
5. Shift of \$889,344 of expenditures from the General Fees Fund to the State General Fund to accommodate adjustments made in FY 1986 and elimination of a \$200,000 transfer from KUMC for the occupational therapy program during FY 1987.
6. Reduction of \$402,681 and 14.95 FTE positions due to the transfer of the occupational therapy program from Lawrence to the Kansas City campus during the current fiscal year.

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee with the following exceptions:

1. Reduction of \$180,262 and 4.0 FTE unclassified position for development of economic modeling capability for Kansas. The amount is to be included in the Board of Regents Office budget so that all of the institutions would have an opportunity to bid for the project.
2. Addition of \$100,528 and 2.0 FTE unclassified positions for the requested instrumentation laboratory.
3. Include the housing system operation funds authorized by K.S.A. 76-762 among the special revenue funds in the appropriation bills for fiscal years 1986 and 1987. The statute authorizing the funds was passed by the 1985 Legislature, but they were not appropriated for FY 1986 nor were they included in the FY 1987 appropriation bill.
4. Addition of \$47,216 to the amount budgeted for KPERS to reflect the certified rate.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee recommendations.


House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>FY 87 Senate Recommend.</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,058,604	\$ 83,286,247	\$(3,213,723)
General Fees Fund	(889,344)	30,137,134	180,000
Interest on Endowment	0	35,000	0
General Use Funds	\$ 3,169,260	\$113,458,381	\$(3,033,723)
Other Funds	0	62,818,515	(167,950)
Subtotal	\$ 3,169,260	\$176,276,896	\$(3,201,673)
Other Assistance:			
State General Fund	\$ 0	\$ 154,210	\$ 0
General Fees Fund	0	0	0
Other Funds	0	8,299,885	0
Subtotal	\$ 0	\$ 8,454,095	\$ 0
Total General Use Funds	\$ 3,169,260	\$113,612,591	\$(3,033,723)
Total Operating Expenditures	\$ 3,169,260	\$184,730,991	\$(3,201,673)
Capital Improvements:			
State General Fund	\$ 109,276	\$ 109,276	\$ (109,276)
Educational Building Fund	0	1,600,000	0
Other Funds	0	8,140,500	0
Subtotal	\$ 109,276	\$ 9,849,776	\$ (109,276)
GRAND TOTAL	\$ 3,278,536	\$194,580,767	\$(3,310,949)
FTE Positions:			
Classified	4.5	1,956.90	(5.0)
Unclassified	(2.95)	2,253.25	2.0
TOTAL	1.55	4,210.15	(3.0)


The House Subcommittee concurs with the Senate recommendation with the following exceptions:

1. Deletion of \$3,025,957 and 5.0 FTE classified positions recommended for systemwide increases pending a decision by the full Committee on the systemwide budget issues.
2. Addition of \$180,262 and 4.0 FTE unclassified positions for development of an econometric model for Kansas. The Subcommittee is of the opinion that the economic conditions of the state warrant the development of this capability despite the fact that it was not included in the Governor's basic budget.
3. Deletion of \$100,528 and 2.0 FTE unclassified positions for the instrumentation laboratory.

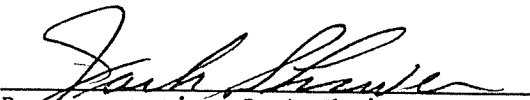
4. Shift expenditure of \$180,000 from the State General Fund to the General Fees Fund.
5. Delete \$255,450 (25 percent of the total) budgeted for out-of-state travel. Of that amount, \$87,500 is from the State General Fund and \$167,950 is from restricted use funds.
6. The Subcommittee recommends introduction of legislation that would authorize a transfer of University property on West Campus to the endowment association. In exchange, the endowment association would transfer land, including parking lots, near Memorial Stadium to the University.



Representative J. Santford Duncan
Chairperson



Representative Bob Ott



Representative Jack Shriver

682.87a

SUBCOMMITTEE REPORT

Agency: Kansas State University

Bill No. 537

Bill Sec. 3

Analyst: Galligan

Analysis Pg. No. 729

Budget Pg. No. 3-35

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Committee Adjustments</u>
State Operations:			
State General Fund	\$ 88,087,508	\$ 77,223,758	\$ 3,416,957
General Fees Fund	17,348,593	17,716,378	(345,504)
Land Grant Funds	6,840,699	6,840,699	0
Interest	110,000	110,000	0
General Use Funds	<u>\$112,386,800</u>	<u>\$101,890,835</u>	<u>\$ 3,071,453</u>
Other Funds	52,689,212	52,689,212	0
Subtotal	<u>\$165,076,012</u>	<u>\$154,580,047</u>	<u>\$ 3,071,453</u>
Aid to Local Units:			
Special Revenue	\$ 48,908	\$ 48,908	\$ 0
Other Assistance:			
State General Fund	\$ 138,873	\$ 129,788	\$ 0
General Fees Fund	192	192	0
Land Grant Funds	0	0	0
Other Funds	6,379,761	6,379,761	0
Subtotal	<u>\$ 6,518,826</u>	<u>\$ 6,509,741</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$112,525,865</u>	<u>\$102,020,815</u>	<u>\$ 3,071,453</u>
Total Operating Expenditures	\$171,643,746	\$161,138,696	\$ 3,071,453
Capital Improvements:			
State General Fund Educational Building Fund	\$ 0	\$ 0	\$ 89,384
Other Funds	7,833,400	7,127,000	0
Subtotal	<u>7,649,975</u>	<u>7,649,975</u>	<u>0</u>
GRAND TOTAL	<u>\$ 15,483,375</u>	<u>\$ 14,776,975</u>	<u>\$ 89,384</u>
	<u>\$187,127,121</u>	<u>\$175,915,671</u>	<u>\$ 3,160,837</u>
FTE Positions:			
Classified	1,884.7	1,864.1	4.5
Unclassified	2,227.6	2,200.4	3.5
TOTAL	<u>4,112.3</u>	<u>4,064.5</u>	<u>8.0</u>

Agency Request/Governor's Recommendation

The requested educational and general operating budget for FY 1987 totals \$155,002,725 which is \$12,747,274 more than the revised budget for FY 1986. The general use portion of the request for FY 1987 includes \$68,753,350

*Atch. C
J. W. M. 4/4/86*

" C "

for unclassified salaries and benefits, \$19,213,985 for classified salaries and benefits, \$18,052,867 for OOE and \$4,846,305 for utilities. The total general use request for FY 1987 is 10.6 percent greater than the approved FY 1986 general use budget. The request includes 7 percent salary increases for classified, unclassified and student employees and OOE and a 5 percent increase of the utility budget. The University also requests an additional 1 percent employer contribution to the unclassified employees retirement program. A total of \$3,822,464 is requested for program improvements.

The Governor's recommendation for expenditures from restricted and general use funds for FY 1987 totals \$144,497,675 which is \$2,242,224 more than the revised budget for FY 1986. The general use portion of the recommendation totals \$102,020,815 and consists of \$82,069,473 for personnel expenditures and \$19,951,342 for other operating expenditures including utilities. The recommendation includes funds for pay plan step movement for classified employees, a 2 percent increase to the OOE base budget and utility expenditures equal to those made in FY 1985.

Senate Subcommittee Recommendations

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

1. Based upon the systemwide recommendations of the full Committee:
 - a. Addition of \$70,000 and 2.5 FTE positions for support of the campus telephone system.
 - b. Addition of \$1,839,548 to provide a 3 percent salary increase for unclassified employees.
 - c. Addition of \$431,879 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. In addition, the Subcommittee recommends that \$99,934 be provided for a 1 percent salary increase for the employees of the Cooperative Extension Service who participate in the federal retirement program.
 - d. Addition of \$61,032 to provide a 4 percent increase for the student wage base. The Committee recommends continuation of the separate student salaries and wages line item.
 - e. Addition of \$300,036 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.
 - f. The Committee recommends that one-half of the amount reappropriated from the utilities FY 1986 be used for energy conservation projects and that unexpended FY 1986 energy conservation funds be reappropriated for expenditure during FY 1987.

- g. The Committee requests an interim study of the funding and mission of higher education in Kansas.
2. Shift \$345,504 of expenditures from the General Fees Fund to the State General Fund based on the University's revised estimate of receipts after spring enrollment. The Subcommittee notes that the spring estimate of receipts is \$447,858 less than that made in the fall which was the basis for the Governor's recommendation.
 3. The Subcommittee reviewed the Governor's recommendation for utility expenditures for the current fiscal year and notes that it does not include the \$43,823 that was appropriated by the 1985 Legislature for support of Nichols Hall. The Subcommittee recommends that the Legislature give favorable consideration to a Governor's Budget Amendment for that amount.
 4. The Subcommittee learned from the University that the required match for the Center of Excellence appropriation for FY 1986 had not yet been secured but is anticipated during this fiscal year. The Subcommittee therefore recommends that its counterpart in the House Ways and Means Committee review the Center's expenditures to determine whether the amount recommended by the Governor for reappropriation will be available at the end of FY 1986.
 5. The Subcommittee does not recommend any new program improvements at this time because Kansas State is in a period of transition with a new president to be hired soon and the Dean of Agriculture in his first year with the University. The Subcommittee is reluctant to fund new programs until the new administration has an opportunity to develop and articulate its direction for the institution. In addition, the Subcommittee notes that the Legislative Commission on Kansas Economic Development has targeted agriculture as a major area of study and wishes to have an opportunity to review those recommendations before providing resources for new or expanded programs.
 6. The Subcommittee reviewed the University's estimate of the reduction of federal land grant funds that is expected as a result of recent Congressional action including enactment of P.L. 99-177, the Gramm-Rudman bill. The estimated reduction for FY 1986 totals \$417,789 and for FY 1987 totals \$666,976. The Subcommittee recognizes the magnitude of these reductions, but is of the opinion that the current status of state resources does not permit the Legislature to compensate for them.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendations with the following exceptions:

1. Addition of \$125,000 and 3.0 FTE positions (2.0 classified, 1.0 unclassified) as requested by the University to enable it to participate in the joint electronic library catalog project of the Regents' institutions.
2. Addition of \$100,000 and 2.5 FTE positions (1.0 classified, 1.5 unclassified) for farm management research and farm product marketing research.
3. Addition of \$44,024 to restore the amount budgeted for KPERS to the certified rate.
4. Include the housing system operation funds authorized by K.S.A. 76-762 among the special revenue funds in the appropriation bills for fiscal years 1986 and 1987. The statute authorizing the funds was passed by the 1985 Legislature, but they were not appropriated for FY 1986 nor were they included in the FY 1987 appropriation bill.
5. Amendment of item number 5 above to reflect the Committee's recommendation that no program improvements in addition to the two included by the Committee should be added.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee recommendations with the following exceptions:

1. Addition of \$43,823 for utility expenditures during the current fiscal year. (The appropriation of the funds is included in S.B. 584.)
2. Shift expenditure of \$417,789 from federal land grant funds to the State General Fund during the current fiscal year due to reduction of the amount appropriated by Congress.

House Subcommittee Recommendations

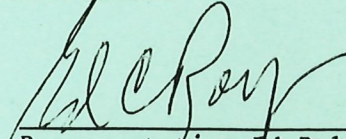
<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Rec. FY 87</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 3,416,957	\$ 80,640,715	\$(3,403,575)
General Fees Fund	(345,504)	17,370,874	0
Land Grant Funds	0	6,840,699	0
Interest	0	110,000	0
General Use Funds	\$ 3,071,453	\$104,962,288	\$(3,403,575)
Other Funds	0	52,689,212	0
Subtotal	<u>\$ 3,071,453</u>	<u>\$157,651,500</u>	<u>\$(3,403,575)</u>
Aid to Local Units:			
Special Revenue	\$ 0	\$ 48,908	\$ 0
Other Assistance:			
State General Fund	\$ 0	\$ 129,788	\$ 0
General Fees Fund	0	192	0
Land Grant Funds	0	0	0
Other Funds	0	6,379,761	0
Subtotal	<u>\$ 0</u>	<u>\$ 6,509,741</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$ 3,071,453</u>	<u>\$105,092,268</u>	<u>\$(3,403,575)</u>
Total Oper. Expenditures	\$ 3,071,453	\$164,210,149	\$(3,403,575)
Capital Improvements:			
State General Fund	\$ 89,384	\$ 89,384	\$ (89,384)
Educational Bldg. Fund	0	7,127,000	0
Other Funds	0	7,649,975	0
Subtotal	<u>\$ 89,384</u>	<u>\$ 14,866,359</u>	<u>\$ (89,384)</u>
GRAND TOTAL	<u>\$ 3,160,837</u>	<u>\$179,076,508</u>	<u>\$(3,492,959)</u>
FTE Positions:			
Classified	4.5	1,868.6	(4.5)
Unclassified	3.5	2,203.9	(3.5)
TOTAL	<u>8.0</u>	<u>4,072.5</u>	<u>(8.0)</u>

The Subcommittee concurs with the Senate recommendations with the following exceptions:


1. Deletion of \$2,846,453 and 2.5 FTE positions included by the Senate for systemwide increases.
2. Deletion of \$125,000 and 3.0 FTE positions (2.0 FTE classified and 1.0 FTE unclassified) for the joint electronic library catalog project.

3. Deletion of \$100,000 and 2.5 FTE positions for the farm management and farm marketing research project.
4. Deletion of \$181,320 (50 percent of the total) from the State General Fund for out of state travel.
5. Deletion of \$802 due to a technical adjustment.
6. The Subcommittee learned that the minimum mileage on University motorpool vehicles at the time of trade-in is 60,000 miles. The Subcommittee recommends that the University adopt a policy that increases that minimum to at least 80,000 miles. In connection with this recommendation the Subcommittee recommends that \$100,000 be deleted from FY 1987 SGF expenditures.
7. The Subcommittee learned that the University currently conducts two associate degree programs in the College of Arts and Sciences in which a total of 20 people are enrolled. The Subcommittee is of the opinion that two year programs are not an appropriate activity for KSU and therefore recommends that the programs be discontinued and that \$50,000 be reduced from the University's base budget as a result of the discontinuation. The programs should also be removed from future calculations of enrollment adjustments in order to prevent removal of funding for the programs twice. The Subcommittee makes this recommendation by way of underlining its opinion that the mission of KSU is primarily to provide four-year and graduate education in agriculture, engineering, business and the liberal arts and sciences. Two-year degrees are not, in the Subcommittee's view, a valid use of resources provided to the University.
8. The Subcommittee notes that concern has been expressed to it in regard to the advice that was given to the agricultural community during the 1970's that may have contributed to some of the problems that farmers are having today. The Subcommittee also received testimony that the University may be insensitive to the problems and financial stress that some farmers are currently experiencing. Finally, the Subcommittee learned that some members of the agricultural industry are of the opinion that research should be directed toward input cost limitations rather than increased production. The Subcommittee notes these concerns and urges the University to take them into consideration during development of the FY 1988 operating budget.
9. Addition of telecommunication services to the list of service clearing accounts authorized in the appropriation bill.
10. The Subcommittee also makes the following recommendations for the current fiscal year:
 - a. Deletion of \$43,823 recommended for utility expenditures.

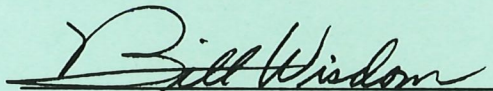
- b. Deletion of \$417,789 recommended from the State General Fund to replace the shortfall of federal land grant funds.
- c. Addition of \$110,148 to the amount recommended for Center of Excellence expenditures during the current fiscal year. The Subcommittee learned from the University that the required matching funds had been secured and that the funds could be expended during the current year. This adjustment to the FY 1986 budget will eliminate the reappropriation anticipated by the Governor and therefore require appropriation of \$110,148 for FY 1987 to maintain the recommended expenditure level.



