

Approved April 15, 1988
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by SENATOR AUGUST "GUS" BOGINA at
Chairperson

11:00 a.m./~~xxx~~ on March 16, 1988 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Scott Rothe, Gloria Timmer

Revisor's Office: Norman Furse

Committee Office: Judy Bromich, Pam Parker

Conferees appearing before the committee:

HB 2794 - Appropriations for FY 1989, state board of regents and higher education institutions. (Systemwide Issues)

The Chairman announced that the Committee would be discussing the House committee action as the House was working the bill on the Floor as this meeting was in session.

Staff reviewed the Board of Regents' Institutions -- Systemwide Summary and Issues beginning on page 2-1 of the Fiscal Year 1989 Budget Analysis by the Kansas Legislative Research Department. Staff pointed out that page 2-6 in the Committee member's books had been corrected to show the correct tuition increases recommended by the Board of Regents for FY 1989. Staff also distributed information showing the agency requests, the Governor's recommendations and the House Committee recommendations for FY 1988 and FY 1989 for the Systemwide Issues. (Attachment 1)

Staff stated that the FY 1989 request by the Board of Regents in regard to enrollment adjustments is based on the recommendations made during the 1987 legislative session. Of the six institutions that are affected by the enrollment adjustment, five showed increases. Wichita State University (WSU) had an enrollment decline so they had an enrollment adjustment reduction. In answer to a question, staff stated that \$477,374 for WSU is equivalent to the salary component of the one percent peer-related corridor. The Board of Regents, in their preparation of the Margin of Excellence, directed WSU to reallocate that amount internally and use that sum of money to offset their new money request. The Margin of Excellence allowed WSU to request \$1,522,000 in new funding, to be reduced by the amount of the one percent peer-related corridor (\$477,374). When the numbers were carried forward to the funding pages in the budget, WSU did not reduce the new money request.

Following the conclusion of staff review of Systemwide Issues, the meeting was adjourned.

ATTACHMENT 1
SWAM 3/16/88

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SYSTEMWIDE ISSUES	AGENCY REQUEST	GOVERNOR'S RECOMMENDATION	HOUSE COMMITTEE RECOMMENDATION	SENATE COMMITTEE RECOMMENDATION
***** FY 1988				
HEALTH INSURANCE SUPPLEMENTALS	No Request	Recommendation Funds Increased Health Insurance Costs.	Recommendation Funds Increased Health Insurance Costs.	
FEE RELEASES Do you want to use the Regents' methodology or the Governor's?	\$942,018	\$399,879	\$399,879 (Governor's methodology)	
FEE FUND SHORTFALLS KUMC and FHSU	\$182,669 SGF	\$182,669 SGF	\$182,669 SGF	
***** FY 1989				
ENROLLMENT ADJUSTMENTS Increase Corridor--2.5 percent Decrease Corridor--2.5 percent (1.0 percent peer related)	\$3,272,672 SGF	\$3,272,672 SGF	\$3,272,672 SGF	
UNCLASSIFIED SALARIES 5 percent request, 1 percent=\$2.5M	\$12,673,777	\$12,673,597	\$12,673,597	
STUDENT SALARIES 4 percent requested, 1 percent=\$68K	\$273,292	\$273,292	\$273,292	
OTHER OPERATING EXPENDITURES 4 percent requested, 1 percent=700K (Gov's rec is 4 percent, some adjustments made to bases)	\$3,058,801	\$2,954,152	\$2,954,152	
UTILITIES No increase requested--review later in Session.	0	0	No \$ recommendation pending actual information through Feb.	
Energy Conservation? Reappropriation?			Recommended reappropriation of all savings, no energy conservation project funding	
SERVICING NEW BUILDINGS Formula--page 2.21 in memo	\$1,897,559	\$1,400,419	\$1,400,419	

MARGIN OF EXCELLENCE (First year of three year request)			Funded total Margin of Excellence faculty/unclassified salary request.
Faculty Salary Parity	\$6,761,000--six universities \$466,061--KUMC, KTI, Vet Med	\$5,013,471--six universities \$416,061--KUMC, KTI, Vet Med	\$6,761,000--six universities & \$125,000 vet med, \$60,000 KTI, & \$231,061 KUMC
Program Enhancements	\$8,395,956--systemwide	\$1,732,347--KUMC only	\$1,227,225--KUMC only