

Approved: 3-20-91
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson George Teagarden at 1:30 p.m. on March 5, 1991 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present:

Ellen Piekalkiewicz, Legislative Research Department
Debra Duncan, Legislative Research Department
Jim Wilson, Revisor of Statutes
Susan Miller, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Others attending: see attached list.

INTRODUCTION OF BILLS

Chairman Teagarden requested introduction of a bill that provides for a bidding process on contracts for motor vehicle inspections. Representative Blumenthal moved introduction of the bill. Representative Kline seconded. Motion carried.

HB 2086 - Appropriations for FY92, state board of regents and higher education institutions.

BOARD OF REGENTS

Representative Wisdom presented the subcommittee reports on the Board of Regents (Attachment 1). Regarding the FY91 subcommittee report, staff advised that the State General Fund scholarship funds would be lapsed if not reappropriated. In the case of the special revenue funds for scholarships, the subcommittee recommendations direct the Board to hold only currently unpromised FY91 funds for use in the program in FY92. Representative Wisdom moved adoption of the FY91 subcommittee report on the Board of Regents. Representative Chronister seconded. Motion carried.

Several members opposed the 8 percent reduction in the Tuition Grant Program, because that program at this point is not achieving its purpose to "halve the gap" between private colleges and public universities. Representative Solbach moved to change the reduction in the Tuition Grant Program in item #1 of the FY92 Board of Regents subcommittee report from 8 percent to 4 percent. Representative Lowther seconded. Motion failed.

Representative Goossen moved to keep the FY92 budgets or total funding for the Nursing Scholarship Program and the State Scholarship Program even with their FY91 levels and that the reduction in the Tuition Grant Program in item #1 be amended to 4 percent from the 8 percent recommended by the subcommittee. Representative Solbach seconded. Representative Patrick requested the motion be divided. The Chair ruled the question divisible. On a point of clarification, Representative Goossen stated the intent of his motion is to apply to the Tuition Grant Program the savings in funds from holding the Nursing Scholarship and the State Scholarship Programs at FY91 levels. On the motion to hold the Nursing Scholarship Program for FY92 to its FY91 level of funding and to transfer the savings to the Tuition Grant Program, the motion failed. Representative Goossen withdrew the remainder of his motion with the permission of the second, Representative Solbach. Representative Heinemann noted that the tuition increase at the regional universities is 3 percent and at the research universities is 8 percent. He suggested that the Tuition Grant Program should not have received a full 8 percent cut. Representative Heinemann moved that the reduction in the Tuition Grant Program be changed to 5-1/2 percent from 8 percent in item #1. Representative Turnquist seconded. Motion failed.

Representative Chronister moved that \$47,000 be deleted from state operations of the Board of Regents office. Representative Wisdom seconded. Motion carried.

Representative Hochhauser expressed concern that elimination of the Career Work Study Program prevents students with financial need from earning money for their tuition, which the Committee has acted to increase. Representative Hochhauser moved to cut 3 percent from the Work Study Program total funding of \$480,917 in lieu of the subcommittee recommendation to eliminate the entire program. Representative Dean seconded. Motion failed.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 1:30 p.m.
on March 5, 1991.

Representative Wisdom moved adoption of the FY92 subcommittee report, as amended, on the Board of Regents. Representative Chronister seconded. Motion carried. Representatives Lowther, Solbach, Hochhauser and Goossen are recorded as voting no. Representative Wisdom is recorded as voting yes.

KANSAS COLLEGE OF TECHNOLOGY

Representative Wisdom presented the subcommittee reports on the Kansas College of Technology (Attachment 2). Representative Wisdom moved adoption of the FY91 subcommittee report on the Kansas College of Technology. Representative Chronister seconded. Motion carried. Representative Wisdom moved adoption of the FY92 subcommittee report on the Kansas College of Technology. Representative Vancrum seconded. Motion carried.

WICHITA STATE UNIVERSITY

Representative Wisdom reviewed the subcommittee reports on Wichita State University (Attachment 3). Representative Wisdom moved adoption of the FY91 subcommittee report on Wichita State University. Representative Chronister seconded. Motion carried.