Representative Ed Rolfs,
Subcommittee Chairperson



Representative Wanda Fuller



Representative Bill Wisdom

SUBCOMMITTEE REPORT

**Agency: Kansas State University Veterinary
Medical Center**

Bill No. 537

Bill Sec. 4

Analyst: Galligan

Analysis Pg. No. 745

Budget Pg. No. 3-39

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Committee Adjustments</u>
State Operations:			
State General Fund	\$ 6,843,562	\$ 5,658,255	\$ 375,018
General Fees Fund	2,066,590	2,076,904	(35,314)
Hospital Revenue	1,065,000	1,065,000	0
General Use Funds	\$ 9,975,152	\$ 8,800,159	\$ 339,704
Other Funds	345,151	345,151	0
Total Operating Expenditures	<u>\$10,320,303</u>	<u>\$ 9,145,310</u>	<u>\$ 339,704</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 20,378
GRAND TOTAL	<u>\$10,320,303</u>	<u>\$ 9,145,310</u>	<u>\$ 360,082</u>
FTE Positions:			
Classified	133.4	127.4	2.0
Unclassified	88.4	88.4	0.0
TOTAL	<u>221.8</u>	<u>215.8</u>	<u>2.0</u>

Agency Request/Governor's Recommendation

The requested educational and general operating budget for FY 1987 totals \$10,320,303 which is \$1,179,724 more than the revised budget for FY 1986. The general use portion of the request for FY 1987 totals \$9,975,152 and includes \$4,317,615 for unclassified salaries and benefits, \$2,492,106 for classified salaries and benefits, \$2,012,874 for OOE and \$1,050,874 for utilities. The total general use request for FY 1987 is 13.6 percent greater than the approved FY 1986 general use budget. The request includes 7 percent increases for the classified, unclassified and student wage bases. An additional 1 percent employer contribution to the unclassified employees' retirement program is also requested. A 7 percent increase is requested for OOE and a 5 percent increase is requested for utilities. A total of \$591,125 is requested for program improvements.

The Governor's recommendation for the educational and general operating budget for FY 1987 totals \$9,145,310 which is composed of \$8,800,159 of general use funds and \$345,151 of restricted use funds. The recommended general use expenditure level is \$22,704 more than the amount approved for the current fiscal year. The recommendation does not include any general salary increase, but does include funds for classified employees' pay plan step movement. A 2 percent

*Atch. D
2.20.87 4/4/86 D*

increase is recommended for OOE and funds for utilities are recommended at the level of actual expenditures during FY 1985.

Senate Subcommittee Recommendations

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

1. Based upon the systemwide recommendations of the full Committee:
 - a. Addition of \$107,534 to provide a 3 percent salary increase for unclassified employees.
 - b. Addition of \$31,964 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. The Committee recommends introduction of the legislation necessary to permit the additional employer contribution.
 - c. Addition of \$3,801 to provide a 4 percent increase for the student wage base. The Committee recommends continuation of the separate student salaries and wages line item.
 - d. Addition of \$35,897 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.
 - e. The Committee recommends that one-half of the amount reappropriated from the utility account at the end of FY 1986 be used for energy conservation projects and that unexpended energy conservation funds at the end of FY 1986 be reappropriated for expenditure during FY 1987.
 - f. The Committee requests an interim study of the funding and mission of higher education in Kansas.
2. Addition of \$157,920 and 2.0 FTE classified positions to upgrade existing faculty, hire a cardiologist, and add technical positions and operating expenditures to continue the Center's progress toward the goals established in the 1966 master plan. The Subcommittee notes that the Board of Regents increased tuition for veterinary medical students by 26.4 percent for FY 1987 and that the increased receipts are estimated to equal the amount budgeted for this program improvement.
3. Addition of the Rapid Focal Florescent Inhibition Test to the list of restricted fee accounts. The account would be the repository for fees collected for a rabies test administered by the Center.
4. Shift \$35,314 of expenditures from the General Fees Fund to the State General Fund in FY 1987 to accommodate the shift of \$73,692 from the State General Fund to the fee fund in FY 1986 based upon the revised fee estimates after spring enrollment. The ending

balances in the fee fund both years would be \$10,000.
(Authorization for the FY 1986 shift is contained in S.B. 584.)

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendations with the following exceptions:

1. Reduce the revenue ceiling on the Hospital and Diagnostic Laboratory Revenue Fund to \$1,067,000 as requested by the University. The change would not impact the expenditure level recommended by the Governor for the fund.
2. Addition of \$2,588 to the amount budgeted for KPERS to equal the certified rate.

Senate Committee of the Whole Recommendation

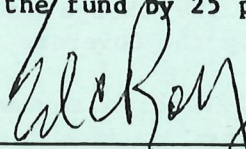
The Senate concurs with the Committee recommendations.

House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Rec. FY 87</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 375,018	\$ 6,033,273	\$ (346,351)
General Fees Fund	(35,314)	2,041,590	0
Hospital Revenue	0	1,065,000	0
General Use Funds	\$ 339,704	\$ 9,139,863	\$ (346,351)
Other Funds	0	345,151	0
Total Operating Expenditures	\$ 339,704	\$ 9,485,014	\$ (346,351)
Capital Improvements:			
State General Fund	\$ 20,378	\$ 20,378	\$ (20,378)
GRAND TOTAL	\$ 360,082	\$ 9,505,392	\$ (366,729)
FTE Positions:			
Classified	2.0	129.4	(2.0)
Unclassified	0.0	88.4	0.0
TOTAL	2.0	217.8	(2.0)

The Subcommittee concurs with the Senate recommendations with the following exceptions:

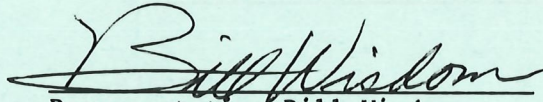
1. Reduction of \$181,784 recommended for systemwide increases.
2. The Subcommittee reviewed the University's request for creation of a restricted fee account for receipts from the Rapid Focal Fluorescent Inhibition test and recommends that the fees be placed in the Hospital and Diagnostic Laboratory Fee Fund.
3. Reduction of \$157,920 and two FTE classified positions recommended for the program improvement.
4. Delete \$6,647 from State General Fund expenditures to reduce out-of-state travel financed from the fund by 25 percent.



Representative Ed Rofls,
Subcommittee Chairperson



Representative Wanda Fuller



Representative Bill Wisdom

367-3.87A

SUBCOMMITTEE REPORT

Agency: Wichita State University

Bill No. 537

Bill Sec. 8

Analyst: Galligan

Analysis Pg. No. 795

Budget Pg. No. 3-93

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Committee Adjustments</u>
State Operations:			
State General Fund	\$41,245,493	\$ 35,483,231	\$ 821,520
General Fees Fund	<u>11,865,002</u>	<u>12,846,446</u>	<u>554,860</u>
General Use Funds	\$53,110,495	\$ 48,329,677	\$ 1,376,380
Other Funds	<u>16,995,136</u>	<u>16,995,136</u>	<u>0</u>
Subtotal	\$70,105,631	\$ 65,324,813	\$ 1,376,380
Other Assistance:			
State General Fund	\$ 83,995	\$ 78,500	\$ 0
Other Funds	<u>3,570,000</u>	<u>3,570,000</u>	<u>0</u>
Subtotal	<u>\$ 3,653,995</u>	<u>\$ 3,648,500</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$53,194,490</u>	<u>\$ 48,408,177</u>	<u>\$ 1,376,380</u>
Total Operating Expenditures	<u>\$73,759,626</u>	<u>\$ 68,973,313</u>	<u>\$ 1,376,380</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 133,792
Educational Building Fund	4,992,700	4,600,000	0
Other Funds	<u>895,200</u>	<u>895,200</u>	<u>0</u>
Subtotal	<u>\$ 5,887,900</u>	<u>\$ 5,495,200</u>	<u>\$ 133,792</u>
GRAND TOTAL	<u>\$79,647,526</u>	<u>\$ 74,468,513</u>	<u>\$ 1,510,172</u>
FTE Positions:			
Classified	631.9	615.1	2.0
Unclassified	<u>947.1</u>	<u>907.5</u>	<u>5.0</u>
TOTAL	<u>1,579.0</u>	<u>1,522.6</u>	<u>7.0</u>

Agency Request/Governor's Recommendation

The requested educational and general operating budget (including both restricted and general use funds) for FY 1987 totals \$70,299,870 which is \$4,096,854 more than the revised budget for FY 1986. The general use portion of the request for FY 1987 includes \$32,172,312 for unclassified salaries and benefits, \$9,063,665 for classified salaries and benefits, \$8,226,320 for OOE and \$2,656,821 for utilities. The total general use request for FY 1987 is 10.4 percent greater than the approved FY 1986 general use budget. The request includes a 7 percent increase of the classified, unclassified and student salary bases and OOE and a 5 percent increase of the utility base. A 1 percent increase of the employer contribution to the unclassified employees' retirement program is also included in the request. In addition to those systemwide requests, the University requests a total of \$1,889,166 for program improvements.

*Atch. E
J. M. M. 4/4/86 "E"*

The Governor recommends expenditure of \$65,513,557 of general and restricted use funds during FY 1987. The recommended general use expenditure of \$48,408,177 is \$308,041 more than the recommended general use expenditure for FY 1986. The recommendation includes \$38,563,374 for personnel and \$9,844,803 for OOE. The recommendation does not include any general salary increases, but does include funds for the classified employees' pay plan step movement. The recommendation also includes a 2 percent increase for OOE, an increase of the utility base to finance anticipated electricity rate increases and funding for the maintenance and support of new buildings.

Senate Subcommittee Recommendations

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

1. Based upon the systemwide recommendations of the full Committee:
 - a. Addition of \$30,000 and 1.0 FTE classified positions for support of the campus telephone system.
 - b. Addition of \$851,469 to provide a 3 percent salary increase for unclassified employees.
 - c. Addition of \$220,944 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. The Committee recommends introduction of the legislation necessary to permit the additional employer contribution.
 - d. Addition of \$40,692 to provide a 4 percent increase for the student wage base and continuation of the separate student salaries and wages line item.
 - e. Addition of \$140,456 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.
 - f. The Committee recommends that one-half of the amount reappropriated from the utilities account at the end of FY 1986 be used for energy conservation projects and that unexpended FY 1986 energy conservation funds be reappropriated for expenditure during FY 1987.
 - g. The Committee requests an interim study of the funding and mission of higher education in Kansas.
2. A shift of two positions from classified to unclassified for the Director of Purchasing and the Publications Coordinator. The Subcommittee learned that the positions were filled as unclassified during the current fiscal year.

3. The Subcommittee learned that the University has proposals before the Board of Regents that would create new PhD. programs in Chemistry, Mathematics and Geology. The Subcommittee defers action on the request for additional faculty and support for the physical sciences and industrial psychology until the Board makes its decision on the new programs.
4. Addition of \$20,903 and 1.0 FTE unclassified position for an equipment manager for the newly created research equipment pool.
5. Addition of \$34,810 and 2.0 FTE classified positions for library assistants.
6. Addition of 1.0 FTE classified position to enable the University to employ a maintenance technician at the computing center for maintenance of microcomputers.
7. Addition of \$17,954 and 1.0 FTE unclassified position for two graduate assistants to begin the computer programming for an automated degree checksheet that would be used by academic advisors.
8. The Subcommittee recommends that the House Subcommittee review the request for additional funding for the Center for Entrepreneurship in light of the report of the Legislative Commission on Kansas Economic Development that will be issued on March 19.
9. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction with the exception of its recommendation for expenditure of \$171,000 to begin preliminary planning for a new science classroom and laboratory building. The Subcommittee recommends that the preliminary planning be delayed for one year so that there would not be a delay between preliminary and final planning as would apparently be the case under the current recommendation.
10. Shift expenditure of \$554,860 from the State General Fund to the General Fees Fund based on the University's revised estimate of receipts after spring enrollment.
11. Addition of one FTE unclassified position as a technical adjustment.
12. In regard to the University's request for additional restricted use positions, the Subcommittee notes that the State Finance Council has authority to increase the position limitation and therefore recommends that if additional grant funds are obtained by the University it should approach the Finance Council for any necessary additional positions.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendations with the following exceptions:

1. Addition of \$19,152 to restore the amount budgeted for KPERS to the certified rate.
2. Inclusion of the housing system operations funds authorized by K.S.A. 76-762 among the special revenue funds in the appropriation bills for fiscal years 1986 and 1987. The statute authorizing the funds was passed by the 1985 Legislature, but the funds were not appropriated for FY 1986 nor were they included in the FY 1987 appropriation bill.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee recommendations with the following exception:

1. Addition of \$133,333 and 3.2 FTE positions as a program improvement in mathematics.

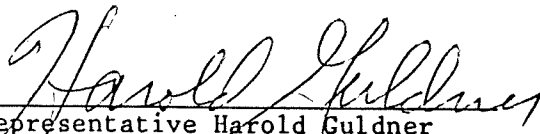
House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Recommendation</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 954,853	\$ 36,438,084	\$ 19,603
General Fees Fund	554,860	13,401,306	0
General Use Funds	\$ 1,509,713	\$ 49,839,390	\$ 19,603
Other Funds	0	16,995,136	0
Subtotal	<u>\$ 1,509,713</u>	<u>\$ 66,834,526</u>	<u>\$ 19,603</u>
Other Assistance:			
State General Fund	\$ 0	\$ 78,500	\$ 0
Other Funds	0	3,570,000	0
Subtotal	<u>\$ 0</u>	<u>\$ 3,648,500</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$ 1,509,713</u>	<u>\$ 49,917,890</u>	<u>\$ 19,603</u>
Total Operating Expenditures	<u>\$ 1,509,713</u>	<u>\$ 70,483,026</u>	<u>\$ 19,603</u>
Capital Improvements:			
State General Fund	\$ 133,792	\$ 133,792	\$ 0
Educational Building Fund	0	4,600,000	171,000
Other Funds	0	895,200	0
Subtotal	<u>\$ 133,792</u>	<u>\$ 5,628,992</u>	<u>\$ 0</u>
GRAND TOTAL	<u>\$ 1,643,505</u>	<u>\$ 76,112,018</u>	<u>\$ 190,603</u>
FTE Positions:			
Classified	2.0	617.1	0.0
Unclassified	8.2	915.7	2.0
TOTAL	<u>10.2</u>	<u>1,532.8</u>	<u>0.0</u>

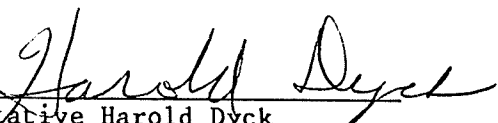
The Subcommittee concurs with the Senate recommendations with the following exceptions:

1. Addition of \$19,822 to the amount recommended for the equipment manager to increase the base salary for the position to \$35,000 as requested by the University during its discussion with the Subcommittee.
2. Deletion of \$219 as a technical adjustment.
3. The Subcommittee recommends that the Board of Regents review the amount expended for maintenance contracts on equipment, particularly computing and scientific equipment, at each of the campuses to determine the most cost effective method of protecting the state's investment. Among the options that the Subcommittee would like to see evaluated are maintenance contracts, hiring technicians on each campus to maintain equipment or hiring technicians who would provide maintenance services systemwide. In addition, the Subcommittee suggests that the Board include in this evaluation an assessment of the feasibility and cost effectiveness of having the Regents' institutions provide certain maintenance functions to other state agencies located near the campuses. As an example, the campuses might be able to provide servicing support for microcomputers owned by state agencies.
4. The Subcommittee supports the Center for Entrepreneurship and the work that it does and if sufficient funds were available would support additional resources for the Center.
5. The Subcommittee specifically supports the Senate's recommendation for funding for the automated advising checksheet and suggests that it might be a project that could be replicated on the other campuses.
6. Addition of 2.0 FTE unclassified positions to be funded from restricted use funds. The positions would be assigned to the speech clinic and the pre-school. The Subcommittee specifically supports the recommendation of its Senate counterpart that the University seek Finance Council approval for additional restricted use positions if funds to support them should become available.
7. Addition of \$171,000 to begin planning for the new science classroom and library building during FY 1987. Shift of \$150,000 from the amount appropriated for the Ablah Library project for FY 1988 to FY 1989. Both recommendations were made by the Joint Committee on State Building Construction.

