

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Vice-Chairperson Representative Melvin Neufeld at 9:00 a.m. on February 19, 2002, in Room 514-S of the Capitol.

All members were present except: Representative McCreary, Excused
Representative Doug Spangler, Excused
Representative Kenny Wilk, Excused
Representative Newton, Excused

Committee staff present: Amy Kramer, Legislative Research
Becky Krahl, Legislative Research
Alan Conroy, Legislative Research
Paul West, Legislative Research
Deb Hollon, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: None

Others attending: Majority Leader Representative Shari Weber

Representative Clark Shultz, Chairperson of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Board of Regents for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 1). Motion was seconded by Representative Landwehr. Motion carried.

Representative Clark Shultz, Chairperson of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Board of Regents for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 with observations (Attachment 1). Motion was seconded by Representative Landwehr.

Representative Rocky Nichols, member of the Education Budget Committee, presented the Minority Budget Committee report on the Governor's budget recommendations for the Board of Regents for FY 2003 and made a substitute motions to adopt the Minority Budget Committee recommendations for FY 2003 (Attachment 1). Motion was seconded by Representative Feuerborn. Motion failed.

The original motion by Representative Shultz moving for the adoption of the Education Budget Committee report on the Governor's budget recommendations for the State Board of Regents for FY 2003 with observations (Attachment 1) and seconded by Representative Landwehr was voted on favorably and was adopted.

Representative Shultz, Chairperson of the Education Budget Committee, presented the Budget Committee reports on the Governor's budget recommendations for Wichita State, University of Kansas, University of Kansas Medical Center, Kansas State University, Kansas State University Extension Systems and Agriculture Research Program, Kansas State University-Veterinary Medical Center, Fort Hays State University, Emporia State University, and Pittsburg State University for FY 2002 and FY 2003 (Attachment 1). Motion was seconded by Representative Nichols. Motion carried.

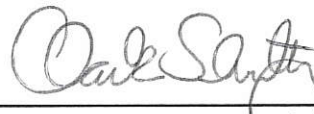
Vice-Chairperson Neufeld announced the assigning of **HB 2717** and **HB 2681** to the Social Services Budget Committee, and **HB 2367** to the Select Committee on Faith-Based Issues.

Representative Bethell moved for the introduction of proposed legislation on public utilities defined as not being a landlord. Motion was seconded by Representative Henry. After committee discussion, Representative Bethell withdrew his motion and Representative Henry withdrew his second.

The meeting was adjourned at 10:00 a.m. The next meeting is scheduled for February 20, 2002.

2002 EDUCATION BUDGET COMMITTEE

Wichita State University
University of Kansas
University of Kansas Medical Center
Kansas State University
KSU-Extension Systems and Agricultural Research Program
KSU-Veterinary Medical Center
Fort Hays State University
Emporia State University
Pittsburg State University
Board of Regents

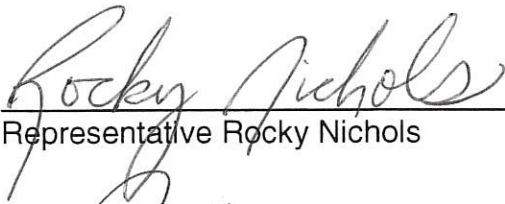


Representative Clark Shultz, Chairperson



Representative Bill Light

Representative Bob Grant



Representative Rocky Nichols



Representative Bill Reardon

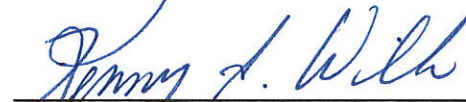


Representative Ralph Tanner

Representative John Toplikar



Representative Tim Owens



Representative Kenny Wilk

HOUSE APPROPRIATIONS

DATE 2/19/02

ATTACHMENT 1

Budget Committee Report

Agency: Board of Regents

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1354

Budget Page No. 359

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
All Funds:			
State Operations	\$ 10,827,221	\$ 10,827,221	\$ 0
Aid to Local Units	136,981,305	136,948,176	0
Other Assistance	15,624,041	15,624,041	0
Subtotal - Operating	\$ 163,432,567	\$ 163,399,438	\$ 0
Capital Improvements	8,850,000	8,850,000	0
TOTAL	\$ 172,282,567	\$ 172,249,438	\$ 0
State General Fund:			
State Operations	\$ 3,786,329	\$ 3,786,329	\$ 0
Aid to Local Units	117,402,408	117,402,408	0
Other Assistance	14,080,164	14,080,164	0
Subtotal - Operating	\$ 135,268,901	\$ 135,268,901	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 135,268,901	\$ 135,268,901	\$ 0
FTE Positions	43.0	43.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	45.0	45.0	0.0

Agency Est./Governor's Recommendation

The agency's revised estimate of operating expenditures for FY2002 includes:

- State General Fund expenditures of \$135.3 million, a \$1,500 reduction from the approved budget.
- A request for supplemental funding of \$33,129 from the EDIF to correct a technical error in the appropriation for vocational education funding.