Discussion in the Committee focused on whether or not recommendations should be made for EDIF funding. Several members felt the subcommittees should be indicating their priorities for the EDIF, as the fund still exists in present law until pending legislation is passed abolishing it. Representative Dean moved that \$105,000 be added to the Wichita State University budget from the EDIF for the engineering rehabilitation program. Representative Fuller seconded. Representative Mead made a substitute motion to add \$105,000 State General Fund for the engineering rehabilitation program at Wichita State. Representative Dean seconded. Substitute motion failed. On the original motion by Representative Dean, the motion carried.

Representative Patrick asked how much money is being spent in this budget on new computer equipment and staff advised he did not have that figure at this time. Representative Patrick moved that money for computer equipment acquisition be deleted from the Wichita State University budget until detail can be provided on the amount and nature of the funding. Representative Dean seconded. Motion failed.

Representative Heinemann moved to recommend in item #12 a shift in computer center funding from a service clearing activity to direct general use funding which, in effect, concurs with the Governor. Representative Turnquist seconded. Representative Vancrum pointed out that as a service clearing activity, computer time is charged to the individual departments as they use the service and making it directly funded might remove the users from accountability. The Subcommittee felt this shift should be studied by the House Computers, Communications, and Technology Committee before it is adopted. Representative Heinemann withdrew his motion with consent of the second. Representative Turnquist.

Representative Chronister moved adoption of the FY92 subcommittee report, as amended, on Wichita State University. Representative Wisdom seconded. Motion carried.

The meeting was adjourned at 3:30 p.m. Chairman Teagarden announced the remaining subcommittee reports on HB 2086 would be completed at the next meeting on Wednesday, March 6 at 7:30 a.m. in 514-S.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 3-5-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Jose Gose	Lawrence	UDK
Mary Neubauer	Topoka	Assoc Pres
Joseph DiNitto	Lawrence	Claited Press
Bloira Timmer	Topoka	Division of Budget
Mike Bohunkoff	Topoka	Division of the Budget
Richard Nichols	Topoka	Rep Hensley's office
Julia Clark	Topoka	McM. & Ebert
Bill Felber	Manhattan	Manh Mercury
Eric Sexton	Wichita	WSU
MARY HERRIN	WICHITA	WSU
Roger D. Lowe	Wichita	WSU
Hank Z. Kohn	Topoka	Reprints
Ping Enriquez	Topoka	Washburn Univ
Charles Bruner	Uniontown	None
Jim Raines	Lawrence	KU student
Walt Chappell	Chanote	Tax Payer
GARY Robbins	Topoka	Ks Optometric Assn
Harry Stephens	Emporia	ESU
Seth Bruner	Topoka	KS Senate
Tom Langford	Topoka	Sen Jerry Kurie's off
Jim Jossell	Lawrence	NU
SUSAN PETERSON	MANHATTAN	KANSAS STATE UNIVERSITY
Ray Hauke	Topoka	Topoka Ski Club
Kristle Wardell	Topoka	ASL
Bob Wunsch	Lawrence	KU MC

SUBCOMMITTEE REPORT

Agency: Board of Regents

Bill No. 2456

Bill Sec. New Sec.

Analyst: Rampey

Analysis Pg. No. 886

Budget Page No. 474

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 2,141,973	\$ 1,462,407	\$ 0
Aid and Other Assistance	9,512,093	10,052,094	(367,155)
Subtotal - Operating	<u>\$ 11,654,066</u>	<u>\$ 11,514,501</u>	<u>\$ (367,155)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 11,654,066</u></u>	<u><u>\$ 11,514,501</u></u>	<u><u>\$ (367,155)</u></u>
State General Fund:			
State Operations	\$ 1,551,756	\$ 1,456,241	\$ 0
Aid and Other Assistance	7,491,734	7,447,684	(185,104)
Subtotal - Operating	<u>\$ 9,043,490</u>	<u>\$ 8,903,925</u>	<u>\$ (185,104)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 9,043,490</u></u>	<u><u>\$ 8,903,925</u></u>	<u><u>\$ (185,104)</u></u>
FTE Positions	18.0	18.0	--

Agency Request/Governor's Recommendation

Operating expenditures are estimated to be \$11,654,066 in FY 1991, of which \$9,043,490 is from the State General Fund. Operating expenditures include approximately \$9.5 million for special programs. The remaining \$2.1 million includes funding to maintain the Board office and its staff of 18.0 FTE positions. There are no changes to the amounts approved by the Legislature.