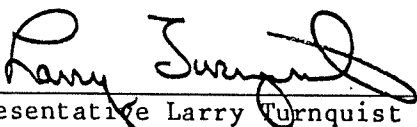
8. The Subcommittee notes that the OOE expenditures during FY 1985 were 19.0 percent greater than the level approved by the Legislature. The Subcommittee learned that the University accomplished the shift of expenditures from salaries to OOE by holding positions open and by filling positions at lower levels than originally budgeted in part to assure that it met its shrinkage requirements. The Subcommittee does not recommend any permanent adjustment in the base at this time, but will seriously consider making such an adjustment during the 1987 session if the pattern continues.



Representative Harold Guldner
Chairperson



Representative Harold Dyck



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Fort Hays State University

Bill No. 537

Bill Sec. 2

Analyst: Galligan

Analysis Pg. No. 719

Budget Pg. No. 3-27

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$17,177,140	\$14,994,007	\$ 771,728
General Fees Fund	3,847,228	3,914,419	(10,158)
General Use Funds	<u>\$21,024,368</u>	<u>\$18,908,426</u>	<u>\$ 761,570</u>
Other Funds	5,739,490	5,739,490	0
Subtotal	<u>\$26,763,858</u>	<u>\$24,647,916</u>	<u>\$ 761,570</u>
Other Assistance:			
State General Fund	\$ 36,059	\$ 33,700	\$ 0
General Fees Fund	0	0	0
Other Funds	1,372,876	1,372,876	0
Subtotal	<u>\$ 1,408,935</u>	<u>\$ 1,406,576</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$21,060,427</u>	<u>\$18,942,126</u>	<u>\$ 761,570</u>
Total Operating Expenditures	\$28,172,793	\$26,054,492	\$ 761,570
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 46,026
Educational Building Fund	760,000	100,000	0
Other Funds	1,015,000	575,000	100,000
Subtotal	<u>\$ 1,775,000</u>	<u>\$ 675,000</u>	<u>\$ 146,026</u>
GRAND TOTAL	<u>\$29,947,793</u>	<u>\$26,729,492</u>	<u>\$ 907,596</u>
FTE Positions			
Classified	298.4	294.4	2.0
Unclassified	<u>319.1</u>	<u>315.6</u>	<u>1.0</u>
TOTAL	<u><u>617.5</u></u>	<u><u>610.0</u></u>	<u><u>3.0</u></u>

Agency Request/Governor's Recommendations

The requested educational and general operating budget for FY 1987 totals \$25,197,497 which is \$2,053,940 more than the revised budget for FY 1986. The general use portion of the request for FY 1987 totals \$21,060,427 and includes \$12,095,678 for unclassified salaries and benefits, \$3,790,388 for classified salaries and benefits, \$3,448,100 for OOE and \$891,130 for utilities. The total general use request for FY 1987 is 9.7 percent greater than the approved FY 1986 general use budget. The request includes a 7 percent increase of the unclassified, unclassified, and student salary bases. An additional 1 percent increase of the employer contribution to the unclassified employees' retirement program is also requested. Increases of 7 percent and 5 percent are

*Atch. F
J. McM 4/4/86 "F"*

requested for OOE and utilities, respectively. A total of \$695,806 is requested for program improvements.

The Governor's recommendation for the educational and general operating budget for FY 1987 totals \$23,103,028 which is composed of \$18,942,126 of general use funds and \$4,160,902 of restricted use funds. The recommended general use expenditure level is \$260,243 less than the amount approved for the current fiscal year. The Governor's recommendation does not include any general salary increase, but does include funding for the classified employees' pay plan step movement. The recommendation also includes a 2 percent increase of the OOE base and funding for utilities at the level of FY 1985 actual expenditures.

Senate Subcommittee Recommendations

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

1. Based upon the systemwide recommendations of the full Committee:

- a. Addition of \$30,000 an 1.0 FTE classified position for support of the campus telephone system.
- b. Addition of \$330,669 to provide a 3 percent salary increase for unclassified employees.
- c. Addition of \$93,931 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. The Committee recommends introduction of the legislation necessary to permit the additional employer contribution.
- d. Addition of \$30,830 to provide a 4 percent increase for the student wage base. The Committee recommends continuation of the separate student salaries and wages line item.
- e. Addition of \$55,565 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.
- f. The Committee recommends that one-half of the amount reappropriated from the utility account at the end of FY 1986 be used for energy conservation projects and that any unexpended FY 1986 energy conservation funds be reappropriated for expenditure during FY 1987.
- g. The Committee requests an interim study of the funding and mission of higher education in Kansas.

2. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction to provide multi-year funding for the Sheridan Coliseum renovation project in the following amounts: FY 1987 - \$100,000; FY 1988 - \$150,000; FY 1989 -

\$1,500,000; FY 1990 - \$2,162,000. Funding for the final two years of construction of the project would be contingent upon the availability of private funds pledged for the project. (The appropriation for this project is contained in S.B. 522.)

3. Addition of \$110,000 and 2.0 FTE positions for the proposed Off-Campus Instruction Centers. The Subcommittee notes that the establishment of satellite programs on the campuses of community colleges is spreading throughout the Regents' system and recommends that it be included among the practices examined in the study of the financing and mission of higher education in the state.
4. Addition of \$102,000 for the University's academic computer program improvement. The amount would be sufficient for the University to establish two computer labs in Martin Allen Hall.
5. Shift \$10,158 of expenditures from the General Fees Fund to the State General Fund based upon the University's estimate of receipts after spring enrollment and the beginning balance anticipated after the release of \$5,490 from the fees fund as a one-time expenditure during FY 1986. (The fee release authorization is contained in S.B. 584.)

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee recommendations with the following exceptions:

1. Addition of \$8,575 to restore the amount budgeted for KPERS to the certified rate.
2. Include the housing system operation funds authorized by K.S.A. 76-762 among the special revenue funds in the appropriations bills for fiscal years 1986 and 1987. The statute authorizing the funds was passed by the 1985 Legislature but the funds were not appropriated for FY 1986 nor were they included in the FY 1987 appropriation bill.

Senate Committee of the Whole Recommendations

The Senate concurs with the Committee recommendations.

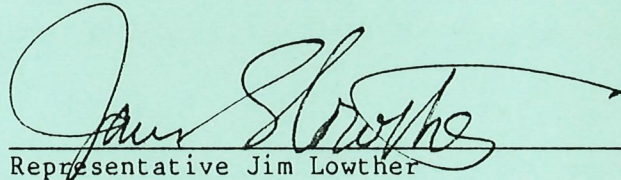
House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>FY 87 Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 771,728	\$15,765,735	\$ (28,356)
General Fees Fund	(10,158)	3,904,261	--
General Use Funds	\$ 761,570	\$19,669,996	\$ (28,356)
Other Funds	--	5,739,490	--
Subtotal	\$ 761,570	\$25,409,486	\$ (28,356)
Other Assistance:			
State General Fund	\$ --	\$ 33,700	\$ --
General Fees Fund	--	--	--
Other Funds	--	1,372,876	--
Subtotal	\$ --	\$ 1,406,576	\$ --
Total General Use Funds	761,570	19,703,696	(28,356)
Total Operating Expenditures	\$ 761,570	\$26,816,062	\$ (28,356)
Capital Improvements:			
State General Fund	\$ 46,026	\$ 46,026	\$ --
Educational Building Fund	100,000	200,000	--
Other Funds	--	575,000	--
Subtotal	\$ 146,026	\$ 821,026	\$ --
GRAND TOTAL	\$ 907,596	\$27,637,088	\$ (28,356)
FTE Positions:			
Classified	2.0	296.4	(1.0)
Unclassified	1.0	316.6	0.0
TOTAL	3.0	613.0	(1.0)

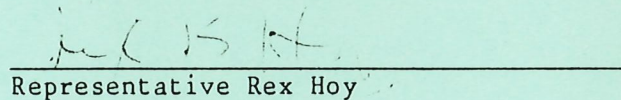
The House Subcommittee concurs with the Senate recommendations with the following exceptions:

1. Delete \$110,000 and 2.0 FTE positions for the off-campus instructional centers. The Subcommittee is of the opinion that the program has not been in place long enough to determine whether it is effective and therefore cannot justify providing additional funds. The Subcommittee notes that the University initiated the activity by reallocating resources internally and would not object to further reallocation if the University finds it necessary.
2. Addition of \$91,000 and 1.0 FTE position for the University's academic computer program improvement. The Subcommittee is of the opinion that this effort is of sufficient importance to the academic programs of the University to warrant the additional funds.

3. Deletion of \$9,356 from the amount recommended for telephone system support. The Subcommittee reviewed the University's request for FY 1987 and is of the opinion that the amount requested by the University, \$20,644, is sufficient.
4. The Subcommittee requests that the Committee review very carefully the Senate recommendation to release "excess" general fee revenue during the current fiscal year based upon the change in FTE enrollment. The action taken by the Senate Committee is a marked deviation from past legislative action on these requests and sets a policy precedent that has implications beyond a single fiscal year.
5. The Subcommittee reviewed the University's shift of salary funds to OOE during FY 1985 and learned from the University that there would be another shift, possibly of greater magnitude, during the current fiscal year due to internal reordering of expenditures. The Subcommittee does not choose to make any adjustments in the budget at this time in anticipation that the University's FY 1988 request will include a permanent base adjustment that would bring the budget and expenditures into closer alignment. If the University does not propose to adjust the budget for FY 1987 at that time, the Subcommittee reserves the right to make those adjustments during the next session.
6. The Subcommittee specifically concurs with the recommendations of the Senate and the Joint Committee on State Building Construction in regard to multi-year funding for the renovation project for Sheridan Coliseum.



Representative Jim Lowther
Subcommittee Chairperson

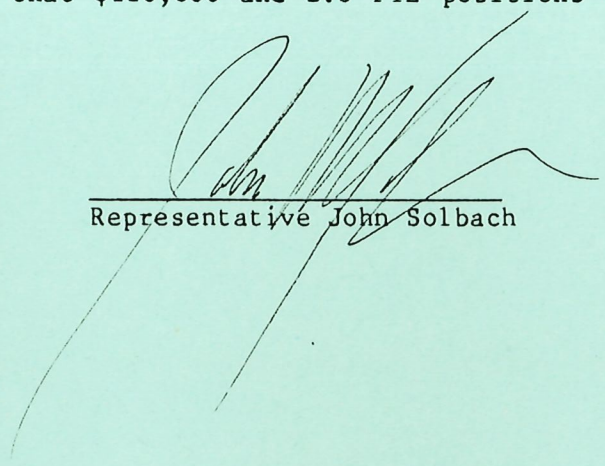


Representative Rex Hoy

Representative John Solbach

Minority Report

I do not agree with the Subcommittee in regard to elimination of the funding and position for the off-campus instruction centers. I therefore concur with the Senate recommendation that \$110,000 and 2.0 FTE positions be included for the program for FY 1987.



Representative John Solbach

SUBCOMMITTEE REPORT

Agency: Pittsburg State University

Bill No. 537

Bill Sec. 6

Analyst: Calligan

Analysis Pg. No. 765

Budget Pg. No. 3-57

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Committee Adjustments</u>
State Operations:			
State General Fund	\$18,114,655	\$15,379,390	\$ 874,083
General Fees Fund	3,922,400	4,600,767	(134,435)
General Use Funds	\$22,037,055	\$19,980,157	\$ 739,648
Other Funds	4,069,428	4,069,428	0
Subtotal	<u>\$26,106,483</u>	<u>\$24,049,585</u>	<u>\$ 739,648</u>
Other Assistance:			
State General Fund	\$ 35,557	\$ 33,231	\$ 0
General Fees Fund	0	0	0
Other Funds	1,457,241	1,457,241	0
Subtotal	<u>\$ 1,492,798</u>	<u>\$ 1,490,472</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$22,072,612</u>	<u>\$20,013,388</u>	<u>\$ 739,648</u>
Total Operating Expenditures	\$27,599,281	\$25,540,057	\$ 739,648
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Educational Building Fund	265,500	227,000	0
Other Funds	0	0	0
Subtotal	<u>\$ 265,500</u>	<u>\$ 227,000</u>	<u>\$ 739,648</u>
GRAND TOTAL	<u>\$27,864,781</u>	<u>\$25,767,057</u>	<u>\$ 739,648</u>
FTE Positions:			
Classified	271.9	264.4	1.0
Unclassified	323.8	317.8	2.0
TOTAL	<u>595.7</u>	<u>582.2</u>	<u>3.0</u>

Agency Request/Governor's Recommendation

The requested educational and general operating budget for FY 1987 totals \$25,584,709 which is \$1,567,697 more than the revised budget for FY 1986. The general use portion of the request for FY 1987 includes \$13,220,806 for unclassified salaries and benefits, \$4,317,498 for classified salaries and benefits, \$3,056,079 for OOE and \$906,777 for utilities. The total general use request for FY 1987 is 8.3 percent greater than the approved FY 1986 general use budget. The request includes 7 percent salary increases for the classified, unclassified and student salary bases and OOE and a 5 percent increase for utilities. The University also requests a 1 percent increase of the employer contribution to the unclassified employees' retirement program. A total of \$1,074,884 is requested for program improvements for FY 1987.

*Atch. G
2/24/87 4/4/86 G*

The Governor's recommendation for the educational and general operating budget for FY 1987 totals \$23,303,785 which is composed of \$20,013,388 of general use funds and \$3,290,397 of restricted use funds. The recommended general use expenditure level is \$474,126 less than the amount approved for the current fiscal year. The recommendation does not include funds for a general salary increase nor the additional retirement contribution, but does include funds for classified employees' pay plan step movement. The Governor recommends a 2 percent increase of OOE expenditures and additional utility expenditures in anticipation of electricity rate increases.

Senate Subcommittee Recommendations

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

1. Based upon the systemwide recommendations of the full Committee:
 - a. Addition of \$350,751 to provide a 3 percent salary increase for unclassified employees.
 - b. Addition of \$101,392 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. The Committee recommends introduction of the legislation necessary to permit the additional employer contribution.
 - c. Addition of \$22,232 to provide a 4 percent increase for the student wage base. The Committee recommends continuation of the separate student salaries and wages line item.
 - d. Addition of \$53,840 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.
 - e. The Committee recommends that unexpended FY 1986 energy conservation funds be reappropriated for expenditure during FY 1987.
 - f. The Committee requests an interim study of the funding and mission of higher education in Kansas.
2. The Subcommittee reviewed the University's request for funds to establish a Center of Excellence and notes that the Legislative Commission on Kansas Economic Development is currently considering a proposal that would create an Institute of Applied Science and Technology Transfer into which the attributes of the University might better be incorporated. The Subcommittee is of the opinion that a Center of Excellence should be the focus of basic research efforts which the University is not prepared to undertake, but is supportive of the concept of establishing the University as a center for technology transfer for those areas in which it has established its expertise. The Subcommittee notes that such a

concept is included in 1986 House Bill No. 3034 which has been recommended for passage by the House Committee on Communication, Computers and Technology. While the Subcommittee does not recommend funding to establish the Center of Excellence, it does recommend addition of \$70,463 and 2.0 FTE unclassified positions for one each Electronics Engineering Technology and Plastics Engineering Technology professor positions.

3. Addition of \$70,000 to enable the University to add ten student work stations and purchase equipment for the electronics laboratory. The Subcommittee is of the opinion that this capital support is an important adjunct to the recommendation for an additional position for the department.
4. Addition of \$49,000 and 1.0 FTE classified position to enable the University to convert records of its library holdings to a computer readable form so that it can participate in the joint library catalog project proposed by the University of Kansas and Kansas State University.
5. Addition of \$2,786 for the Academic Service Centers to provide the increases for that program that were included in the Committee's systemwide decisions. In making this recommendation, the Subcommittee notes that the establishment of outreach programs on the campuses of community colleges is spreading throughout the Regents' system and recommends that the practice be included among those examined in the study of the financing and mission of higher education in the state.
6. Shift expenditure of \$134,435 from the General Fees Fund to the State General Fund during FY 1987 based upon the University's revised fee estimates after spring enrollment and the reduced FY 1987 beginning balance due to the one-time release of \$45,339 for expenditure during FY 1986. (Authorization for the current year fee release is included in S.B. 584.)