The Governor does not recommend the requested EDIF supplemental funding do to a lack of resources.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Board of Regents

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1354

Budget Page No. 359

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
All Funds:			
State Operations	\$ 36,546,862	\$ 10,019,326	\$ 0
Aid to Local Units	185,278,266	132,070,831	0
Other Assistance	16,125,541	15,599,541	0
Subtotal - Operating	\$ 237,950,669	\$ 157,689,698	\$ 0
Capital Improvements	19,280,000	19,280,000	0
TOTAL	\$ 257,230,669	\$ 176,969,698	\$ 0
State General Fund:			
State Operations	\$ 29,458,752	\$ 3,352,583	\$ 0
Aid to Local Units	165,479,138	113,220,574	0
Other Assistance	14,607,664	14,233,714	0
Subtotal - Operating	\$ 209,545,554	\$ 130,806,871	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 209,545,554	\$ 130,806,871	\$ 0
FTE Positions	48.0	45.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	0.0	0.0
TOTAL	50.0	45.0	0.0

Agency Req./Governor's Recommendation

The agency requests an FY2003 operating budget of \$ 238.0 million, an increase of 45.6 percent from the current year estimate. The request includes:

- State General Fund financing of \$209.5 million, including \$45.1 million in increased expenses associated with 1999 S.B. 345 and \$29.3 million for requested enhancements;
- \$28.4 million in special revenue fund financing, including \$10.1 million from the EDIF. The request reflects an increase of \$0.9 million in federal adult basic education aid and decreases from the current year of \$430,000 in capital improvement debt service interest payments and \$227,422 from other funding sources.
- **Staffing** of 48.0 FTE and 2.0 Non-FTE Unclassified Permanent positions, reflecting the addition of 5.0 new FTE positions.

The Governor recommends an FY2003 budget of \$157.7 million, a decrease of 3.5 percent from the current year recommendation. The recommendation includes:

- **State General Fund** financing of \$130.8 million, a decrease of \$4.5 million (3.3 percent) from the current year. No funding is recommended for the continued implementation of S.B. 345 or the requested program enhancements. Program funding is decreased by \$5.0 million from the agency's current resources request and \$648,450 in program funding is shifted from the EDIF to the State General Fund.
- **Special revenue** financing of \$26.9 million, including a decrease of \$430,000 in capital improvement debt service interest payments. EDIF financing of \$9.4 million reflecting a net decrease of \$50,000 in program funding and a shift of \$648,450 from the EDIF to the State General Fund. Other special revenue sources reflect a reduction of \$898,871 in federal Adult Basic Education funding due to a lack of state resources required to match the federal funds.
- **Staffing** of 45.0 FTE positions, reflecting the conversion of 2.0 Non-FTE Unclassified Permanent positions to FTE positions.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003, with the following observations:

1. The Budget Committee reluctantly concurs with the Governor's FY 2003 budget recommendations for postsecondary education. While the Budget Committee does not like any of the proposed reductions in state funding, the Committee has no choice but to accept the proposed budget until such time as the Legislature comes to a consensus on whether or not there will be revenue enhancements and, if so, how much additional revenue will be available. The Budget Committee plans to continue educated deliberations on the budget throughout the session. The Budget Committee notes that the expertise of the Committee members who are not also members of the Appropriations Committee is an invaluable aid in these deliberations. Traditionally, these members have not been available to assist with the development of the Omnibus appropriations bill at the end of the session. Especially with the challenges we face this year, the Budget Committee recommends that the non-appropriations members be brought in to assist with the budget prior to the start of the veto session.
2. The Budget Committee notes that the third year of SB 345 is not funded under the Governor's recommendations. The fiscal note for the third year is \$45.1 million, which includes \$13.9 million for performance grant funding for all of the sectors of postsecondary education, including the vocational/ technical sector which received no enhanced funding under the first 2 years of SB345. Other elements of SB 345 which are not funded for FY 2003 include \$13.4 million for faculty salaries at the state universities, \$1.6 million in funding for Washburn University, and \$16.1 million for community colleges. The community college funding would have provided \$10.4 million in local property tax relief, \$3.0 million for vocational education adjustments and institutional enhancements, and \$2.7 million to replace monies lost by the continued phase out of out district tuition payments. The Budget Committee notes that even if SB 345 is not funded for FY 2003 the out district tuition phase out continues, to the detriment of the local taxpayers of the host counties of community colleges and Washburn University. To avoid these institutions from taking a double hit, the Budget Committee recommends the introduction of legislation which would defer the phase out of out district tuition for one year.
3. During deliberations, the Budget Committee received testimony from the Board of Regents, the state universities, and the other postsecondary education sectors. The Budget Committee notes that the budget priorities for all of the sectors were the same - 1) Restoration of the base budget

reductions from the current year and the addition of funds received by other state agencies to annualize salary increases and pay increased fringe benefit costs; 2) Full funding of the third year SB 345 and the increase in the University Operating Grant requested by the Board; and 3) The Board's research and development initiative. A graphic representation of the budgetary needs of the state universities compared to the Governor's recommendation is attached to this report. Similar institution specific graphics are attached to the individual reports of the state universities.

4. The Budget Committee also calls attention to the attached table from the Kansas Board of Regents Data Book, which provides data on the overall cost to provide educational services at the state universities.
5. The Budget Committee notes that the Board of Regents has not set tuition rates for the state universities for the fall 2002 semester. The Committee understands that the current plan is to finalize the rates at the Board's May meeting. Some Committee members have heard of concerns raised by some students about a lack of student involvement in the rate setting process. It is incumbent of the universities to reach out to their constituencies and to ensure the process is as fair as possible. The state universities should report to the Committee prior to Omnibus on each institution's student involvement in the tuition rate setting process and what strategies are planned or in place to improve student input. The Committee notes that Kansas traditionally has been a low tuition/low state supported student financial aid state. The Committee recognizes the need to examine tuition revenue increases as one means of supporting the institutions, but notes that increases in Comprehensive Grant Program (such as the additional \$1.0 million included in the Governor's enhanced budget) may also be required in order to ensure that access to higher education is maintained.