For FY 1991, the Governor recommends a reduction in the Board's administrative expenses of \$31,438, which consists of a reduction of \$6,875 in salaries and \$24,563 in recruiting expenses. Special programs administered by the Board are reduced by \$108,128. The reductions are in funding for Regents Distinguished Professors (\$47,813), optometric education contracts (\$16,264), and osteopathic scholarships (\$44,050).


House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor, with the following exceptions:


1. Reappropriate \$3,053 in savings (State General Fund) from the Tuition Grant Program to be used to support the program in FY 1992.

*HA
3-5-91
Attachment 1*

2. Reappropriate \$182,051 in savings (State General Fund) from the Nursing Scholarship Program to be used to support the program in FY 1992. In addition, reduce the sponsors' share of estimated expenditures in FY 1991 by an equal amount.
3. Do not spend \$78,137 in savings (special revenue funds) from the State Scholarship Program in FY 1991 and use the money to support the program in FY 1992.
4. Do not spend \$5,079 in savings (special revenue funds) from the Teacher Scholarship Program in the current year, and use the money to support the program in FY 1992.
5. Do not spend \$245 in savings (special revenue funds) from the Vocational Scholarship Program in FY 1991 and use the money to support the program in FY 1992.




Representative Bill Wisdom
Subcommittee Chair




Representative Rochelle Chronister



Representative Lee Hamm



Representative George Teagarden



Representative Robert Vancrum

SUBCOMMITTEE REPORT

Agency: Board of Regents

Bill No. 2086

Bill Sec. 10

Analyst: Rampey

Analysis Pg. No. 886

Budget Page No. 474

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 2,394,849	\$ 1,594,409	\$ (69,700)
Aid and Other Assistance	11,159,196	10,363,761	(908,917)
Subtotal - Operating	<u>\$ 13,554,045</u>	<u>\$ 11,958,170</u>	<u>\$ (978,617)</u>
Capital Improvements	9,000,000	9,000,000	0
TOTAL	<u><u>\$ 22,554,045</u></u>	<u><u>\$ 20,958,170</u></u>	<u><u>\$ (978,617)</u></u>
State General Fund:			
State Operations	\$ 1,838,849	\$ 1,588,409	\$ (69,700)
Aid and Other Assistance	9,035,900	8,115,465	(992,378)
Subtotal - Operating	<u>\$ 10,874,749</u>	<u>\$ 9,703,874</u>	<u>\$ (1,062,078)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 10,874,749</u></u>	<u><u>\$ 9,703,874</u></u>	<u><u>\$ (1,062,078)</u></u>
FTE Positions	18.0	18.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board requests total expenditures of \$22,554,045 in FY 1992, of which \$10,874,749 would be from the State General Fund. The amount includes approximately \$2.4 million for agency operations, \$11.2 million for special programs, and \$9.0 million from the Educational Building Fund for major maintenance projects at the Regents' institutions. Two new programs, the Graduate Minority Fellowship Program (\$320,000) and the Regents Early Math Testing Program (\$95,300), are requested.

For FY 1992, the Governor recommends expenditures of \$20,958,170, of which \$9,703,874 would be from the State General Fund. The total includes \$9.0 million from the Educational Building Fund for maintenance and repair projects at Regents' institutions. The Governor does not recommend the requested new programs for Graduate Minority Fellowships and Early Math Testing.

House Subcommittee Recommendation

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

1. Delete \$428,000 (8.0 percent) from the State General Fund for the Tuition Grant Program, for a total of \$4,922,000. The 8.0 percent reduction corresponds to a projected 8.0 percent increase in student tuition at selected Regents' institutions, based on the Subcommittee's recommendations for the institutions. It is the Subcommittee's opinion that an increase in student tuition also should be borne by private school students who participate in a state aid program. Further, the reduction in the Tuition Grant Program should be prorated among all recipients of the grants and the number of grants should not be substantially reduced.
2. Delete \$480,917 from the State General Fund for the Career Work Study Program. The effect of the Subcommittee's recommendation is to eliminate all funding for the program in FY 1992.
3. Delete \$12,500 from the State General Fund for Regents Distinguished Professors, for a total of \$100,000. The recommended level of funding would fund the four distinguished professorships that are currently filled.
4. Delete \$57,200 from the State General Fund for optometric education contracts, for a total of \$154,200. The recommended level of funding would permit the Board to purchase 26 seats in schools of optometry in other states, which is the same number of seats currently being purchased.
5. Amend H.B. 2086 to show that, based on Subcommittee recommendations for FY 1991, \$3,053 will be reappropriated from the State General Fund in FY 1991 for the Tuition Grant Program and \$182,051 will be reappropriated for the Nursing Scholarship Program, thereby reducing the appropriation of new money in FY 1992 for those programs by a total of \$185,104.
6. Reduce expenditures from the State General Fund in three student assistance programs by a total of \$83,461 and increase expenditures from special revenue funds by an identical amount to reflect a shift in funding from the State General Fund to special revenue funds. (The shift is possible because of savings in several programs in FY 1991 that the Subcommittee recommends be used in FY 1992.) The programs are the State Scholarship Program (a reduction of \$78,137 from the State General Fund), the Teacher Scholarship Program (a reduction of \$5,079), and the Vocational Scholarship Program (a reduction of \$245).
7. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Constriction to appropriate from the Educational Building Fund \$10.0 million in FY 1994 and 10.0 million in FY 1995 for major maintenance projects.