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee recommendation with the following exceptions:

1. Deletion of the reference to specific positions in item number 2 above in order to enable the University to utilize the positions as it sees fit.
2. Amend item number 4 above to reflect the Committee's recommendation that all of the Regents' institutions participate in the library program.

3. Include the housing system operation funds authorized by K.S.A. 76-762 among the special revenue funds in the appropriation bills for fiscal years 1986 and 1987. The statute authorizing the funds was passed by the 1985 Legislature, but they were not appropriated for FY 1986 nor were they included in the FY 1987 appropriations bill.
4. Addition of \$9,545 to establish a Desk Top Publishing program.
5. Addition of \$9,639 to restore the amount recommended for KPERS to the certified level.

Senate Committee of the Whole Recommendations

The Senate concurs with the Committee recommendations.

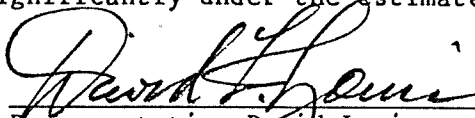
House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total FY 87 Rec.</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 874,083	\$16,253,473	\$ (599,185)
General Fees Fund	(134,435)	4,466,332	0
General Use Funds	\$ 739,648	\$20,719,805	\$ (599,185)
Other Funds	0	4,069,428	0
Subtotal	<u>\$ 739,648</u>	<u>\$24,789,233</u>	<u>\$ (599,185)</u>
Other Assistance:			
State General Fund	\$ 0	\$ 33,231	\$ 0
General Fees Fund	0	0	0
Other Funds	0	1,457,241	0
Subtotal	<u>\$ 0</u>	<u>\$ 1,490,036</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$ 0</u>	<u>\$20,753,036</u>	<u>\$ (599,185)</u>
Total Operating Expenditures	\$ 739,648	\$26,279,705	\$ (599,185)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Educational Building Fund	0	227,000	0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 227,000</u>	<u>\$ 0</u>
GRAND TOTAL	<u>\$ 739,648</u>	<u>\$26,506,705</u>	<u>\$ (599,185)</u>
FTE Positions:			
Classified	1.0	265.4	(1.0)
Unclassified	2.0	319.8	4.3
TOTAL	<u>3.0</u>	<u>585.2</u>	<u>3.3</u>

The House Subcommittee concurs with the Senate recommendations with the following exceptions:

1. Reduction of \$540,640 included for systemwide adjustments.
2. The Subcommittee notes that the University is currently attempting to establish a technology transfer program on the campus and is supportive of the effort to the extent that the end result is the creation of new jobs.
3. The Subcommittee specifically supports the recommendation of the Senate Committee in regard to allowing the University to utilize the two additional FTE positions in any of its technology programs.
4. The Subcommittee reviewed the University's request for a Development Officer and is very supportive of the efforts to secure private support for University activities. The Subcommittee recommends consideration be given to adding the position or establishing an equipment matching pool for the University when significant progress in fund raising is demonstrated.
5. The Subcommittee learned that the University may be able to receive federal funds for the purchase of equipment if sufficient matching state funds are available. Therefore, the Subcommittee recommends that the University have the flexibility to use the \$70,000 included by the Senate for equipment for the technology laboratories to match the federal funds if they become available. The Subcommittee notes that the University's request stated that the equipment funds were requested as a one-time expenditure for FY 1987 and specifically recommends that the amount not be included in the University's base budget.
6. Delete \$49,000 and 1.0 FTE position for the joint library catalog project.
7. Reduction of \$9,545 for the desktop printing project.
8. The Subcommittee reviewed the University's request to redistribute the enrollment adjustment and concurs with the revision. The Subcommittee notes that the University's enrollment has grown over the last three semesters and that the redistribution of the \$527,184 reduction will allow retention of 4.3 unclassified positions that would have been eliminated in the budget as submitted. The Subcommittee also notes that \$25,000 (approximately 32 percent) would be reduced from out-of-state travel as a result of this adjustment and would therefore recommend that the University be exempt from the systemwide travel reduction.

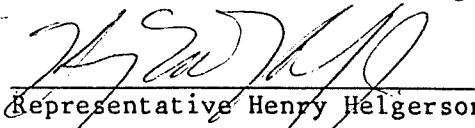
9. The Subcommittee recommends that the University begin phasing out its Cosmetology program. The Subcommittee is of the opinion that the service could more effectively be provided by the private sector and may not be an appropriate offering for a university. The Subcommittee does not at this time wish to establish a specific time by which the program should be closed, but requests a response and specific action plan from the University during the next legislative session. The Subcommittee does not at this time recommend that the funding or the positions be eliminated, but would encourage the University to include in its plan the reallocation of those resources to other programs of the University.
10. The Subcommittee learned that the Joint Committee on State Building Construction had been informed that the Walnut Corporation of Pittsburg planned to purchase a parcel of land which the University wanted to purchase during FY 1987. The Subcommittee acknowledges the transaction and understands that the property will be available for the University to purchase in the future.
11. The Subcommittee reviewed the University's request for funds to replace the roof on Whitesett Hall with excess funds originally appropriated for the Yates Hall reroofing project. The Subcommittee supports the request subject to approval by the Joint Committee on State Building Construction.
12. The Subcommittee recommends that the University establish a policy on their state vehicles that corresponds to the policy established for the state Motor Pool policies and strongly supports the proposed study by the Board of Regents of the present systemwide procedures on motor vehicles.
13. In addition to the recommendations for FY 1987, the Subcommittee makes the following recommendations for FY 1986:
 - a. Reduction of \$45,339 recommended as a one-time expenditure from the General Fees Fund due to the FTE enrollment increase between fall, 1984 and fall, 1985.
 - b. Lapse \$88,118 from the Educational Building Fund account for replacement of the Yates Hall roof due to the bid for the project coming in significantly under the estimate.



Representative David Louis
Subcommittee Chairperson



Representative Kenneth King



Representative Henry Helgerson

SUBCOMMITTEE REPORT

Agency: Emporia State University

Bill No. 537

Bill Sec. 5

Analyst: Galligan

Analysis Pg. No. 753

Budget Pg. No. 3-23

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Committee Adjustments</u>
State Operations:			
State General Fund	\$17,625,373	\$15,793,326	\$ 604,792
General Fees Fund	3,904,564	3,874,221	0
Interest on Endowment	35,000	35,000	0
General Use Funds	<u>\$21,564,937</u>	<u>\$19,702,547</u>	<u>\$ 604,792</u>
Other Funds	5,214,707	5,214,707	0
Subtotal	<u>\$26,779,644</u>	<u>\$24,917,254</u>	<u>\$ 604,792</u>
Other Assistance:			
State General Fund	\$ 36,197	\$ 33,829	\$ 0
General Fees Fund	0	0	0
Other Funds	1,369,000	1,369,000	0
Subtotal	<u>\$ 1,405,197</u>	<u>\$ 1,402,829</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$21,601,134</u>	<u>\$19,736,376</u>	<u>\$ 604,792</u>
Total Operating Expenditures	\$28,184,841	\$26,320,083	\$ 604,792
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 9,698
Educational Building Fund	546,700	350,000	0
Other Funds	41,500	41,500	0
Subtotal	<u>\$ 588,200</u>	<u>\$ 391,500</u>	<u>\$ 9,698</u>
GRAND TOTAL	<u>\$28,773,041</u>	<u>\$26,711,583</u>	<u>\$ 614,490</u>
FTE Positions:			
Classified	278.6	277.1	0.5
Unclassified	341.5	337.4	2.0
TOTAL	<u>620.1</u>	<u>614.5</u>	<u>2.5</u>

Agency Request/Governor's Recommendation

The requested educational and general operating budget for FY 1987 totals \$25,583,726 which is \$1,813,869 more than the revised budget for FY 1986. The general use portion of the request for FY 1987 includes \$12,648,693 for unclassified salaries and benefits, \$4,023,583 (8.6 percent) for classified salaries and benefits, \$3,249,946 for OOE and \$887,748 for utilities. The total general use request for FY 1987 is 8.9 percent greater than the approved FY 1986 general use budget. The request includes 7 percent increases for the classified, unclassified, and student salary and OOE bases and a 5 percent increase for

*Atch. H
J. W. M. 4/4/86 "H"*

utilities. In addition, the University requests that the state contribution to the unclassified employees' retirement program be increased from six to seven percent. A total of \$558,581 is requested for program improvements.

The Governor's recommendation for the educational and general operating budget for FY 1987 totals \$23,718,968 which is composed of \$19,736,376 of general use funds and \$3,982,592 of restricted use funds. The recommended general use expenditure level is \$85,641 less than the amount approved for the current fiscal year. The recommendation does not include any general salary increase, but does include funds for the classified employees' pay plan step movement. A two percent increase of the OOE base is recommended for FY 1987 and funding for utilities is recommended at the level actually expended in FY 1985.

Senate Subcommittee Recommendations

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

1. Based upon the systemwide recommendations of the full Committee:
 - a. The Subcommittee reviewed the University's request for support for the new telephone system for both fiscal years 1986 and 1987 and information provided by DISC in regard to the need for additional staffing. The Subcommittee notes a lack of information with which to determine the cost savings and cost avoidance that the University will experience as a result of the installation of the system, and has some questions about the type of positions, i.e., administrative or maintenance that would best meet the needs of the University. In light of this, the Subcommittee recommends that the University develop cost comparisons of the old and new systems and reexamine the type of position that would best meet its needs. The Subcommittee would consider such data during the 1987 Session.
 - b. Addition of \$345,904 to provide a 3 percent salary increase for unclassified employees.
 - c. Addition of \$92,783 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. The Committee recommends introduction of the legislation necessary to permit the additional employer contribution.
 - d. Addition of \$29,488 to provide a 4 percent increase for the student wage base. The Committee recommends continuation of the separate student salaries and wages line item.
 - e. Addition of \$54,061 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.

- f. The Committee recommends that one-half of the amount reappropriated from the utilities account at the end of FY 1986 be used for energy conservation projects and that any unexpended FY 1986 energy conservation funds be reappropriated for expenditure in FY 1987.
 - g. The Committee requests an interim study of the funding and mission of higher education in Kansas. This Subcommittee requests that the study specifically include examination of the apparent duplication of graduate programs in the Regents' system.
 - h. Consistent with the systemwide decision, the Subcommittee reviewed the University's request for a 1986 supplemental appropriation to pay retirants' accumulated sick leave. In denying the requested supplemental, the Subcommittee notes that the \$90,100 estimated for expenditure during the current fiscal year would not be a significant increase over the amount actually expended for the same purpose during FY 1985 (\$88,721) when the University was able to shift \$163,571 from salaries and wages to OOE.
2. The Subcommittee learned that the University has reduced its estimate of the amount necessary to match new NDSL funds during FY 1987 from \$27,740 to \$5,000. The Subcommittee is of the opinion that the University should take advantage of the availability of loan funds for which there is demand. If additional funds are available and in demand, the Subcommittee would consider increasing the transfer authorization.
 3. Addition of \$30,347 and 1.0 FTE unclassified position for the Second Field Teaching Program in Math, Science and Computer Science.
 4. Addition of \$46,878 and 1.5 FTE positions for the program to improve the preparation and in-service training of school counselors.
 5. The Subcommittee notes with concern that the University does not currently have plans to participate in the joint electronic library catalog project of KU, KSU, and PSU. The Subcommittee is supportive of joint ventures of the type proposed by the three Universities and would encourage participation by Emporia State.
 6. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction to fund the renovation of the electrical system in Plumb Hall and parking lot improvements during FY 1987.

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee recommendations with the following exceptions:

1. The Senate Committee encourages participation of all the Regents' institutions in the electronic library catalog project discussed in item No. 5 above.
2. Addition of \$5,331 to restore the amount budgeted for KPERS to the certified rate.
3. Including the housing system operation funds authorized by K.S.A. 76-762 among the special revenue funds in the appropriations bills for fiscal years 1986 and 1987. The authorizing statute for the funds was passed by the 1985 Legislature, but the funds were not appropriated for FY 1986 nor were they included in the FY 1987 appropriation bill.

Senate Committee of the Whole Recommendations

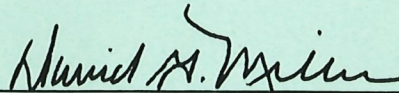
The Senate concurs with the Committee recommendations.

House Subcommittee Recommendations

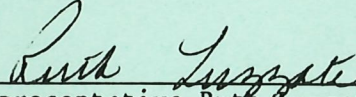
<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Rec. FY 87</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 604,792	\$16,398,118	\$ (77,225)
General Fees Fund	0	3,874,221	0
Interest on Endowment	0	35,000	0
General Use Funds	\$ 604,792	\$20,307,339	\$ (77,225)
Other Funds	0	5,214,707	0
Subtotal	<u>\$ 604,792</u>	<u>\$25,522,046</u>	<u>\$ (77,225)</u>
Other Assistance:			
State General Fund	\$ 0	\$ 33,829	\$ 0
General Fees Fund	0	0	0
Other Funds	0	1,369,000	0
Subtotal	<u>\$ 0</u>	<u>\$ 1,402,829</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$ 604,792</u>	<u>\$20,341,168</u>	<u>\$ (77,225)</u>
Total Operating Expenditures	<u>\$ 604,792</u>	<u>\$26,924,875</u>	<u>\$ (77,225)</u>
Capital Improvements:			
State General Fund	\$ 9,698	\$ 9,698	\$ 0
Educational Building Fund	0	350,000	0
Other Funds	0	41,500	0
Subtotal	<u>\$ 9,698</u>	<u>\$ 401,198</u>	<u>\$ 0</u>
GRAND TOTAL	<u>\$ 614,490</u>	<u>\$27,326,073</u>	<u>\$ (77,225)</u>
Percentage Change:			
FTE Positions:			
Classified	0.5	277.6	(0.5)
Unclassified	2.0	339.4	2.0
TOTAL	<u>2.5</u>	<u>617.0</u>	<u>(2.5)</u>

The Subcommittee concurs with the Senate with the following exceptions:

1. Delete \$30,347 and one FTE position unclassified for the Second-Field Teaching program.
2. Delete \$46,878 and 1.5 FTE positions for the school counselor improvement program.
3. Addition of service clearing funds for telecommunication services.
4. The Subcommittee is reluctant to support the Senate Committee's recommendation that Emporia State University participate in the joint electronic catalog project because it did not have an opportunity to review the details of the project.



Representative David Miller
Subcommittee Chairperson



Representative Ruth Luzzati



Representative George Teagarden

SUBCOMMITTEE REPORT

Agency: Kansas Technical Institute

Bill No. 584

Bill Sec. New

Analyst: Galligan

Analysis Pg. No. 851

Budget Pg. No. 3-41

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 3,173,063	\$ 3,135,689	\$ 38,850
General Fees Fund	346,924	287,099	(25,949)
General Use Funds	\$ 3,519,987	\$ 3,422,788	\$ 12,901
Other Funds	200,820	267,995	0
Subtotal	<u>\$ 3,720,807</u>	<u>\$ 3,690,783</u>	<u>\$ 12,901</u>
Other Assistance:			
State General Fund	\$ 0	\$ 0	\$ 0
General Fees Fund	0	0	0
Other Funds	160,000	160,000	0
Subtotal	<u>\$ 160,000</u>	<u>\$ 160,000</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$ 3,519,987</u>	<u>\$ 3,422,788</u>	<u>\$ 12,901</u>
Total Operating Expenditures	\$ 3,880,807	\$ 3,850,783	\$ 12,901
Capital Improvements:			
State General Fund	\$ 58,769	\$ 62,657	\$ 0
Educational Building Fund	223,648	223,648	0
Other Funds	0	0	0
Subtotal	<u>\$ 282,417</u>	<u>\$ 286,305</u>	<u>\$ 0</u>
GRAND TOTAL	<u>\$ 4,163,224</u>	<u>\$ 4,137,088</u>	<u>\$ 12,901</u>
FTE Positions:			
Classified	38.5	38.5	0.0
Unclassified	54.0	54.0	0.0
TOTAL	<u>92.5</u>	<u>92.5</u>	<u>0.0</u>

Senate Subcommittee Recommendations

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

1. Appropriation of \$38,850 from the State General Fund to offset the shortfall of general fee revenue during the current fiscal year. The recommendation is based on the revised revenue estimates made after spring enrollment and would maintain the general use expenditure level established by the 1985 Legislature.