MINORITY REPORT

While I share many of the concerns expressed by my colleagues, I can not in good conscious sign a report which endorses a budget which is a step backwards from the important progress which has been made in higher education over the last several years. It is vital that the Legislature find the resources to prevent the cuts proposed for higher education which, if imposed, will damage a major force in the long term economic health of the state. If adopted, this budget:

- Reduces State General Fund support for the State Universities by \$22.2 million (3.94 percent) from the current year and leaves another approximately \$13.9 million in increased personnel costs unfunded (for which other state agencies were held harmless), for a true net loss to the system in excess of 6.0 percent. This can only lead to higher tuition for state citizens, fewer class offerings, overcrowded classes, and increased obsolescence of instructional equipment.
- Fails to keep the commitment made by this body not even 3 years ago by not funding the third year of SB 345. This means no increases for state university faculty salaries, eroding our ability to remain competitive in attracting and retaining the highest caliber of instructors, no more property tax relief for those communities of the state that host community colleges, and no performance based funding for all sectors of higher education.
- Increases the probability of forcing a tax increase on local property owners in communities of the state that host community colleges by cutting state funding by \$3.4 million (3.94 percent) at a time when those schools are facing the same increased personnel costs as those faced by the same their state counterparts. This loss is further compounded by the continued phase out of out district tuition, resulting in the loss of \$2.7 million in revenue to the host communities.
- Cuts support for vocational education by a net 3.1 percent, at a time when the schools can't keep up with the demands for their services as Kansas citizens come to learn new skills to keep their jobs or find new jobs.
- Returns almost \$900,000 of taxpayer money to Washington which could have been used for adult basic education, because we can't come up with the \$400,000 required to match it. This will lead to the delay or in some cases the total loss of opportunity to help those in need of these services. This funding would have helped these citizens improve their skills and increase the chances of their being productive taxpaying citizens of the state.

Mr Chairman, this budget sucks!