Bill Wisdom

Representative Bill Wisdom
Subcommittee Chair

Rochelle Chronister

Representative Rochelle Chronister

Lee Hamm

Representative Lee Hamm

George Teagarden

Representative George Teagarden

Robert Vancrum

Representative Robert Vancrum

SUBCOMMITTEE REPORT

Agency: Kansas College of Technology

Bill No. 2456

Bill Sec. 35

Analyst: Rampey

Analysis Pg. No. 899

Budget Page No. 392

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,062,637	\$ 3,987,745	\$ --
General Fees Fund	421,492	467,476	--
Subtotal -- General Use Funds	\$ 4,484,129	\$ 4,455,221	\$ --
Restricted Use Funds	1,236,060	1,235,556	--
Subtotal -- State Operations	\$ 5,720,189	\$ 5,690,777	\$ --
Other Assistance:			
Other Funds	\$ 270,369	\$ 270,369	\$ --
Total Operating Exp.	\$ 5,990,558	\$ 5,961,146	\$ --
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ --
Educational Bldg. Fund	73,225	73,225	--
Other Funds	0	0	--
Subtotal -- Cap. Imp.	\$ 73,225	\$ 73,225	\$ --
GRAND TOTAL	\$ 6,063,783	\$ 6,034,371	\$ --
FTE Positions:			
Classified	35.5	35.5	(2.0)
Unclassified	83.6	83.6	(5.0)
TOTAL	119.1	119.1	(7.0)

Agency Request/Governor's Recommendation

The College estimates FY 1991 expenditures of \$4,484,129 from general use funds. The estimate is an increase of \$304,690 (7.3 percent) over actual general use expenditures of \$4,179,439 in FY 1990.

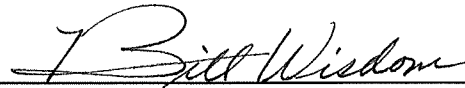
The Governor recommends expenditures of \$4,455,221 from general use funds, a reduction of \$28,908 from the College's estimate.

HA
3-5-91
Attachment 2

House Subcommittee Recommendation

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

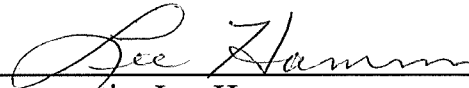
1. Delete 2.0 FTE classified positions that have been vacant and unfunded since FY 1989. The positions are a Labor Supervisor and an Air Conditioner-Refrigerator Repair Technician.
2. Delete 5.0 FTE positions associated with the professional pilot training program. The positions are unfunded and have never been filled. The effect of the Subcommittee's recommendation is to reduce the number of positions associated with the program to 10.0 FTE. The 10.0 FTE positions, which are filled, are funded pursuant to a contract with Air Service Training Ltd. of Scotland, and will remain on the staff until the program is terminated sometime in FY 1992.



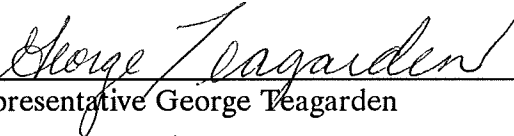
Representative Bill Wisdom
Subcommittee Chair