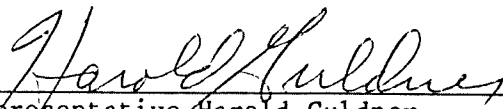
*Atch. I
J. HAM 4/4/86 I*

Senate Committee Recommendations

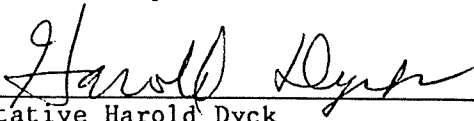
The Senate Committee concurs with the Subcommittee recommendations.

House Subcommittee Recommendation

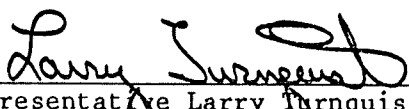
The House Subcommittee concurs with the Senate recommendation.



Representative Harold Guldner
Subcommittee Chairperson



Representative Harold Dyck



Representative Larry Turnquist

653.86

SUBCOMMITTEE REPORT

Agency: Kansas Technical Institute

Bill No. 537

Bill Sec. 11

Analyst: Galligan

Analysis Pg. No. 851

Budget Pg. No. 3-41

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87*</u>	<u>Committee Adjustments</u>
State Operations:			
State General Fund	\$ 3,372,387	\$ 3,041,203	\$ 160,414
General Fees Fund	300,000	315,386	0
General Use Funds	\$ 3,672,387	\$ 3,356,589	\$ 160,414
Other Funds	282,429	282,429	0
Subtotal	<u>\$ 3,954,816</u>	<u>\$ 3,639,018</u>	<u>\$ 160,414</u>
Other Assistance:			
State General Fund	\$ 0	\$ 0	\$ 0
General Fees Fund	0	0	0
Other Funds	160,000	160,000	0
Subtotal	<u>\$ 160,000</u>	<u>\$ 160,000</u>	<u>\$ 0</u>
Total General Use Funds	<u>\$ 3,672,387</u>	<u>\$ 3,356,589</u>	<u>\$ 160,414</u>
Total Operating Expenditures	<u>\$ 4,114,816</u>	<u>\$ 3,799,018</u>	<u>\$ 160,414</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 1,037
Educational Building Fund	100,000	0	0
Other Funds	0	0	0
Subtotal	<u>\$ 100,000</u>	<u>\$ 0</u>	<u>\$ 1,037</u>
GRAND TOTAL	<u>\$ 4,214,816</u>	<u>\$ 3,799,018</u>	<u>\$ 161,451</u>
FTE Positions:			
Classified	39.5	39.5	0.5
Unclassified	53.0	50.0	2.0
TOTAL	<u>92.5</u>	<u>89.5</u>	<u>2.5</u>

* Includes \$7,462 for Governor's Budget Amendment No. 1.

Agency Request/Governor's Recommendation

The requested general use operating budget for FY 1987 totals \$3,672,387 which is \$234,624 more than the approved budget for FY 1986. The request for FY 1987 includes \$1,902,216 for unclassified salaries and benefits, \$667,097 for classified salaries and benefits, \$907,440 for OOE and \$161,434 for utilities. The total general use request for FY 1987 is 6.8 percent greater than the approved FY 1986 general use budget. The request includes a 7 percent increase for classified, unclassified and students' salaries and OOE and a 5 percent increase for utilities. The request also includes a 1 percent increase of the employer contribution to the unclassified employees' retirement program. The

"I"

Institute also requests a total of \$109,547 for servicing the new technology center, and adding an electronics technician, a secretary and a development officer to the staff.

The Governor's recommendation for the general use operating budget for FY 1987 totals \$3,349,127 which is \$73,661 less than the amount recommended for the current fiscal year. The recommendation does not include a general salary increase nor the requested increase of the employer contribution to the unclassified employees' retirement program. The Governor recommends a 2 percent increase of the OOE base and utility expenditures at the same level actually expended during FY 1985, plus the amount appropriated for the new classroom building. The new technician position is recommended for FY 1987.

Senate Subcommittee Recommendations

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

1. Based upon the systemwide recommendations of the full Committee:
 - a. Addition of \$52,577 to provide a 3 percent salary increase for unclassified employees.
 - b. Addition of \$14,885 to provide an additional 1 percent employer contribution to the unclassified employees' retirement program. The Committee recommends introduction of the legislation necessary to permit the additional employer contribution.
 - c. Addition of \$1,279 to provide a 4 percent increase for the student wage base and continuation of the separate student salaries and wages line item.
 - d. Addition of \$16,848 to provide a 2 percent increase for OOE on a one-time basis for FY 1987.
 - f. The Committee recommends that one-half of the amount reappropriated at the end of FY 1986 from the utilities account be used for energy conservation projects and that any unexpended FY 1986 energy conservation funds be reappropriated for expenditure during FY 1987.
 - g. The Committee requests an interim study of the funding and mission of higher education in Kansas.
2. Addition of \$32,098 and 1.0 FTE unclassified position as requested for an electronics technician to provide maintenance support for instructional and telecommunication equipment.
3. Addition of \$33,554 and 1.0 FTE unclassified position as requested to establish the position of Development Officer. The Subcommittee recommends that the funding and the position be

outside the base in accordance with the Institute's proposal to phase out general use support of the position within three years.

4. Addition of \$7,639 and 0.5 FTE classified position to provide clerical support for the Adult/Continuing Education program. The Subcommittee learned that the Institute currently has a half-time position assigned to these duties supported from restricted use funds. The general use support provided by this recommendation would enable the position to be full-time.
5. The Subcommittee concurs with Governor's Budget Amendment No. 1 for a total of \$7,462 which consists of \$3,898 for unemployment insurance and \$3,564 for new building support.
6. The Subcommittee is of the opinion that continuation of the planning for renovation of the aeronautical technology laboratory would be timely, but is reluctant to recommend the funding in light of the Joint Committee on State Building Construction's recommendation. The Subcommittee recognizes that the Building Committee's decisions take into consideration the availability of funds and all of the projects requested for the Regents' system.
7. The Subcommittee recommends that the Board of Regents continue to monitor the tuition charges at the Institute to insure that students support an appropriate portion of their educational costs.
8. The Subcommittee strongly recommends that the Institute undertake improvement of its academic advising activities in order to improve retention and services to students. The Subcommittee anticipates that the addition of the Development Officer to the staff would be of assistance in this effort by eliminating the Director of Student Service's involvement with alumni activities. In anticipation of the impact that improved advising would have on retention and therefore on enrollment, the Subcommittee does not recommend an adjustment of the FY 1987 General Fee Fund expenditure limitation.

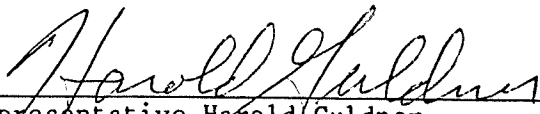
Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee recommendations with the following exception:

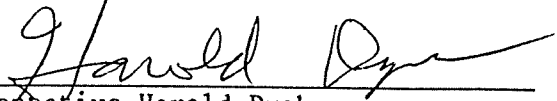
1. Addition of \$1,534 to restore the budgeted KPERS amount to the certified levels.
2. Inclusion of the housing system operations funds authorized by K.S.A. 76-762 among the special revenue funds in the appropriation bills for fiscal years 1986 and 1987. The statute authorizing the funds was passed by the 1985 Legislature, but they were not appropriated for FY 1986 nor were they included in the FY 1987 appropriation bill.

House Subcommittee Recommendations

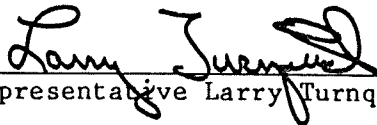
The House Subcommittee concurs with the Senate recommendation.



Representative Harold Guldner
Subcommittee Chairperson



Representative Harold Dyck



Representative Larry Turnquist

653.87

SUBCOMMITTEE REPORT

Agency: School for the Visually
Handicapped

Bill No. 584

Bill Sec. New

Analyst: Holt

Analysis Pg. No. 154

Budget Pg. No. 3-89

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 1,997,700	\$ 1,988,205	\$ (3,360)
Other Funds	60,196	60,196	2,000
Subtotal - Operating	<u>\$ 2,057,896</u>	<u>\$ 2,048,401</u>	<u>\$ (1,360)</u>
Capital Improvements	64,848	205,313	--
TOTAL	<u>\$ 2,122,744</u>	<u>\$ 2,253,714</u>	<u>\$ (1,360)</u>
 FTE Positions	 85.0	 85.0	 --

Agency Request/Governor's Recommendation

The School's approved operating budget for FY 1986 totals \$2,056,458, of which \$1,997,700 is from the State General Fund. Budgeted expenditures include the salaries of 85.0 FTE positions and reflect the addition of 1.0 FTE dormitory teacher position and a .5 FTE personnel management specialist position. The School has revised its estimate for FY 1986 to \$2,057,896, an increase of \$11,438 in federal funds and a reduction of \$10,000 from the Gift Fund.

The Governor's recommendation for FY 1986 state operations totals \$2,048,401, a reduction of \$9,495 in State General Fund expenditures. The Governor concurs with the School's revised estimate for special revenue expenditures.

Senate Subcommittee Recommendations

The Senate Subcommittee recommends the reappropriation of an additional \$3,360 from the State General Fund from FY 1986 to FY 1987, to reflect current year adjustments:

1. Increase by \$2,000 the expenditure limitation on General Fees from \$15,000 to \$17,000 to enable the Wyandotte County Developmental Preschool to pay a portion of the agency's utilities expenditures, and reduce utilities expenditures by a corresponding amount from the State General Fund.
2. Reduce \$360 from the State General Fund for KIPPS.
3. Reduce \$1,000 from the State General Fund for meals.

Wch. J
D. M. M. 4/4/86

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Senate with the following adjustments, to reflect an additional reappropriation from FY 1986 to FY 1987 of \$12,847 from the State General Fund.

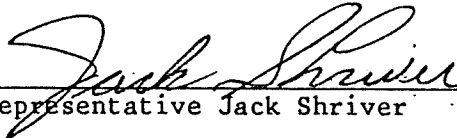
1. Reduce \$12,611 for salary savings in the Support Services program and \$236 for salary savings in the Administrative Services program.
2. The House Subcommittee recommends that an additional \$14,708 of salary savings in the Support Services program be shifted to offset projected and actual overexpenditures for the following items: repairing and servicing; maintenance materials, supplies, and parts; and motor vehicle parts, supplies, and accessories.



Representative J. Santford Duncan
Subcommittee Chairman



Representative Bob Ott



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: School for the Visually
Handicapped

Bill No. 523

Bill Sec. 4

Analyst: Holt

Analysis Pg. No. 154

Budget Pg. No. 3-89

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 2,589,124	\$ 1,994,485	\$ 5,642
Other Funds	53,280	53,100	2,000
Subtotal - Operating	\$ 2,642,404	\$ 2,047,585	\$ 7,642
Capital Improvements	277,368	71,807	18,599
TOTAL	<u>\$ 2,919,772</u>	<u>\$ 2,119,392</u>	<u>\$ 26,241</u>
 FTE Positions	 101.0	 85.0	 --

Agency Request/Governor's Recommendation

The School's request for operating expenditures in FY 1987 totals \$2,642,404, of which \$2,589,124 is from the State General Fund. This request is an increase of \$584,508 above the agency's current year revised estimate. This increase is largely attributable to the proposed addition of 12.0 FTE positions for the implementation of a Deaf/Blind program, four other new positions, a 10.0 percent salary increase for all classified employees and a 15.0 percent increase for all unclassified instructional and dormitory teachers. The School requests the addition of 12.0 FTE positions -- four dormitory teachers, three classroom teachers, four paraprofessionals, and one secretary -- to implement a program for blind, severely handicapped deaf students. The total FY 1987 cost of the program is \$172,439, and the agency anticipates an enrollment increase of 12 residential students.

The Governor's recommendation for operating expenditures in FY 1987 totals \$2,047,585, of which \$1,994,485 is from the State General Fund. Expenditures of \$1,737,047 are recommended for salaries and wages in FY 1987, an increase of \$7,019 above current year recommended expenditures of \$1,730,028. Expenditures of \$310,538 are recommended for other operations in FY 1987, a reduction of \$7,835 below current year recommended expenditures of \$318,373. The Governor recommends the same number of positions for FY 1987 as for FY 1986, no salary adjustments for FY 1987 and no additional or expanded programs. With the exception of \$180 less recommended for General Fees expenditures, the Governor concurs with the agency's projected special revenue expenditures. No enrollment growth is projected from FY 1986 to FY 1987.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's recommendation for

FY 1987 with the following adjustments, reflecting the addition of \$5,642 from the State General Fund and \$20,599 from other revenue sources:

1. Reappropriate from FY 1986 an additional \$3,360 from the State General Fund.
2. Restore \$5,345 from the State General Fund for KPERS to increase the contribution rate to 4.3 percent.
3. Add \$300 from the State General Fund for KANS-A-N expenditures.
4. Add \$1,551 from the State General Fund for a telephone maintenance contract for the agency's key phone system.
5. Increase by \$2,000 the expenditure limitation on the General Fees Fund from \$15,000 to \$17,000 to enable the Wyandotte County Development Preschool to pay a portion of the agency's utilities expenditures. The Preschool contracts with the School for the Visually Handicapped to use classroom space in Irwin Dormitory. The Subcommittee also recommends the reduction of \$5,000 from the State General Fund for utilities expenditures to offset the General Fees increase and to adjust for what appears to be an overstatement in recommended expenditures.
6. Reduce \$2,654 from the State General Fund for meals.
7. Add \$5,000 from the State General Fund for the purchase of a commercial dishwasher. The Subcommittee notes that the recommended amount of \$1,500 for that purchase appears to be insufficient.
8. Add \$100 from the State General Fund for the purchase of a washer and dryer for the Superintendent's residence.
9. Add \$640 from the State General Fund for maintenance materials and supplies.
10. Add \$360 from the State General Fund for stationery and office supplies.
11. Add \$18,599 from the State Institutions Building Fund for the purchase and installation of a portable wall system in the Johnson Building. This purchase was recommended by the Joint Committee on State Building Construction.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

House Subcommittee Recommendations

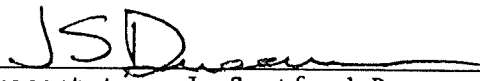
<u>Expenditure Summary</u>	<u>Senate Adjustment Gov. Rec.</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustment</u>
State Operations:			
State General Fund	\$ 5,642	\$ 2,000,127	\$ 49,603
Other Funds	<u>2,000</u>	<u>55,100</u>	<u>2,500</u>
Subtotal - Operating	\$ 7,642	\$ 2,055,227	\$ 52,103
Capital Improvements	<u>18,599</u>	<u>90,406</u>	<u>--</u>
TOTAL	<u>\$ 26,241</u>	<u>\$ 2,145,633</u>	<u>\$ 52,103</u>
FTE Positions	--	85.0	--

The House Subcommittee concurs with the recommendations of the Senate with the following adjustments:

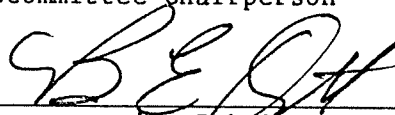
1. Restore an additional \$1,368 from the State General Fund for KPERS.
2. Add \$3,000 from the State General Fund to correct a computational error in recommended expenditures for the Dietary Services program.
3. Increase by \$2,500 the expenditure limitation on the General Fees Fund from \$17,000, as recommended by the Senate, to \$19,500 to enable the Wyandotte County Comprehensive Special Education Cooperative to pay a portion of the agency's utilities expenditures. Like the Wyandotte County Developmental Preschool, the Cooperative also contracts with the School for the Visually Handicapped to use classroom space at Irwin Dormitory and the Vogel School Building. The Subcommittee recommends the reduction of \$2,500 from the State General Fund to offset the General Fees increase.
4. The Subcommittee notes that the salaries of teachers at the School for the Visually Handicapped are, on average, 5.0 percent less than salaries of teachers in surrounding school districts. Therefore, the Subcommittee recommends that all unclassified instructional and dormitory teachers receive a 5.0 percent increase in addition to the percentage increase decided for other state employees. The effect of this recommendation is to add \$47,735 from the State General Fund for salaries and wages. The remaining amount would be decided by Finance Council action. The Subcommittee also recommends that the policy of addressing the salaries of unclassified teachers as a separate entity in the agency's budget be discontinued after FY 1987. Each year the salaries of teachers at the School for the Visually Handicapped fall behind those of their counterparts in Olathe and Kansas City

because of the incompatibility of the agency's funding system with that of the school districts. In order to ameliorate this situation, the Subcommittee recommends that the State Board of Education either establish a special purpose school district to serve the School for the Visually Handicapped and the School for the Deaf, or direct the Schools to contract with local school districts for educational services. If the State Board fails to develop such a policy, the Subcommittee recommends that the salaries of instructional and dormitory teachers at both Schools be treated no differently than those of other classified state employees.