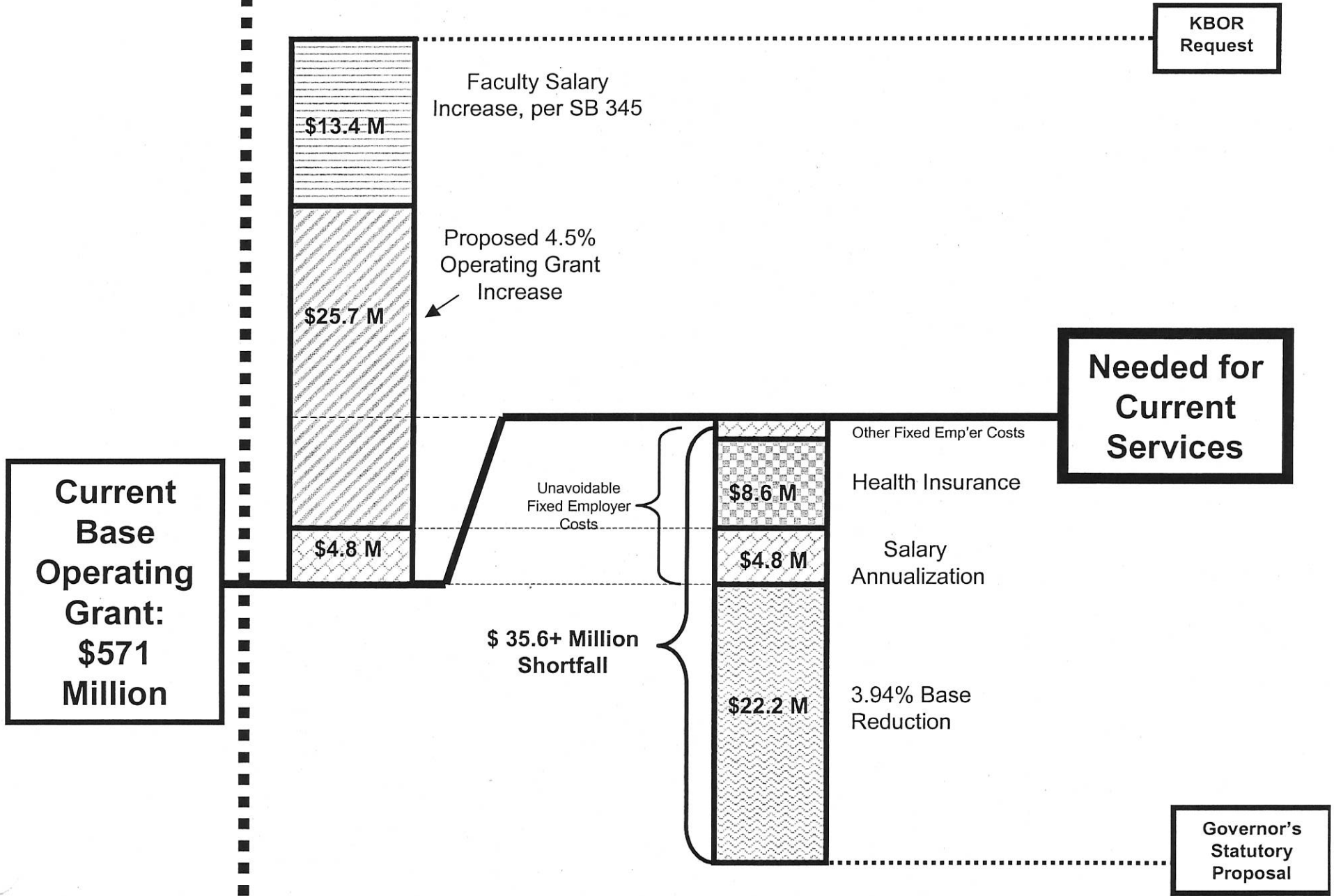


Representative Bob Grant

FY2002 FY2003

State Universities' Budget Needs

1-7



	University of Kansas	Kansas State University	Wichita State University	Emporia State University	Pittsburg State University	Fort Hays State University	Six University Average
FY 1991	\$170	\$152	\$153	\$146	\$156	\$166	\$159
FY 1992	\$174	\$158	\$162	\$147	\$150	\$167	\$163
FY 1993	\$182	\$166	\$175	\$153	\$149	\$169	\$170
FY 1994	\$194	\$177	\$186	\$162	\$153	\$181	\$181
FY 1995	\$210	\$188	\$198	\$166	\$163	\$194	\$193
FY 1996	\$215	\$195	\$209	\$180	\$170	\$203	\$201
FY 1997	\$230	\$205	\$219	\$191	\$181	\$209	\$213
FY 1998	\$244	\$217	\$223	\$204	\$194	\$216	\$224
FY 1999	\$261	\$223	\$232	\$217	\$202	\$228	\$235
FY 2000	\$269	\$231	\$238	\$229	\$211	\$232	\$243

GROSS ANNUAL GENERAL USE EDUCATIONAL EXPENDITURES PER FALL FTE STUDENT

	University of Kansas	Kansas State University	Wichita State University	Emporia State University	Pittsburg State University	Fort Hays State University	Six University Average
FALL 1991	\$4,850	\$4,553	\$4,793	\$4,452	\$4,583	\$4,958	\$4,718
FALL 1992	\$5,045	\$4,800	\$5,154	\$4,564	\$4,482	\$5,035	\$4,914
FALL 1993	\$5,349	\$5,100	\$5,495	\$4,784	\$4,611	\$5,431	\$5,205
FALL 1994	\$5,733	\$5,429	\$5,814	\$4,924	\$4,871	\$5,916	\$5,539
FALL 1995	\$5,935	\$5,585	\$6,030	\$5,294	\$5,067	\$6,183	\$5,750
FALL 1996	\$6,336	\$5,897	\$6,597	\$5,661	\$5,379	\$6,230	\$6,116
FALL 1997	\$6,799	\$6,238	\$6,678	\$6,146	\$5,805	\$6,384	\$6,469
FALL 1998	\$7,324	\$6,370	\$6,844	\$6,440	\$6,024	\$6,887	\$6,785
FALL 1999	\$7,569	\$6,555	\$7,147	\$6,841	\$6,294	\$7,054	\$7,030

NOTES: The Educational Program consists of expenditures for Instruction, Academic Support, Student Services and Institutional Support. This comparison allows analysis of change in those expenditures on a per student basis. It is noteworthy that change in expenditures per student may result from either budgetary adjustments or enrollment change. This comparison makes no distinction on variance by educational level or academic discipline.
 KSU data include Salina College of Technology expenditures and credit hours, effective with FY 1997.

SOURCE: Kansas Board of Regents
 Compiled from expenditures in Legislative budgets and enrollment data
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Budget Committee Report

Agency: University of Kansas

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1375

Budget Page No. 457

<u>Expenditure Summary</u>	<u>Agency Est. FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 138,687,727	\$ 138,687,727	\$ 0
General Fees Fund	89,300,772	89,300,772	0
Other Funds	4,221,332	4,221,332	0
Subtotal-General Use	\$ 232,209,831	\$ 232,209,831	\$ 0
Restricted Use Funds	195,162,706	195,162,706	0
TOTAL—Oper. Exp.	\$ 427,372,537	\$ 427,372,537	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Educational Bld. Fund	5,709,047	5,709,047	0
Other Funds	15,597,283	15,597,283	0
TOTAL—Cap. Imp.	\$ 21,306,330	\$ 21,306,330	\$ 0
 GRAND TOTAL	 \$ 448,678,867	 \$ 448,678,867	 \$ 0
 FTE Positions	 4,489.7	 4,489.7	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	4,489.7	4,489.7	0.0

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects no change in overall general use expenditures from the budget approved by the 2000 Legislature. Previously authorized adjustments include:
 - State General Fund transfer of \$2.4 million for KU's portion of the SB 345 faculty salary enhancement pool and,
 - Tuition Accountability Fund financing of \$2.3 million.

- **Restricted Use** expenditures for FY 2002 are estimated to total \$195.2 million, an increase of \$4.2 million.

- While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
- Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.

- **FTE positions.** The University's current year budget reflects 4,489.7 FTE positions, an increase of 4.6 restricted use financed positions from the approved budget.
 - Traditionally, the state universities have not been subject to FTE limitations.

- **The Governor concurs** with current year budget

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: University of Kansas

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1375

Budget Page No. 457

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 140,390,981	\$ 133,223,431	\$ 0
General Fees Fund	88,909,969	88,909,969	0
Other Funds	1,884,687	1,884,687	0
Subtotal-General Use	\$ 231,185,637	\$ 224,018,087	\$ 0
Restricted Use Funds	195,275,927	195,275,927	0
TOTAL—Oper. Exp.	\$ 426,461,564	\$ 419,294,014	\$ 0
Capital Improvements:			
State General Fund	\$ 4,140,000	\$ 0	\$ 0
Educational Bld. Fund	0	0	0
Other Funds	7,787,000	2,787,000	0
TOTAL—Cap. Imp.	\$ 11,927,000	\$ 2,787,000	\$ 0
GRAND TOTAL	\$ 438,388,564	\$ 422,081,014	\$ 0
FTE Positions	710.0	710.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	710.0	710.0	0.0

Agency Req./Governor's Recommendation

- **General Use** operating budget authority of \$231.2 million is requested for FY 2003, a decrease of \$1.0 million or 0.4 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants.** State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For the University of Kansas this totals \$1,703,254.
 - **General Fees Fund.** For FY 2003 state universities were instructed to assume no change in tuition from the current year. For KU General Fees Fund expenditures are estimated to

be \$88.9 million, a decrease of \$0.4 million (0.4 percent) from the current year. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.