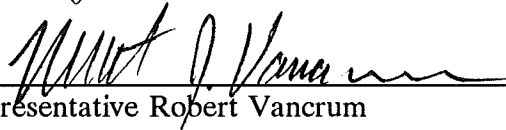
Representative Rochelle Chronister



Representative Lee Hamm



Representative George Teagarden



Representative Robert Vancrum

SUBCOMMITTEE REPORT

Agency: Kansas College of Technology

Bill No. 2086

Bill Sec. 11

Analyst: Rampey

Analysis Pg. No. 899

Budget Page No. 392

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,617,902	\$ 4,388,516	\$ (375,480)
General Fees Fund	415,304	428,336	2,686
Subtotal -- General Use Funds	\$ 5,033,206	\$ 4,816,852	\$ (372,794)
Restricted Use Funds	1,302,234	1,246,622	--
Subtotal -- State Operations	\$ 6,335,440	\$ 6,063,474	\$ (372,794)
Other Assistance:			
Other Funds	\$ 270,369	\$ 270,369	\$ --
Total Operating Exp.	\$ 6,605,809	\$ 6,333,843	\$ (372,794)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ --
Educational Bldg. Fund	37,700	0	--
Other Funds	273,300	0	--
Subtotal -- Cap. Imp.	\$ 311,000	\$ 0	\$ --
GRAND TOTAL	\$ 6,916,879	\$ 6,333,843	\$ (372,794)
FTE Positions:			
Classified	37.5	35.5	(2.0)
Unclassified	83.6	83.6	(5.0)
TOTAL	121.1	119.1	(7.0)

* Excludes amounts reserved for employee compensation, except for unclassified salary parity under the Margin of Excellence.

Agency Request/Governor's Recommendation

For FY 1992, the College estimates expenditures from general use funds of \$5,033,206, an increase of \$549,077 (12.2 percent) over its estimate for the current year. The request includes \$182,144 from general use funds for systemwide personnel salary increases consisting of classified employee step movement, unclassified salary increases of 5.0 percent, and a 16.0 percent increase in student salaries. An amount of \$1,092,596 from general use funds is requested for a 3.12 percent

systemwide increase in other operating expenditures. The College requests an enrollment adjustment of \$108,525 and \$175,00 for the Margin of Excellence. Of that amount, \$83,033 would be for faculty salary parity and \$97,110 would be for mission related enhancements. The College also requests \$49,000 for the salaries and associated operating costs of two new security personnel positions. In addition, the school requests that \$36,598 deleted by the 1990 Legislature as a shrinkage adjustment be restored for other operating expenditures in FY 1992.

Under the current resources budget, the Governor recommends \$4,500,926 from general use funds for state operating expenditures, a reduction of \$532,280 from the College's request and an increase of \$45,705 over the Governors recommendation for the current year. No increases are included for salaries and operating expenditures, enrollment adjustments, and the Margin of Excellence.

Under the enhanced budget, the Governor recommends state operating expenditures of \$4,816,852 from general use funds, a reduction of \$216,354 from the College's request and an increase of \$361,631 over her recommendation for FY 1991. In a reserve separate from agency budgets, the Governor includes funding for 2.5 percent step movement for classified employees, a 2.5 percent base increase for unclassified employees, and a 1.5 percent cost-of-living increase the second half of FY 1992 for all employees. The Governor concurs with the request for a 16.0 percent increase in student salaries, recommends a 3.0 percent increase in other operating expenditures, concurs with the enrollment adjustment of \$108,525, and recommends \$175,000 for the Margin of Excellence. The Governor does not recommend the two new positions or the restoration of \$36,598 that had been deleted by the 1990 Legislature for shrinkage.

House Subcommittee Recommendation

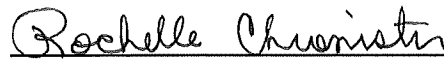
The House Subcommittee concurs with the Governor's recommendations, with the following exceptions:

1. **Systemwide Recommendation – Student Salaries.** Delete \$7,046 from the State General Fund for student salaries. The College had requested and the Governor had approved a 16.0 percent increase over the current year.
2. **Systemwide Recommendation.** Delete \$17,815 from the State General Fund for salary and wage shrinkage, increasing the rate at the College from 1.0 to 1.5 in FY 1992.
3. **Systemwide Recommendation.** Delete \$26,368 from the State General Fund for an increase in other operating expenditures for FY 1992.
4. **Systemwide Recommendation.** Delete \$108,525 from the State General Fund for an enrollment adjustment.
5. **Systemwide Recommendation.** Delete \$175,000 from the State General Fund for the Margin of Excellence.
6. **Systemwide Recommendation.** Delete \$40,726 from the State General Fund for an overall 1.0 percent reduction.