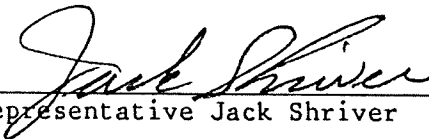
5. The Subcommittee is concerned that certified classroom and dormitory teachers are presently not covered by Kansas laws and regulations pertaining to due process and continuing appointments. Nor are these teachers covered by civil service laws and regulations. The Subcommittee notes that these issues are scheduled for discussion at a meeting of the Board of Education on April 15-16. After learning about the Board's recommendations on those issues, the House Committee may wish to address this item at a later date.
6. The Subcommittee believes that, given declining state resources, school districts which send students to the School for the Visually Handicapped should share the responsibility with the state in financing the education and residency of visually impaired students. As the optimal financial arrangement has yet to be determined, the Subcommittee recommends that this issue be subject to an interim study.



Representative J. Santford Duncan
Subcommittee Chairperson



Representative Bob Ott



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. 584

Bill Sec. 9

Analyst: Holt

Analysis Pg. No. 159

Budget Pg. No. 3-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,002,454	\$ 3,950,232	\$ (33,105)
Other Funds	290,902	290,902	--
Subtotal - Operating	<u>\$ 4,293,356</u>	<u>\$ 4,241,134</u>	<u>\$ (33,105)</u>
Capital Improvements	585,764	543,433	--
TOTAL	<u>\$ 4,879,120</u>	<u>\$ 4,784,567</u>	<u>\$ (33,105)</u>
FTE Positions	171.5	171.5	--

Agency Request/Governor's Recommendation

The School's approved operating budget for FY 1986 totals \$4,301,409. The School has subsequently revised its estimate to \$4,293,356, of which \$4,002,454 is from the State General Fund. This revised estimate reflects a reduction of \$8,053 for utility expenditures.

The Governor's recommended expenditures for the School's operations in FY 1986 total \$4,241,134, of which \$3,950,232 is from the State General Fund. This recommendation reflects a reduction of \$52,222 below the School's FY 1986 revised estimate. This reduction includes \$44,015 for utilities and \$8,207 for other operations.


Senate Subcommittee Recommendations

The Senate Subcommittee recommends an additional reappropriation of \$41,158 from the State General Fund from FY 1986 to FY 1987. This proposed reappropriation reflects a technical adjustment (\$8,053) as well as current year adjustments (\$33,105):

1. Reduce \$2,000 for meals.
2. Reduce \$31,105 for utilities.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

Atch. K
25. 11/23 4/4/86 

House Subcommittee Recommendations

The House Subcommittee concurs with the recommendations of the Senate but recommends an additional reappropriation of \$35,000 from the State General Fund from FY 1986 to FY 1987, to be accomplished as follows:

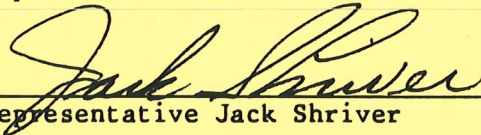
1. Reduce an additional \$5,000 for utilities.
2. Reduce \$25,000 due to salary savings in the Support Services program.
3. Reduce \$5,000 for other supplies, materials, and parts in the Support Services program.



Representative J. Santford Duncan
Subcommittee Chairman



Representative Bob Ott



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. 523

Bill Sec. 5

Analyst: Holt

Analysis Pg. No. 159

Budget Pg. No. 3-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,632,166	\$ 3,975,780	\$ 4,291
Other Funds	229,293	233,295	1,728
Subtotal - Operating	<u>\$ 4,861,459</u>	<u>\$ 4,209,075</u>	<u>\$ 6,019</u>
Capital Improvements	630,000	130,000	10,000
TOTAL	<u>\$ 5,491,459</u>	<u>\$ 4,339,075</u>	<u>\$ 16,019</u>
 FTE Positions	 174.5	 170.5	 --

Agency Request/Governor's Recommendation

The School's request for operating expenditures totals \$4,861,459, of which \$4,632,166 is from the State General Fund. The FY 1987 request is an increase of \$568,103 above the agency's current year revised estimate. This increase is largely attributable to the proposed net addition of 3.0 FTE positions and the implementation of a preschool program, and requests for 10.0 percent salary increases for all classified employees and 15.0 percent increases for all unclassified instructional and dormitory teachers.

The Governor's recommendation for operating expenditures totals \$4,209,075, of which \$3,975,780 is from the State General Fund. This recommendation is a reduction of \$32,059 in total expenditures below the amount recommended for FY 1986. A recommended increase from FY 1986 to FY 1987 of \$25,548 from the State General Fund is more than offset by a projected reduction from federal and other special revenue funds. Reduced expenditures of \$32,059 result from a proposed decrease in the amounts recommended for fringe benefits, supplementary salaries, and capital outlay purchases, offset to some extent by some increases for other operations. No funding is recommended for the preschool program and related positions, nor for the requested salary increases. The Governor's recommendation also assumes no enrollment growth.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's recommendation for FY 1987 with the following adjustments:

1. Reappropriate from FY 1986 an additional \$41,158 from the State General Fund.
2. Reduce \$10,000 from the State General Fund for utilities.

K

3. Reduce \$1,147 from the State General Fund for meals.
4. Restore \$9,190 from the State General Fund for KPERS to increase the contribution rate to 4.3 percent.
5. Add \$6,248 from the State General Fund for the reallocation of a Clerk IV to Clerk V and Physical Plant Supervisor I to II.
6. Add \$10,000 from the State Institutions Building Fund for major maintenance expenditures. The Joint Committee on Building Construction recommended \$10,000 above the Governor's recommendation of \$130,000 to finance capital improvements, with \$10,000 designated for the repair of sidewalks and steps. The Subcommittee recommends that \$10,000 be expended for major maintenance rather than for sidewalks and steps so as to afford the School more flexibility. The effect of the Subcommittee's decision is to fund major maintenance at the amount of \$40,000, as requested by the agency.
7. Increase by \$15,032 the expenditure limitation of the Elementary and Secondary Education Act federal fund from \$139,293 to \$154,325.
8. Reduce by \$13,304 the expenditure limitation of the Vocational Education federal fund from \$22,000 to \$8,696.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

House Subcommittee Recommendation

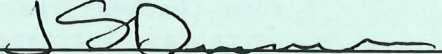
<u>Resource Estimate</u>	<u>Senate Adjustments Gov. Rec.</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,291	\$ 3,980,071	\$ 111,141
Other Funds	1,728	235,023	(3,863)
Subtotal - Operating	\$ 6,019	\$ 4,215,094	\$ 107,278
Capital Improvements	10,000	140,000	--
TOTAL	\$ 16,019	\$ 4,355,094	\$ 107,278
FTE Positions	--	170.5	--

The House Subcommittee concurs with the recommendations of the Senate with the following adjustments:


1. Reappropriate from FY 1986 an additional \$35,000 from the State General Fund.

2. Reduce an additional \$7,000 from the State General Fund for utilities.
3. Reduce an additional \$3,000 from the State General Fund for food to bring total agency expenditures to the adjusted current year level.
4. The Subcommittee notes that the salaries of teachers at the School for the Deaf are, on average, 5.0 percent less than salaries of teachers in surrounding school districts. Therefore, the Subcommittee recommends that all unclassified instructional and dormitory teachers receive a 5.0 percent increase in addition to the percentage increase decided for other state employees. The effect of this recommendation is to add \$116,457 from the State General Fund for salaries and wages. The remaining amount would be decided by Finance Council action. The Subcommittee also recommends that the policy of addressing the salaries of unclassified teachers as a separate entity in the agency's budget be discontinued after FY 1987. Each year the salaries of teachers at the School for the Deaf fall behind those of their counterparts in Olathe and Kansas City because of the incompatibility of the agency's funding system with that of the school districts. In order to ameliorate this situation, the Subcommittee recommends that the State Board of Education either establish a special purpose school district to serve the School for the Deaf and the School for the Visually Handicapped, or direct the Schools to contract with local school districts for educational services. If the State Board fails to develop such a policy, the Subcommittee recommends that the salaries of instructional and dormitory teachers at both Schools be treated no differently than those of other classified state employees.
5. The Subcommittee notes that certified classroom and dormitory teachers are presently not covered by Kansas laws and regulations pertaining to due process and continuing appointments. Nor are these teachers covered by civil service laws and regulations. The Subcommittee notes that the issue of due process at the School for the Deaf is scheduled for discussion at the Board of Education meeting scheduled for April 15-16. After learning about the Board's recommendations on that issue, the House Committee may wish to address this topic at a later date.
6. The Subcommittee believes that, given declining state resources, school districts which send students to the School for the Deaf should share the responsibility with the state in financing the education and residency of hearing-impaired students. As the optimal financing arrangement has yet to be determined, the Subcommittee recommends that this issue be subject to an interim study.

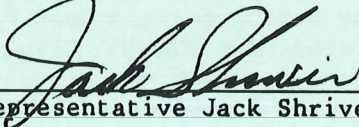
7. Add \$821 from the State General Fund for communications in the Administrative Services program. Expenditures for communications appear to be understated for this purpose in FY 1986, and the Governor's recommendation does not adjust for an increase above the current year funding level.
8. Pending the Governor's budget adjustment, add \$3,863 from the State General Fund for salaries and wages. Pursuant to the Senate's recommendation, the School learned that it would receive in FY 1987 a federal Vocational Education allocation of \$4,833 instead of \$8,696 recommended by the Senate.



Representative J. Santford Duncan
Subcommittee Chairman



Representative Bob Ott



Representative Jack Shriver

610.87a

SUBCOMMITTEE REPORT

**Agency: Kansas Public Broad-
casting Commission**

Bill No. 523

Bill Sec. 8

Analyst: Holt

Analysis Pg. No. 186

Budget Pg. No. 3-61

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State General Fund:			
State Operations	\$ 2,500	\$ 2,500	\$ --
Local Aid	131,000	131,000	89,867
Other Assistance	511,500	511,500	54,193
TOTAL	<u>\$ 645,000</u>	<u>\$ 645,000</u>	<u>\$ 144,060</u>
FTE Positions	--	--	--

Agency Request/Governor's Recommendation

The 1985 Legislature approved for FY 1986 a budget of \$941,310, financed entirely from the State General Fund, for the operations of the Kansas Public Broadcasting Commission and for public television grants. The Governor concurs with the budget for FY 1986, as approved by the 1985 Legislature.

Passage of 1985 H.B. 2007 resulted in the replacement of the Kansas Public Television Board with the Kansas Public Broadcasting Commission, effective July 1, 1985. The composition of the Board's membership was changed and its jurisdiction expanded to include public radio broadcasting.

In that the Commission did not submit a budget request for FY 1987, the budget was prepared by the Director of the Budget in accordance with K.S.A. 75-3717(c). Expenditures of \$645,000 from the State General Fund are requested and recommended for FY 1987. Expenditures include \$2,500 for the Board's administrative activities; \$50,000 for postsecondary educational telecourses; \$375,000 for operating grants to the public television stations in Wichita, Topeka, and Kansas City; \$39,500 for matching support for replacement equipment; and \$178,000 for operating support of the Bunker Hill station. No funding was requested or recommended for grants to public radio stations.

Recommended expenditures for FY 1986 exceed by \$296,310 proposed expenditures for FY 1987 in that funding for the KTWU translator project and the KANZ-FM construction project are budgeted for the current fiscal year, and appropriations for the Bunker Hill station are \$225,000 in FY 1986, as opposed to expenditures of \$178,000 recommended for FY 1987.

*A.H.L.
D. M. M. 4/4/86 "L"*

Senate Subcommittee Recommendations

FY 1986. The Senate Subcommittee concurs with the Governor's recommendation for FY 1986 with the following adjustment:

1. Reduce \$144,060 in FY 1986 and add the same amount to recommended FY 1987 expenditures. Expenditures of \$199,310 were reappropriated from FY 1985 to FY 1986 for the construction by KTWU (Topeka) of three translators in Pittsburg, Independence, and Emporia. In FY 1986 the station was only authorized federal funding for the construction of a 1,000 watt translator at Pittsburg. The station's share of funding the Pittsburg project is \$55,250. As the station will probably not be awarded construction grants for the other two translators in FY 1986, the Subcommittee recommends that this amount be expended in FY 1987, as discussed below.

FY 1987. The Senate Subcommittee concurs with the Governor's recommendation for FY 1987 with the following adjustments:

1. Add \$144,060, the same amount as reduced in FY 1986, to partially fund the following projects:
 - a. \$7,193 in state matching support for a construction grant to KANZ-FM in Pierceville. The station intends to expend those funds and federal funds of \$21,579 which were awarded in August 1985 to build translator stations in Sharon Springs and St. Francis, and to purchase test equipment needed for translator maintenance;
 - b. \$47,000 for an operating grant for Bunker Hill to increase total expenditures to \$225,000, the same amount as was appropriated in FY 1985 and FY 1986; and
 - c. \$89,867 in state matching support for a construction grant to KHCC-FM in Hutchinson, pending receipt by the Kansas Public Broadcasting Commission of notification that federal funding for the project has been approved. The station intends to use federal and state funds to construct a new 100,000 watt public radio repeater station in north-central Kansas near Abilene.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations for both FY 1986 and FY 1987.

House Subcommittee Recommendation

FY 1986. The House Subcommittee concurs with the recommendation of the Senate for FY 1986 with the following adjustment:

1. Delete \$55,250 from the State General Fund for KTWU's share of funding the Pittsburg project. The station recently learned that federal funding will not be forthcoming for this project.

<u>Expenditure Summary</u>	<u>Senate Adjustments Gov. Rec.</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
State General Fund:			
State Operations	\$ --	\$ 2,500	\$ --
Local Aid	89,867	220,867	(89,867)
Other Assistance	54,193	565,693	(54,193)
TOTAL	<u>\$ 144,060</u>	<u>\$ 789,060</u>	<u>\$ (144,060)</u>
FTE Positions	--	--	--

FY 1987. The House Subcommittee concurs with the recommendations of the Senate with the following adjustments from the State General Fund which are proposed due to state fiscal exigencies. The effect of these adjustments is to restore funding to the Governor's recommendation.

1. Delete \$7,193 in state matching support for a construction grant to KANZ-FM in Pierceville.
2. Delete \$47,000 for an operating grant for Bunker Hill. The effect of this recommendation is to concur with the Governor's recommendation of \$178,000 for the station's operating support.
3. Delete \$89,867 in state matching support for a construction grant to KHCC-FM in Hutchinson.

Ed Rolfs

Representative Ed Rolfs
Subcommittee Chairman

Wanda Fuller

Representative Wanda Fuller

Bill Wisdom

Representative Bill Wisdom

SUBCOMMITTEE REPORT

Agency: Department of Revenue --
 School District Income
 Tax Rebate

Bill No. 523

Bill Sec. 3

Analyst: Rampey

Analysis Pg. No. 153

Budget Pg. No. 3-77

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
Aid to Local Units: State General Fund	\$113,000,000	\$113,000,000	\$ --
FTE Positions	--	--	--

Senate Subcommittee Recommendations

FY 1986. The Subcommittee concurs with the estimate of \$108,400,000 made by the Consensus Estimating Group in November, 1985.