- Reduction in other funds is associated with current year tuition accountability expenditures.
- **Absent the requested enhancements**, the general use request is a reduction of \$2.7 million, or 1.2 percent from FY 2002.
- **Restricted Use** funding totals \$195.3 million, an increase of \$113,221 (0.1 percent) from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$224.0 million, a decrease of \$8.2 million (3.5 percent) from the current year.
 - **State General Fund** financing of \$133.2 million for the University Operating Grant is a decrease of \$5.5 million (3.9 percent) from the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **General Fees Fund.** The Governor concurs with the University's estimate of \$88.9 million in FY 2003 expenditures from the General Fees Fund.
- **Restricted Use** funding totals \$195.3 million as requested by the University

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

Budget Committee Report

Agency: University of Kansas
Medical Center
Analyst: West

Bill No.

Bill Sec.

Analysis Pg. No. 1386

Budget Page No. 459

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 104,326,162	\$ 104,326,162	\$ 0
General Fees Fund	10,910,577	10,910,577	0
Med. Scholar Repayment Fund	1,052,776	1,052,776	0
Services to Hosp. Auth. Fund	3,850,000	3,850,000	0
Med. Education Reimb. Fund	2,570,081	2,570,081	0
Children's Initiatives Fund	2,250,000	2,250,000	0
Subtotal—General Use	\$ 124,959,596	\$ 124,959,596	\$ 0
Restricted Use Funds	74,488,580	73,938,631	0
TOTAL—Oper. Exp.	\$ 199,448,176	\$ 198,898,247	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Educational Building Fund	2,760,944	2,760,944	0
Other Funds	1,611,345	1,611,345	0
TOTAL—Cap. Impr.	\$ 4,372,289	\$ 4,372,289	\$ 0
 GRAND TOTAL	 \$ 203,820,465	 \$ 203,270,536	 \$ 0
 FTE Positions	 2,352.3	 2,352.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	2,352.3	2,352.3	0.0

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects no change in overall general use expenditures from the budget approved by the 2001 Legislature. Previously authorized adjustments include:
 - State General Fund reappropriation of \$187 from FY 2001;
 - State General Fund transfer of \$1,139,005 for KUMC's portion of the SB 345 faculty salary enhancement pool; and

- Reappropriation of \$1,000,000 in Children Initiatives Fund financing.
- **Restricted Use** expenditures for FY 2002 are estimated to total \$74.5 million, an increase of \$12.9 million.
 - While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
 - Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.
 - The estimate includes \$549,929 for the Board of Regents research initiative.
- **FTE positions.** The University's current year budget reflects 2,352.3 FTE positions, a decrease of 96.4 positions from the approved budget.
 - The decrease is primarily associated with a reduction in general use positions at the Kansas City campus.
 - Traditionally, the state universities have not been subject to FTE limitations.
- **The Governor concurs** with current year budget, with one adjustment.
 - The Governor's recommendation excludes the \$549,929 in restricted use funding associated with the Board of Regents research initiative.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: University of Kansas
Medical Center
Analyst: West

Bill No.
Analysis Pg. No. 1386

Bill Sec.
Budget Page No. 459

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 105,224,346	\$ 100,573,732	\$ 0
General Fees Fund	10,910,577	10,910,577	0
Med. Scholar Repayment Fund	719,956	719,956	0
Services to Hosp. Auth. Fund	3,850,000	3,850,000	0
Med. Education Reimb. Fund	2,570,081	2,570,081	0
Children's Initiatives Fund	1,250,000	1,250,000	0
Subtotal—General Use	\$ 124,524,960	\$ 119,874,346	\$ 0
Restricted Use Funds	76,742,389	76,342,389	0
TOTAL—Oper. Exp.	\$ 201,267,349	\$ 196,216,735	\$ 0
Capital Improvements:			
State General Fund	\$ 13,972,000	\$ 0	\$ 0
Educational Building Fund	0	0	0
Other Funds	1,754,644	1,754,644	0
TOTAL—Cap. Impr.	\$ 15,726,644	\$ 1,754,644	\$ 0
 GRAND TOTAL	 \$ 216,993,973	 \$ 197,971,379	 \$ 0
 FTE Positions	 2,352.3	 2,352.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	2,352.3	2,352.3	0.0

Agency Req./Governor's Recommendation

- **General Use** operating budget authority of \$124,525,147 is requested for FY 2003, a net decrease of \$265,366 or 0.3 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants**. State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base

pay increases and restoration of the state death and disability insurance assessment. For KUMC this totals \$898,371.