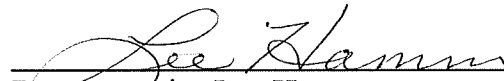
7. **Systemwide Recommendation.** Recommend that nonresident tuition be increased by 10.0 percent beyond that recommended by the Board (10.0 percent), for a total increase of 20.0 percent in FY 1992. The increase is expected to generate \$2,686.
8. **Systemwide Recommendation.** The Subcommittee recommends that the line items of salaries and wages, other operating expenditures, and utilities be combined in a single line item of operating expenditures.
9. Amend H.B. 2086 to change the name of the school from "Kansas State University -- Salina, College of Technology" back to its current name, "Kansas College of Technology," pending passage of legislation to merge the school with Kansas State University.



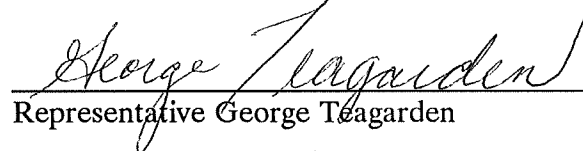
Representative Bill Wisdom
Subcommittee Chair



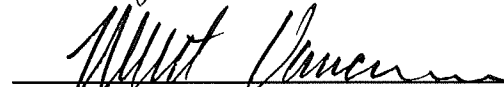
Representative Rochelle Chronister



Representative Lee Hamm



Representative George Teagarden



Representative Robert Vancrum

SUBCOMMITTEE REPORT

Agency: Wichita State University

Bill No. --

Bill Sec. --

Analyst: Conroy

Analysis Pg. No. 932

Budget Page No. 598

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 47,711,123	\$ 47,237,488	\$ --
General Fees Fund	16,398,496	16,398,496	--
Subtotal--Gen. Use Funds	<u>\$ 64,109,619</u>	<u>\$ 63,635,984</u>	<u>\$ --</u>
Other Funds	31,862,982	31,862,982	--
Subtotal--Operating Exp.	<u>\$ 95,972,601</u>	<u>\$ 95,498,966</u>	<u>\$ --</u>
Capital Improvements:			
Edu. Bldg. Fund	\$ 6,515,491	\$ 6,537,734	\$ --
Other Funds	545,000	545,000	--
Subtotal--Capital Imp.	<u>\$ 7,060,491</u>	<u>\$ 7,082,734</u>	<u>\$ --</u>
GRAND TOTAL	<u><u>\$ 103,033,092</u></u>	<u><u>\$ 102,581,700</u></u>	<u><u>\$ --</u></u>
FTE Positions:			
Classified	640.9	640.9	--
Unclassified	1,046.3	1,046.3	--
TOTAL	<u><u>1,687.2</u></u>	<u><u>1,687.2</u></u>	<u><u>--</u></u>

Agency Request/Governor's Recommendation

FY 1991. The University's general use base budget for FY 1991 totals \$64,109,619, which is 4.4 percent greater than actual general use expenditures for FY 1990. The University requests a State General Fund supplemental of \$96,128. The requested supplemental funding reflects a shortfall in anticipated general fee income for Fall, 1990.

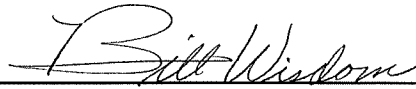
The Governor recommends a general use base budget of \$63,635,984 or \$473,635 less than requested and \$561,175 less than currently authorized. In particular the Governor adjusts employee and dependent health insurance downward by \$521,516 to reflect the latest employer rates. The Governor does not recommend any supplemental funding in FY 1991. The Governor recommends that \$473,635 in State General Fund resources in the current year be reappropriated to finance expenditures in FY 1992.

HA
3-5-91
Attachment 3

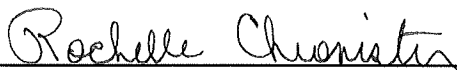
House Subcommittee Recommendation

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

1. Authorize the transfer of \$3,087 in general fees to fully meet the required match of federal funds for educational opportunity grants.