FY 1987. The Subcommittee concurs with the estimate of \$113,000,000.

Senate Committee Recommendations

The Senate Committee concurs with the recommendations of the Subcommittee.

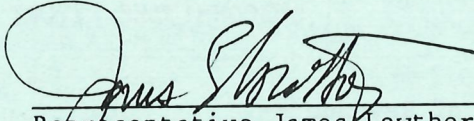
Senate Committee of the Whole

The Senate Committee of the Whole concurs with the recommendations of the Committee.

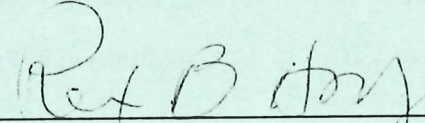
House Subcommittee Recommendations

The House Subcommittee concurs with the recommendations of the Senate.

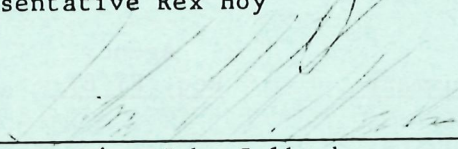
Atch. M
A. H+M 4/4/86 "M"



Representative James Lowther,
Subcommittee Chairman



Representative Rex Hoy



Representative John Solbach

565-3.87

Madison

SUBCOMMITTEE REPORT

Agency: Department of Education Bill No. 584 Bill Sec. 8
Analyst: Rampey Analysis Pg. No. 166 Budget Pg. No. 3-3

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 7,360,569	\$ 7,301,726	\$ 29,701
Local Aid	695,946,022	694,184,831	2,895,000
Other Assistance	7,252,486	7,252,486	630,000
TOTAL	<u>\$710,559,077</u>	<u>\$708,739,043</u>	<u>\$ 3,554,701</u>
State General Fund:			
State Operations	\$ 4,120,764	\$ 4,076,721	\$ 4,901
Local Aid	618,531,425	616,497,231	525,000
Other Assistance	152,486	152,486	--
TOTAL	<u>\$622,804,675</u>	<u>\$620,726,438</u>	<u>\$ 529,901</u>
FTE Positions	180.0	180.0	--

Agency Request/Governor's Recommendation

The State Department of Education estimates that expenditures in FY 1986 will total \$710.6 million, of which \$7.4 million is for state operations, \$696.0 million is in local aid, and \$7.3 million is for other assistance.

The Governor's recommendations would reduce expenditures during the current year by \$1.8 million. Of that reduction, \$58,843 would be in state operations and the remainder, \$1,761,191, in aid to local units. Recommended reductions in the state operations portion of the budget are all in travel and subsistence (\$52,635) and communications (\$6,208).

Senate Subcommittee Recommendations

FY 1986. The Subcommittee concurs with the recommendations of the Governor, with the following exceptions:

1. Add \$58,843 for agency operations. This is the amount deleted by the Governor from the Department's appropriation for FY 1986. The Subcommittee recommends that the funds be restored and used for communications. Of that amount, \$44,043 would be from the State General Fund and \$14,800 would be from other funds.

*Atch. N
J. HAM 4/4/86 "N"*

2. Reduce expenditures from the State General Fund for capital outlay by \$39,142 in the current year and reappropriate that amount for use in FY 1987. The purpose of the reappropriation would be to permit the Department to wait until next year to purchase some word processing equipment to ensure that it would be compatible with other word processing equipment purchased in FY 1987.
3. Authorize the expenditure of an additional \$10,000 for other operating expenditures from the federal Food Assistance Fund in order to provide additional training to food service administrators in schools and child care centers.
4. Add \$525,000 from the State General Fund for transportation aid. The amount would bring the total recommended for transportation aid to \$42,075,000, which is \$253,475 less than what the 1985 Legislature appropriated for FY 1986. (The \$253,475 would be lapsed.)
5. Increase the expenditure limitation on aid to local units and other assistance from the federal Food Assistance Fund by \$3.0 million. The increase is the result of an increase in federal reimbursement rates and an increase in the number of meals served Kansas students during the current school year. (Of the increase, \$2,370,000 would be in aid to local units and \$630,000 would be in other assistance.)

Senate Committee Recommendations

The Senate Committee concurs with the recommendations of the Subcommittee.

Senate Committee of the Whole

House Subcommittee Recommendations

The House Subcommittee concurs with the recommendations of the Senate.

SUBCOMMITTEE REPORT

Agency: Department of Education Bill No. 523 Bill Sec. 6
 Analyst: Rampey Analysis Pg. No. 166 Budget Pg. No. 3-3

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 7,940,451	\$ 7,408,678	\$ 1,736,086
Local Aid	784,662,987	687,993,772	22,096,487
Other Assistance	7,705,486	7,252,486	715,000
TOTAL	<u>\$800,308,924</u>	<u>\$702,654,936</u>	<u>\$ 24,547,573</u>
State General Fund:			
State Operations	\$ 4,626,500	\$ 4,135,298	\$ 211,596
Local Aid	707,248,390	610,677,793	20,653,487
Other Assistance	505,486	152,486	--
TOTAL	<u>\$712,380,376</u>	<u>\$614,965,577</u>	<u>\$ 20,865,083</u>
FTE Positions	182.0	178.0	5.0

Agency Request/Governor's Recommendation

In FY 1987, the State Department of Education is requesting expenditures of \$800.3 million, an increase of \$89.7 million over its FY 1986 estimates. Of the increase, \$579,882 is in state operations, \$88.7 million is in aid to local units, and \$453,000 is in other assistance.

For FY 1987, the Governor recommends expenditures of \$702.7 million, a reduction of \$97.7 million from the State Department's request and a reduction of \$6.1 million from his recommendation for the current year. The Governor's recommendation for the state operations portion of the budget (\$7.4 million) is an increase of \$106,952 over his estimate for the current year and deletes funding (\$66,271) for two existing positions.

Senate Subcommittee Recommendations

FY 1987. The Subcommittee concurs with the recommendations of the Governor, with the following exceptions:

1. Add \$16,388 for salaries and wages as the result of recalculating KPERS benefits. Of that amount, \$14,036 would be from the State General Fund and \$2,352 would be from other funds.

2. Add \$67,417 from the State General Fund for the salaries and benefits of two positions deleted by the Governor in the consultative services program. The positions are currently filled.
3. Add \$62,921 for operating expenditures. The money would be for communications. Of the amount, \$48,001 would be from the State General Fund and \$14,920 would be from other funds.
4. Add \$50,848 from the federal Food Assistance Fund to the operating expenditures of the consultative services program and add two new positions (a School Food Service Specialist and a Clerk Typist II). The increase is in response to a request from the United States Department of Agriculture (USDA) that states, not the USDA, administer the summer food service program for children. The Subcommittee's recommendation would permit the expenditure of federal funds to administer the program at the state level. Of the amount, \$39,148 would be for salaries and \$11,700 would be for other operating expenditures.
5. Increase the expenditure limitation on the federal Educational Research Grants and Projects Fund from \$1.5 million to \$1,714,370, an increase of \$214,370, as the result of an increase in federal funding. In addition, the Subcommittee recommends that, instead of entering into contracts with school district personnel to work on special projects paid for from federal funds, the State Department begin administering the special projects as part of its agency operations. The effect of the change would be that 27 persons would be employed as unclassified special project employees who would work on special grants for which federal funding is available. (The employees would not be civil service employees and would not be counted in the Department's position limitation.) The reason for the change would be to give the Department greater control over these employees. Of the total amount of federal funding involved (\$1,174,370), \$629,149 would be for salaries, \$784,221 would be for other operating expenditures, and \$301,000 would be aid to local units.
6. Add one new position (an Account Clerk) to the vocational education program to assist in compiling reports required in order to receive federal vocational education funds. The salary for this new position would be \$16,000, of which half would be from the State General Fund and half from federal vocational education funds. The Subcommittee recommends that state aid for school district vocational education programs be reduced by \$8,000 and federal vocational aid to local units be reduced by \$8,000 to fund the position.
7. Increase expenditures from the State General Fund for capital outlay by \$39,142 as the result of reappropriating that amount from FY 1986.

8. Add \$10.0 million in general state aid to school districts, bringing to \$452,056,000 the total recommended. The Subcommittee's recommendation is consistent with action taken by the Senate with regard to S.B. 601.
9. Add \$4,905,000 from the State General Fund for transportation aid. The effect of the Subcommittee's action would be to recommend full funding of transportation costs, estimated to be \$44,205,000 in FY 1987.
10. Add \$4,929,127 from the State General Fund for special education. The effect of the Subcommittee's recommendation would be to fund special education excess costs at the 95 percent level, estimated to be \$79,621,127 in FY 1987. (The Subcommittee's recommendation takes into account the Senate's action on S.B. 601.)
11. Increase the expenditure limitation on aid to local units and other assistance from the federal Food Assistance Fund by \$3.4 million. The increase is the result of an increase in federal reimbursement rates and an expected increase in the number of meals to be served during the 1986-87 school year. (Of the increase, \$2,685,000 would be in aid to local units and \$715,000 would be in other assistance.)
12. Reduce vocational education aid to school districts from the State General Fund by \$43,000 and use the \$43,000 for the following purposes: (a) use \$8,000 of the money in the agency operations portion of the budget to fund half of the salary of a new Account Clerk position (see item 6 above); and (2) use \$35,000 of the money in the state operations portion of the budget to match federal funds used to coordinate the statewide activities of vocational student organizations.
13. Reduce federal vocational education aid to local units by \$43,000 and shift the money to the state operations portion of the budget to be used in the following ways: (a) use \$8,000 for half of the salary of a new Account Clerk position; and (b) use \$35,000 of the money in support of a program to coordinate the statewide activities of vocational student organizations.
14. Add \$211,860 from the State General Fund in aid to area vocational-technical schools.
15. Add \$400,500 from the State General Fund in postsecondary education aid.
16. The Subcommittee concurs with the Governor's recommendation for FY 1986 and FY 1987 with regard to the credit hour and out-district state aid programs for community colleges and Washburn University. It is the Subcommittee's intention that these state aid programs be fully funded. In the Governor's budget document, the Governor says "Should subsequent data indicate that these amounts are not sufficient to fund current formulas,

adjustments will be considered." The Subcommittee encourages the Governor to reexamine his recommendations and, if more recent information warrants, submit a Governor's budget amendment to fully fund the community college and Washburn University credit hour and out-district state aid programs in FY 1986 and FY 1987.

17. Add \$250,000 from the State General Fund for inservice education.

Senate Committee Recommendations

The Senate Committee concurs with the recommendations of the Subcommittee, with the following exceptions:

1. Recommend the introduction of legislation that would establish the Displaced Farmer Program, a program that would provide vocational training to farmers who need training in order to pursue a new occupation.
2. Recommend the introduction of legislation that would make the state credit hour aid rate for law school students at Washburn University the same as for graduate students at Washburn.

Senate Committee of the Whole

The Senate Committee of the Whole concurs with the recommendations of the Committee.

House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Senate Adj. FY 87</u>	<u>Senate Rec. FY 87</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,736,086	\$ 9,144,764	\$ (1,680,556)
Local Aid	22,096,487	710,090,259	(22,479,576)
Other Assistance	715,000	7,967,486	(715,000)
TOTAL	<u>\$ 24,547,573</u>	<u>\$727,202,509</u>	<u>\$ (24,875,132)</u>
State General Fund:			
State Operations	\$ 211,596	\$ 4,346,894	\$ (158,418)
Local Aid	20,653,487	631,331,280	(20,966,576)
Other Assistance	--	152,486	--
TOTAL	<u>\$ 20,865,083</u>	<u>\$635,830,660</u>	<u>\$ (21,124,994)</u>
FTE Positions	5.0	183.0	(5.0)

The House Subcommittee rejects the Senate recommendations, except for the following:

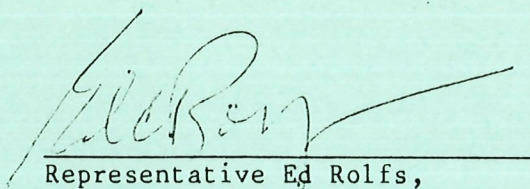
1. Concur with the addition of \$16,388 for salaries and wages as the result of recalculating KPERS benefits. (Of the amount, \$14,036 would be from the State General Fund and \$2,352 would be from other funds.)
2. Concur with the reappropriation of \$39,412 from FY 1986 to FY 1987 for capital outlay.

In addition, the Subcommittee recommends the following adjustments to the Senate recommendations:

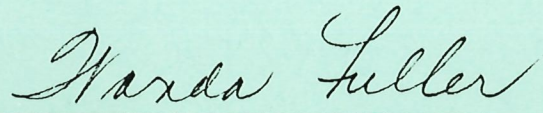
1. Delete \$4,233,750 for transportation, the effect being to recommend \$39,971,250, which is estimated to equal 95 percent of transportation costs based on the same expenditures in FY 1987 as in FY 1986.
2. Delete \$4,402,464 in special education categorical aid, resulting in a total recommendation of \$75,218,663. The deletion consists of the following:
 - a. A reduction of \$3,252,820, the effect being to recommend \$76,368,307, which is estimated to equal 90 percent of special education excess costs based on budget limitations of 102-104 percent.
 - b. A further reduction of \$1,149,644 to reflect the decision to fund special education expenses at the Youth Centers at Beloit, Atchison, and Topeka as a separate item in the Youth Centers' budgets. (This amount has been added to the Youth Centers' budgets.)

In addition, the Subcommittee recommends the addition of a proviso to the special education appropriation limiting the amount that can be spent for teaching unit reimbursement to \$65,212,163.

3. Delete \$1,021,700 in community college credit hour aid.
4. Delete \$274,950 in community college out-district state aid.
5. Delete \$182,300 in Washburn University credit hour aid.
6. Delete \$32,052 in Washburn University out-district state aid.
7. Delete \$10.0 million in general state aid to school districts, the result being a recommended total of \$442,056,000.

A handwritten signature in cursive script, appearing to read "Ed Rolfs", written over a horizontal line.

Representative Ed Rolfs,
Chairman

A handwritten signature in cursive script, appearing to read "Wanda Fuller", written over a horizontal line.

Representative Wanda Fuller

652.87

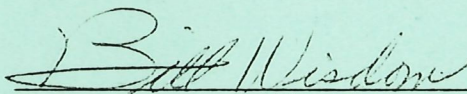
MINORITY REPORT

I feel obligated to voice my objections to two recommendations the Subcommittee is making. First, I am disturbed that, for the first time since the present law was enacted, we are recommending that transportation costs be funded at less than 100 percent. The law requires school districts to transport students and our failure to adequately fund the program means the districts will have to take money from their general funds.

Therefore, I recommend the addition of \$4,233,750 to restore transportation aid to \$44,205,000, which would equal 100 percent funding based upon the Department of Education's estimate for FY 1987.

The second objection I have is to the recommendation that special education excess costs be funded at less than 95 percent. Again, we require school districts to provide special education services and our decision not to provide sufficient funding means the districts will have to cut services in other areas to meet a mandate the Legislature has placed on them.

For that reason, I recommend the addition of \$4,242,683 to bring to \$79,461,346 the amount appropriated, which would equal 95 percent funding of special education excess costs.



Representative Bill Wisdom

SUBCOMMITTEE REPORT

Agency: State Council on
Vocational Education

Bill No. 523

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 183

Budget Pg. No. 3-91

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 120,635	\$ 113,715	\$ 171
FTE Positions	2.0	2.0	--

Senate Subcommittee Recommendations

FY 1986. The Subcommittee concurs with the Governor's recommendation of expenditures of \$119,527.

FY 1987. The Subcommittee concurs with the Governor's recommendation, with the following exception:

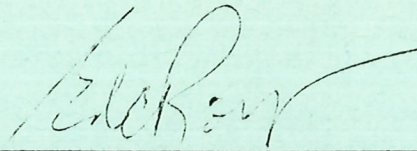
1. Add \$171 as the result of the recalculating KPERS benefits.