- **General Fees Fund.** For FY 2003 state universities were instructed to assume no change in General Fee Fund expenditures from the current year. For KUMC this totals \$10.9 million. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.
- **Children's Initiatives Fund.** KUMC requests \$1,250,000 from the Children's Initiatives Fund to continue support for pediatric biomedical research (\$1,000,000) and expansion of the telemedicine network.
- Reduction in other funds is associated with current year Children's Initiatives Fund expenditures (\$1,000,000) and a reduction in available finding from the Medical Education Reimbursement Fund (\$332,820).
- **Absent the requested enhancements,** the general use request is a reduction of \$1.3 million or 1.1 percent from FY 2002.
- **Restricted Use** funding totals \$76.7 million, an increase \$2.3 million (3.0 percent) from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$119.9 million, a decrease of \$5.1 million (4.1 percent) from the current year.
 - **State General Fund** financing of \$100.6 million for the University Operating Grant is a net decrease of \$3.8 million (3.6 percent) from the current year. The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **General Fees Fund.** The Governor concurs with the University's estimate of \$10.9 million in FY 2003 expenditures from the General Fees Fund.
 - **Children's Initiatives Fund.** The Governor recommends \$1,250,000 from the Children's Initiatives Fund to continue support for pediatric biomedical research (\$1,000,000) and expansion of the telemedicine network as requested by the University.
- **Restricted Use** funding totals \$76.3 million, reflecting a reduction of \$400,000 which the University had included for the Board of Regents research initiative.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

Budget Committee Report

Agency: Kansas State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1399

Budget Page No. 315

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 107,112,513	\$ 107,112,513	\$ 0
General Fees Fund	48,910,090	48,910,090	0
Other Funds	285,467	285,467	0
Subtotal-General Use	\$ 156,308,070	\$ 156,308,070	\$ 0
Restricted Use Funds	161,446,921	161,446,921	0
TOTAL—Oper. Exp.	\$ 317,754,991	\$ 317,754,991	\$ 0
Capital Improvements:			
State General Fund	\$ 189,446	\$ 189,446	\$ 0
Educational Bld. Fund	2,998,000	2,998,000	0
Other Funds	3,083,395	3,083,395	0
TOTAL—Cap. Imp.	\$ 6,270,841	\$ 6,270,841	\$ 0
GRAND TOTAL	\$ 324,025,832	\$ 324,025,832	\$ 0
FTE Positions			
FTE Positions	3,201.2	3,201.2	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3,201.2	3,201.2	0.0

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects no change in overall general use expenditures from the budget approved by the 2000 Legislature. Previously authorized adjustments include:
 - State General Fund transfer of \$1.7 million for KU's portion of the SB 345 faculty salary enhancement pool and,
 - Reappropriation of \$223,557 in State General Fund savings from FY 2001.
- **Restricted Use** expenditures for FY 2002 are estimated to total \$161.4 million, an increase of \$1.5 million.
 - While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
 - Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.
- **FTE positions.** The University's current year budget reflects 3,201.2 FTE positions, an increase of 9.2 general use and 14.0 restricted use financed positions from the approved budget.
 - Traditionally, the state universities have not been subject to FTE limitations.
- **The Governor concurs** with current year budget.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Kansas State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1399

Budget Page No. 315

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 108,190,408	\$ 102,670,067	\$ 0
General Fees Fund	48,910,090	48,910,090	0
Other Funds	0	0	0
Subtotal-General Use	\$ 157,100,498	\$ 151,580,157	\$ 0
Restricted Use Funds	162,044,467	162,044,467	0
TOTAL—Oper. Exp.	\$ 319,144,965	\$ 313,624,624	\$ 0
Capital Improvements:			
State General Fund	\$ 189,446	\$ 189,446	\$ 0
Educational Bld. Fund	0	0	0
Other Funds	6,118,024	6,118,024	0
TOTAL—Cap. Imp.	\$ 6,307,470	\$ 6,307,470	\$ 0
 GRAND TOTAL	 \$ 325,452,435	 \$ 319,932,094	 \$ 0
 FTE Positions	 3,201.2	 3,201.2	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3,201.2	3,201.2	0.0

Agency Req./Governor's Recommendation

- **General Use** operating budget authority of \$157,100,498 is requested for FY 2003, an increase of \$792,428 or 0.5 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants.** State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For Kansas State University this totals \$1,301,452.
 - **General Fees Fund.** For FY 2003 state universities were instructed to assume no change in General Fee Fund expenditures from the current year. For KSU this totals \$48.9 million. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.
 - **Absent the requested enhancements,** the general use request is a reduction of \$509,024 or 0.3 percent from the current year budget.
- **Restricted Use** funding totals \$162.0 million, an increase of \$597,546 (0.3 percent) from the revised current year estimate.

- **The Governor's FY 2003 recommendation** for General Use totals \$151.6 million, a decrease of \$4.7 million (3.0 percent) from the current year.
 - **State General Fund** financing of \$102.7 million for the University Operating Grant is a decrease of \$4.2 million (3.94 percent) from the current year after adjustments for the State General Fund reappropriation in the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **General Fees Fund.** The Governor concurs with the University's estimate of \$48.9 million in FY 2003 expenditures from the General Fees Fund.
- **Restricted Use** funding totals \$162.0 million as requested by the University.