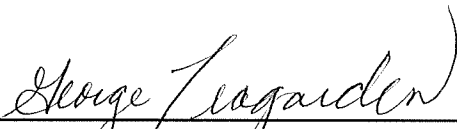
Representative Bill Wisdom
Subcommittee Chair



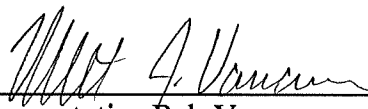
Representative Rochelle Chronister



Representative Lee Hamm



Representative George Teagarden



Representative Bob Vancrum

SUBCOMMITTEE REPORT

Agency: Wichita State University

Bill No. 2086

Bill Sec. 9

Analyst: Conroy

Analysis Pg. No. 932

Budget Page No. 598

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 53,751,873	\$ 50,541,445	\$ (4,874,748)
General Fees Fund	17,139,351	17,151,710	1,110,656
Subtotal--Gen. Use Funds	<u>\$ 70,891,224</u>	<u>\$ 67,693,155</u>	<u>\$ (3,764,092)</u>
Other Funds	32,507,528	32,507,528	--
Subtotal--Operating Exp.	<u>\$ 103,398,752</u>	<u>\$ 100,200,683</u>	<u>\$ (3,764,092)</u>
Capital Improvements:			
Edu. Bldg. Fund	\$ 4,273,485	\$ 4,250,000	\$ --
Other Funds	650,000	560,000	--
Subtotal--Capital Imp.	<u>\$ 4,923,485</u>	<u>\$ 4,810,000</u>	<u>\$ --</u>
GRAND TOTAL	<u><u>\$ 108,322,237</u></u>	<u><u>\$ 105,010,683</u></u>	<u><u>\$ (3,764,092)</u></u>
FTE Positions:			
Classified	642.4	642.4	(1.5)
Unclassified	1,053.8	1,053.8	(7.5)
TOTAL	<u><u>1,696.2</u></u>	<u><u>1,696.2</u></u>	<u><u>(9.0)</u></u>

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

FY 1992. The University requests a total of \$70,891,224 in general use funds for the FY 1992 budget, an increase of 10.6 percent over the FY 1991 budget. The request includes increases of \$2,684,352 which provides a 5 percent increase for unclassified salaries, 4 percent for other operating expenditures, a 16 percent increase for student salaries, and classified staff pay step movement and longevity pay. The University also requests a reduction in the approved salary and wage shrinkage rate (\$138,872), restoration of funds to the other operating expenditures base for increased salary and wage shrinkage in FY 1991 (\$629,476), a shift in funding for the computer center, and \$17,606 for a special street assessment. The agency also requests \$2,101,342 for the Margin of Excellence, \$1,405,342 for unclassified salary parity, and \$696,000 for mission-related program enhancements.

The Governor recommends an FY 1992 general use base budget of \$67,693,155 or a 6.4 percent increase above the revised FY 1991 recommendations. The Governor's recommendations include in a separate salary reserve for step movement (2.5 percent) and longevity pay for classified employees, a 2.5 percent base increase for unclassified employees, and for both classified and

unclassified employees a 1.5 percent cost-of-living increase for the second half of FY 1992. The Governor does recommend the requested 16 percent student salary increase in the budget year, a 4 percent increase in other operating expenditures, enrollment adjustment funding (\$377,152), and a 100 percent graduate teaching assistant fee waiver (from 75 percent).

House Subcommittee Recommendation

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

1. **Systemwide Recommendation - Student Salaries.** The Subcommittee does not recommend the 16 percent student salary increase in FY 1992. The action deletes \$206,224 in State General Fund financing for the agency.
2. **Systemwide Recommendation - Salary and Wage Shrinkage.** The Subcommittee recommends that the salary and wage shrinkage amount for FY 1992 be increased by 0.5 percent above the amount recommended by the Governor. The action reduces salaries and wages in the budget year by \$269,842, all financed from the State General Fund. The Subcommittee would encourage the agency to make the additional salary and wage shrinkage adjustments in non-instructional areas.
3. **Systemwide Recommendation - Other Operating Expenditures.** The Subcommittee does not recommend the 4 percent base increase for other operating expenditures in FY 1992. The action would reduce state General Fund support for the agency by \$333,992 in the budget year.
4. **Systemwide Recommendation - Utilities.** The Subcommittee does not make any adjustments to base utility requests for the institutions in the budget year. The Subcommittee recommends that the Senate Ways and Means Committee review utility expenditures in FY 1991 and projected FY 1992 expenditures based on the latest expenditures to date information.
5. **Systemwide Recommendation - Enrollment Adjustment.** The Subcommittee does not recommend the enrollment adjustment funding in the budget year. The Subcommittee action will delete \$376,947 in State General Fund financing and 9.0 FTE positions (1.5 classified and 7.5 unclassified) in FY 1992.
6. **Systemwide Recommendation - Graduate Teaching Assistant Fee Waiver.** The Subcommittee does not recommend the increase in the graduate teaching assistant fee waiver to 100 percent from the current level of 75 percent. The Subcommittee action increases general fee income by \$61,000 and offsets the demand on the State General Fund by the same amount (\$61,000).
7. **Systemwide Recommendation - Margin of Excellence.** The Subcommittee does not recommend the requested funding for the Margin of Excellence in FY 1992. The Subcommittee action deletes \$2,101,342 in State General Fund support.