Senate Committee Recommendations.

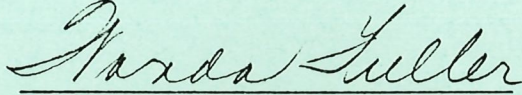
The Senate Committee concurs with the recommendations of the Subcommittee.

House Subcommittee Recommendations

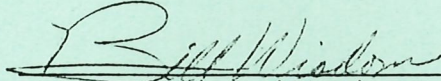
The House Subcommittee concurs with the recommendations of the Senate.



Representative Ed Rolfs,
Chairman



Representative Wanda Fuller



Representative Bill Wisdom

036.87

SUBCOMMITTEE REPORT

Agency: Kansas State Library

Bill No. NA

Bill Sec. NA

Analyst: Holt

Analysis Pg. No. 143

Budget Pg. No. 3-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,301,454	\$ 1,276,902	\$ (27,683)
Local Aid	2,564,088	2,564,088	--
TOTAL	<u>\$ 3,865,542</u>	<u>\$ 3,840,990</u>	<u>\$ (27,683)</u>
State General Fund:			
State Operations	\$ 890,965	\$ 869,920	\$ (27,683)
Local Aid	1,394,545	1,394,545	--
TOTAL	<u>\$ 2,285,510</u>	<u>\$ 2,264,465</u>	<u>\$ (27,683)</u>
FTE Positions	24.0	24.0	--

Agency Request/Governor's Recommendations


The 1985 Legislature approved total FY 1986 budget expenditures of \$3,395,976, to include \$2,285,968 from the State General Fund, \$973,958 from federal funds, and \$136,050 from other revenue sources. The Library's revised estimate for the current fiscal year totals \$3,865,542, which reflects the addition of \$470,024 in federal LSCA I and III funds above the initially budgeted amount of \$973,958 and a reduction of \$458 from the State General Fund due to salary savings.

The Governor recommends total FY 1986 budget expenditures of \$3,840,990, a reduction in operating expenditures of \$24,552 (\$21,045 from the State General Fund and \$3,507 from federal funds) below the agency's revised estimate. The Governor recommends reductions of \$10,000 from the \$15,000 appropriated by the 1985 Legislature to compensate local libraries for lost materials, \$5,007 from salaries and wages, and \$9,545 from other operating expenses.

Senate Subcommittee Recommendations

The Senate Subcommittee recommends the reappropriation of an additional \$27,683 from the State General Fund from FY 1986 to FY 1987 to reflect current year adjustments:

1. Reduce \$10,883 to replace salary savings (federal funds) resulting from turnover.

Ach. O
Z. M. M. 4/4/86 " 

2. Reduce \$6,800 for KANS-A-N expenditures.
3. Reduce \$10,000 for the automation of certain accounting programs which the Library has decided not to implement at this time.

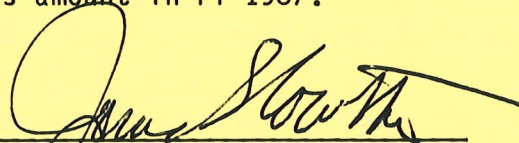
Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

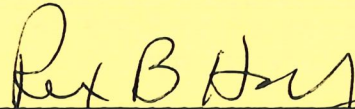
House Subcommittee Recommendations

The House Subcommittee concurs with the recommendations of the Senate with the following adjustments:

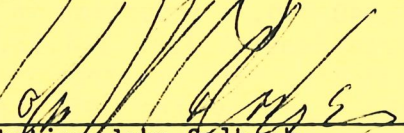
1. Reduce \$6,000 from the State General Fund in salary savings realized in the Interlibrary Resource Sharing and Automation program and reappropriate that amount to FY 1987.
2. Reduce \$3,000 from the State General Fund for the replacement of lost library materials, and reappropriate that amount, to be expended for that purpose in FY 1987. The Library has just initiated this program with funds appropriated by the 1985 Legislature. The Library maintains that it will take some time to inform local libraries about the availability of those funds and therefore would rather expend this amount in FY 1987.



Representative James Lowther
Subcommittee Chairman



Representative Rex Hoy



Representative John Solbach

SUBCOMMITTEE REPORT

Agency: Kansas State Library

Bill No. 523

Bill Sec. 2

Analyst: Holt

Analysis Pg. No. 143

Budget Pg. No. 3-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,740,591	\$ 1,309,973	\$ (6,302)
Local Aid	3,484,960	2,563,589	163
TOTAL	<u>\$ 5,225,551</u>	<u>\$ 3,873,562</u>	<u>\$ (6,139)</u>
State General Fund:			
State Operations	\$ 1,353,801	\$ 873,951	\$ (6,513)
Local Aid	2,267,545	1,320,499	67,300
TOTAL	<u>\$ 3,621,346</u>	<u>\$ 2,194,450</u>	<u>\$ 60,787</u>
FTE Positions	30.3	24.0	1.0

Agency Request/Governor's Recommendation

FY 1987. The Library's request of \$5,225,551 for FY 1987 includes \$1,740,591 for the salaries and operations of 30.3 FTE positions, an addition of 6.3 positions to the present staffing level, and \$3,484,960 for grants to public and regional library systems. In addition, the FY 1987 request reflects an increase of \$1,335,836 from the State General Fund above the FY 1986 revised estimate of \$2,285,510, as well as an increase of \$24,173 from federal and other sources. Of the proposed increase of \$1,335,836 from the State General Fund, \$873,000 would expand the level of state support to public libraries and regional and subregional library centers, listed in order of agency priority: an addition of \$600,000 for full-year funding of the Interlibrary Loan Development program; an addition of \$248,000 for increased grant support to public libraries and seven regional library systems; and an addition of \$25,000 in increased contract payments to six subregional libraries participating in the Library Services to the Blind and Physically Handicapped program. The remaining increment of \$462,836 from the State General Fund is attributable to a proposed increase in state operations expenditures.

The Governor's recommendation of \$3,873,562 for FY 1987 includes \$1,309,973 for the salaries and operations of 24.0 FTE positions, the same staffing level as for FY 1986, and \$2,563,589 for grants to public and regional library systems. This recommendation reflects a total increase of \$33,071 above the current year recommendation for operating expenditures, but a reduction of \$499 in grant support to public and regional library systems. The continuation of ongoing programs, with no significant changes or enhancements, is recommended for FY 1987. Contingent upon recommended

" 0

increased General Fund revenues, the Governor recommends an additional \$600,000 for the Interlibrary Loan Development program.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's recommendation for FY 1987 with the following adjustments, to reflect an addition of \$60,787 from the State General Fund and a reduction of \$66,926 in federal funds:

1. Reappropriate from FY 1986 an additional \$27,683 from the State General Fund to Administrative Services.
2. Add \$14,236 from the State General Fund for the salary and fringe benefits of an Account Clerk I position to assist with data entry, accounting procedures, state and federal report completion, and other record-keeping functions.
3. Add \$67,300 from the State General Fund to offset reduced federal fund expenditures of \$67,137. The Governor's recommendation provided for FY 1987 expenditures of \$67,300 in federal funds carried forward from FY 1986 to offset the State General Fund commitment to grants-in-aid. Due to federal reductions, however, the total grants-in-aid commitment would be reduced in FY 1987 without additional State General Fund support. These funds would help maintain the level of grants-in-aid service to local libraries that was recommended by the Governor for FY 1987 and budgeted for FY 1986.
4. Reduce \$4,950 from the State General Fund to replace salary savings (federal funds) resulting from projected turnover.
5. Reduce \$6,464 from the State General Fund for communications, to include an addition of \$336 for an in-WATS line used in the Services to the Blind and Physically Handicapped program, and a reduction of \$6,800 for KANS-A-N expenditures.
6. Reduce \$10,000 from the State General Fund for the automation of certain accounting programs. The agency no longer plans to expend funds for that purpose in FY 1987.
7. Reduce \$600 from the State General Fund for travel in the Administration program.
8. Restore \$1,476 (\$1,265 from the State General Fund and \$211 from federal funds) for KPERS to increase the contribution rate to 4.3 percent.
9. Amend the expenditure limitation for official hospitality (State General Fund) in the appropriations bill from \$750 to \$610 to properly reflect the Governor's recommendation. This is a technical adjustment which will not alter total expenditures.

*Memo
to
debt*

Senate Committee Recommendation

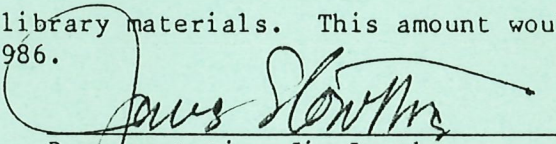
The Senate Committee concurs with the Subcommittee's recommendations.

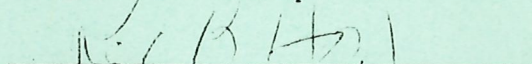
House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments Gov. Rec.</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (6,302)	\$ 1,303,671	\$ 141,970
Local Aid	163	2,563,752	--
TOTAL	<u>\$ (6,139)</u>	<u>\$ 3,867,423</u>	<u>\$ 141,970</u>
State General Fund:			
State Operations	\$ (6,513)	\$ 867,438	\$ 141,970
Local Aid	67,300	1,387,799	--
TOTAL	<u>\$ 60,787</u>	<u>\$ 2,255,237</u>	<u>\$ 141,970</u>
FTE Positions	1.0	25.0	--

The House Subcommittee concurs with the recommendations of the Senate with the following adjustments, resulting in an increase of \$141,970 from the State General Fund:

1. Add \$128,970 to finance the Reader Enrollment and Distribution System (READS). This amount would be expended for computer hardware for the regional library, a division of the State Library located in Emporia (\$28,970) and to help finance the purchase of computer hardware needed by the six subregional libraries to implement the program (\$100,000). These expenditures would enable subregional libraries in Wichita, Topeka, Manhattan, Hutchinson, Great Bend, and Norton to use software developed by the National Library Service for the Blind and Physically Handicapped. This software, available free of charge to program users, automates various circulation and reference functions that are presently performed manually.
2. Restore \$10,000 from the State General Fund for automating certain accounting programs. The House Subcommittee recommends that the Library use those funds instead to correct and maintain the Kansas Union Catalog database.
3. Add \$3,000 to replace lost library materials. This amount would be reappropriated from FY 1986.


 Representative Jim Lowther
 Subcommittee Chairperson


 Representative Rex Hoy

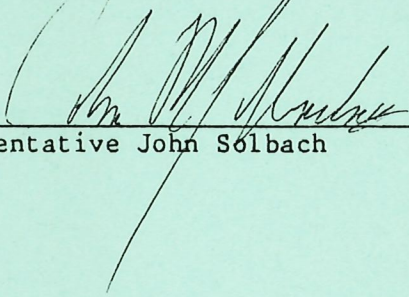
MINORITY REPORT

I concur with the House Subcommittee's recommendation for FY 1987 with the following exception: Addition of \$600,000 from the State General Fund for the Interlibrary Loan Development program. The effect of this recommendation is to increase total expenditures for this program to \$1.2 million in FY 1987, the same amount as was originally proposed per year in the agency's five-year plan for the program. Without any increase in state support above the recommended amount for FY 1987, funding for this program over the two-year period will be \$1.2 million less than originally proposed in the five-year plan.

According to the agency, libraries in Kansas own approximately 2 million volumes less than prescribed by state and national standards. Among the 50 states, Kansas ranks among the lowest in per capita state and local support to libraries (\$7.26). According to a report issued by the U.S. Department of Commerce, per capita assistance to libraries totaled \$13.05 in Iowa and \$10.58 in Colorado. Although among the lowest in providing support, Kansas nonetheless ranks among the highest in per capita use. The Library estimated that approximately 30 percent of all interlibrary loan requests remain unfilled because libraries do not own books or have easy access to them.

The meager funding level of the state for the purchase of library materials also has a detrimental effect on economic growth. In the Redwood study on economic development in Kansas, one of the recommendations endorsed a continuation and expansion of the state's commitment to all levels of public education in Kansas. Among the issues to be addressed, according to this report, is that of library needs.

I view increased support of library material acquisitions as essential for an expansion of the state's economic base and therefore strongly urge that funding for this extremely important need be provided in FY 1987. The longer such funding is postponed, the more it will cost the state in future years to recoup that loss.



Representative John Solbach

SUBCOMMITTEE REPORT

Agency: State Council on
Vocational Education

Bill No. 523

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 183

Budget Pg. No. 3-91

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 120,635	\$ 113,715	\$ 171
FTE Positions	2.0	2.0	--

Senate Subcommittee Recommendations

FY 1986. The Subcommittee concurs with the Governor's recommendation of expenditures of \$119,527.

FY 1987. The Subcommittee concurs with the Governor's recommendation, with the following exception:

1. Add \$171 as the result of the recalculating KPERS benefits.

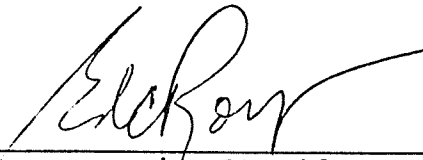
Senate Committee Recommendations

The Senate Committee concurs with the recommendations of the Subcommittee.

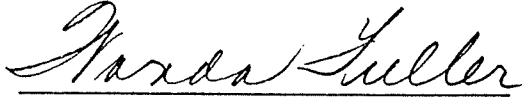
House Subcommittee Recommendations

The House Subcommittee concurs with the recommendations of the Senate.

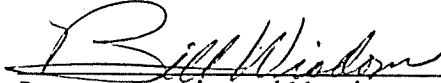
*Atch. P
J. Rampey 4/4/86 "D"*



Representative Ed Rolfs,
Chairman



Representative Wanda Fuller



Representative Bill Wisdom

036.87

SUBCOMMITTEE REPORT

House Ways and Means Subcommittee No. 4

RE: Department of Corrections Correctional Industries -- House Bill No. 3048

OSKALOOSA MEAT PROCESSING PLANT

Background

House Ways and Means Subcommittee No. 4 held a two hour public hearing on H.B. 3048 on April 1, 1986 with over 30 individuals in attendance from Jefferson County. In addition, the Subcommittee members received considerable correspondence from Oskaloosa area residents on the proposed meat processing facility. H.B. 3048 would authorize the Secretary of Corrections to purchase an existing meat processing facility and 58 acres of land located approximately one mile southwest of Oskaloosa, Kansas. The 7,500-square-foot processing plant was built in 1978 and operated until 1982, at which time it was closed. Ownership of the facility eventually passed to the local bank in 1984.

The Kansas Correctional Industries of the Department of Corrections has proposed that 24 inmates and 5 staff be employed at the meat processing facility which would provide processed beef and pork for all state correctional facilities and potentially many state institutions. Cattle and hogs would be purchased at market to supplement the livestock being raised at the Kansas State Penitentiary (KSP). The inmates would be transported daily from KSP to work at the meat processing facility. The Department of Corrections has estimated a total cost of \$301,578 to open the facility. The estimate includes \$175,000 for the building, fixed equipment, and 58 acres of land, \$47,450 for a 12-foot high security fence with razor ribbon, \$59,128 for moveable equipment, and \$20,000 contingency for possible repair or replacement of coolers and compressors. The purchase of the property would be financed through a loan to the Secretary of Corrections from the State Pooled Money Investment Board in the amount of \$175,000. The loan would bear interest at the statutory rate established in K.S.A. 75-4210, and would be for a term not to exceed ten years. The loan and the other start-up operating costs would be financed from the Correctional Industries Fund. The bill also provides for a payment in lieu of taxes to Jefferson County in an amount not to exceed \$2,000 annually.

Public Hearing

At the public hearing Senator Edward F. Reilly and Representative Robin D. Leach testified on the community meeting that was held in Oskaloosa with Department of Corrections' officials. After considerable dialogue between the public attending the meeting and Corrections' officials, a majority of those in attendance indicated their support for the facility. Senator Reilly provided correspondence on the proposed facility which totaled 354 in

Atch. 3
H. M. M. 4/4/86

Q