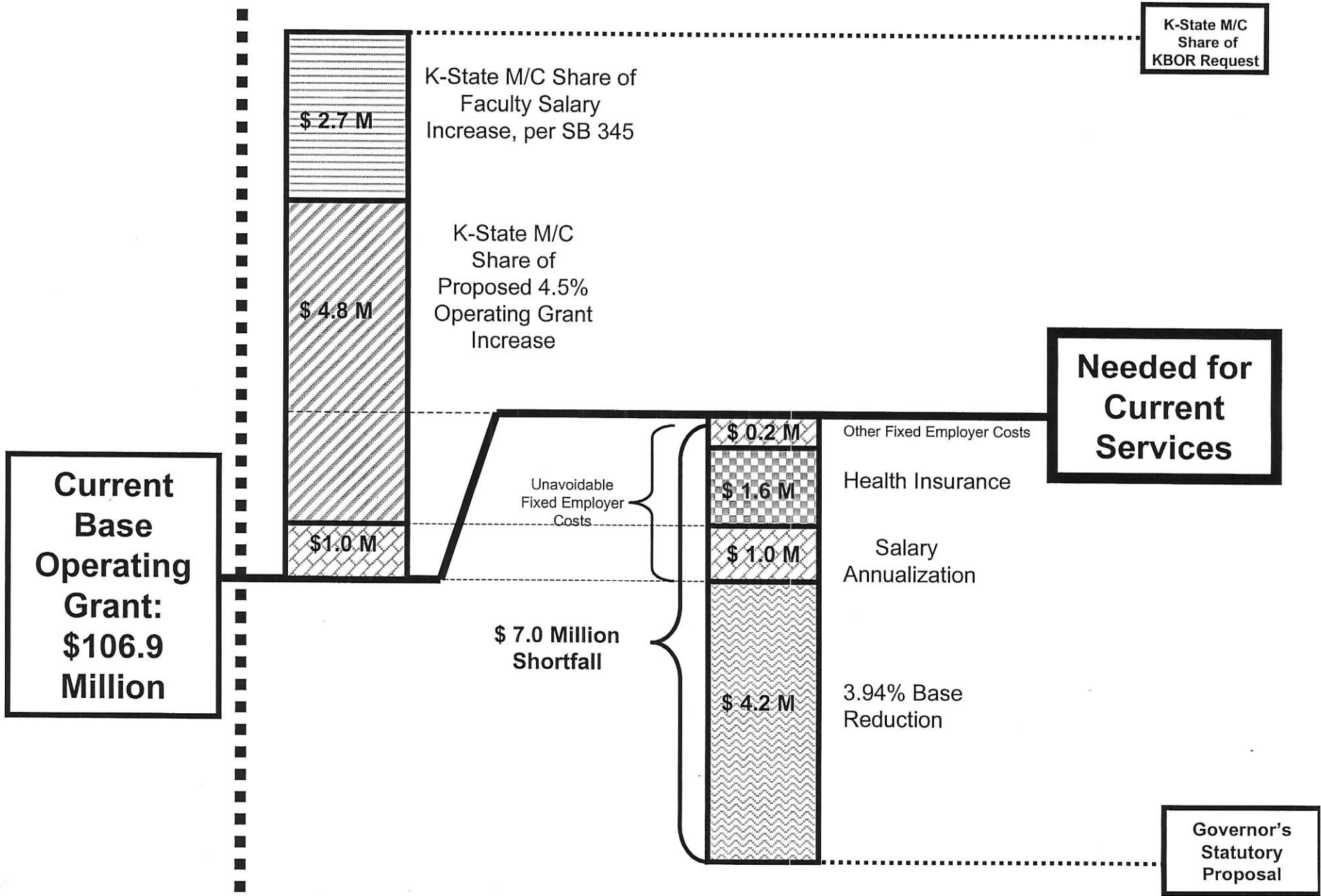
House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

FY2002 | FY2003

K-State Main Campus Budget Needs

1-2-1



Budget Committee Report

Agency: Kansas State University
Veterinary Medical Center

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1410

Budget Page No. 319

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 10,052,324	\$ 10,052,324	\$ 0
General Fees Fund	5,596,657	5,596,657	0
Hosp. & Diag. Lab. Fund	6,205,939	6,205,939	0
Other Funds	538,855	538,855	0
Subtotal - General Use	\$ 22,393,775	\$ 22,393,775	\$ 0
Restricted Use Funds	2,450,854	2,450,854	0
TOTAL -- Oper. Exp.	\$ 24,844,629	\$ 24,844,629	\$ 0
Capital Improvements:			
Educational Building Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
TOTAL -- Cap. Impr.	\$ 0	\$ 0	\$ 0
GRAND TOTAL	\$ 24,844,629	\$ 24,844,629	\$ 0
FTE Positions	259.2	259.2	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	259.2	259.2	0.0

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects an increase of \$3.3 million in overall general use expenditures from the budget approved by the 2000 Legislature. Previously authorized adjustments include:
 - State General Fund transfer of \$183,846 for Vet Med's portion of the SB 345 faculty salary enhancement pool.
 - The increase in other general use funding is primarily associated with the Hospital and Diagnostic Laboratory Fund. A recent internal audit performed by the University indicated that \$1.8 million which previously had been credited to restricted use funds should instead be credited to the HDLF. In addition, \$1.0 million in HDLF revenues which previously would have been credited to Laboratory Improvement Fund and expended in the next fiscal year is now reflected as a current year expense.
 - The Hospital and Diagnostic Laboratory Fund does not have a limit on expenditures so no Legislative action is required to implement the change.
- **Restricted Use** expenditures for FY 2002 are estimated to total \$2.5 million, a net decrease of \$126,527.
 - While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
 - Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.

- **FTE positions.** The University's current year budget reflects 259.2 FTE positions, an increase of 9.0 general use and a reduction of 4.3 restricted use financed positions from the approved budget.
 - Traditionally, the state universities have not been subject to FTE limitations.