8. **Systemwide Recommendation - Additional Tuition Increase.** The Subcommittee after extensive review and analysis recommends that tuition receipts in FY 1992 be increased by an additional \$7.3 million systemwide. This amount would be utilized to offset the demand on the State General Fund. The Subcommittee recommends that resident tuition at the research institutions (KU, KSU, WSU, KUMC, and KSUVMC) be increased an additional 5 percent beyond what the Board of Regents has already recommended (3 percent), for a total increase of 8 percent in FY 1992. Resident tuition at the regional universities (ESU, PSU, FHSU, and KCT) would increase only the 3 percent as recommended by the Board. The Subcommittee further recommends that non-resident tuition be increased by 10 percent beyond what the Board of Regents has already recommended (10 percent) for a total increase of 20 percent in FY 1992. The Subcommittee notes that resident tuition is generally 9 percent below peers and nonresident tuition is roughly 30 percent below peers. The Subcommittee recommendation would attempt to close this gap between Kansas institutions and peer institutions. The Subcommittee action would increase receipts to the General Fees Fund by \$1,049,656 which would be used to offset the demand on the State General Fund at the institution in the budget year by the same amount (\$1,049,656).
9. **Systemwide Recommendation - One Percent Across the Board State General Fund Reduction.** The Subcommittee recommends that State General Fund amounts at the institutions be reduced by 1 percent in FY 1992 or \$475,745. The Subcommittee would recommend that institutions carefully consider possible reduction in the areas of out-of-state travel, motor vehicle and office furniture acquisitions. The Subcommittee would hope that the institutions take every effort to protect the instructional program budget when making this 1 percent reduction.
10. **Systemwide Recommendation - Minimum Class Size.** The Subcommittee reviewed the issue of minimum class size for undergraduate classes. In particular, the Subcommittee focused on multiple section classes that have fewer than 25 student in a section. The Subcommittee requests that the agency in cooperation with the Board of Regents review this issue in detail, identifying any potential cost savings and report back to the 1992 House Appropriations Committee.
11. **Systemwide Recommendation - FY 1992 State General Fund Appropriation Language.** The Subcommittee recommends that given the magnitude of the recommended reductions, that the State General Fund line items of salaries and wages, other operating expenditures, and utilities be collapsed into one single line item of "operating expenditures" in FY 1992. The Subcommittee recommendation will give the institution flexibility to manage the reductions to the best of their abilities. The Subcommittee also deletes the proviso language that requires negotiated bid prices for natural gas be approved by the State Finance Council, since the agencies can now utilize the negotiated procurement statute.
12. **Systemwide Recommendation - Computer Center Funding Shift.** The Subcommittee does not recommend at this time the shift in computer center funding from a service clearing activity to direct general use funding. The Subcommittee

requests that the House Computers, Communications, and Technology Committee review the issue and report back to this Committee prior to consideration of the omnibus bill.

13. The Subcommittee requests three different topics be pursued by interim committees this next interim period. The Subcommittee requests that a major study be done on the possible duplication of educational programs within the Regents institutions. The Subcommittee also requests an interim study to review the differences in the cost per credit hour for the same type of educational credit hour at the Regents institutions. The Subcommittee would request that the Board of Regents also internally review the issue of why there is such a variance in the cost per credit hour for the same type of educational credit hour at the institutions. The third interim topic requested by the Subcommittee is to review the level of graduate and professional tuition at Kansas institutions in relationship to other institutions.
14. The Subcommittee notes with concern that the Governor did not recommend continued funding for the engineering rehabilitation program. The program had previously been funded from the EDIF. The Subcommittee recommends that this issue be reviewed further in the omnibus appropriation bill once the future of EDIF resources has been established.
15. Authorize the transfer of an additional \$7,000 in general fees to fully meet the latest matching estimate of federal funds for educational opportunity grants.

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Subcommittee Chair

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