- **The Governor concurs** with current year budget.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Kansas State University
Veterinary Medical Center

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1410

Budget Page No. 319

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 10,195,845	\$ 9,656,262	\$ 0
General Fees Fund	5,596,657	5,596,657	0
Hosp. & Diag. Lab. Fund	6,205,939	6,205,939	0
Other Funds	0	0	0
Subtotal - General Use	\$ 21,998,441	\$ 21,458,858	\$ 0
Restricted Use Funds	2,463,112	2,463,112	0
TOTAL -- Oper. Exp.	\$ 24,461,553	\$ 23,921,970	\$ 0
Capital Improvements:			
Educational Building Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
TOTAL -- Cap. Impr.	\$ 0	\$ 0	\$ 0
 GRAND TOTAL	 \$ 24,461,553	 \$ 23,921,970	 \$ 0
 FTE Positions	 259.2	 259.2	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	259.2	259.2	0.0

Agency Req./Governor's Recommendation

- **General Use** operating budget authority of \$21,998,441 requested for FY 2003, a net decrease of \$395,334 or 1.8 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants.** State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For Kansas State University - Veterinary Medical Center this totals \$143,521.
 - **General Fees Fund.** For FY 2003 state universities were instructed to assume no change in General Fee Fund expenditures from the current year. For Vet Med this totals \$5.6 million. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.
 - **Hospital and Diagnostic Laboratory Fund** financing of \$6.2 million is estimated for FY 2003, the same as the current year.

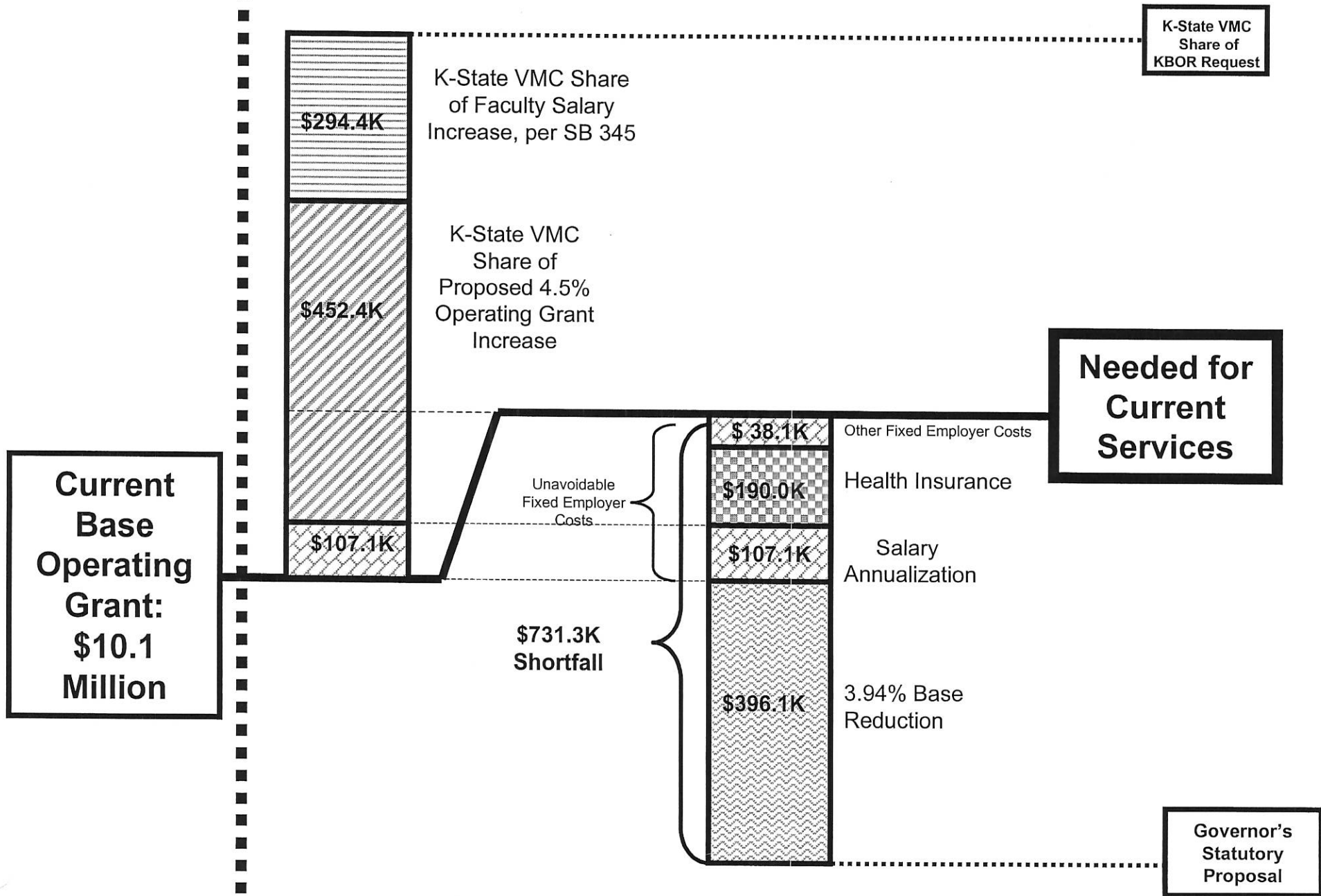
- **Absent the requested enhancements**, the general use request is a reduction of \$538,855 or 2.4 percent from the current year budget.
- **Restricted Use** funding totals \$2.5 million, an increase of \$12,258 (0.5 percent) from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$21.5 million, a decrease of \$0.9 million (4.2 percent) from the current year.
 - **State General Fund** financing of \$9.7 million for the University Operating Grant is a decrease of \$0.4 million (3.94 percent) from the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **Other Funds.** The Governor concurs with the University's estimate of \$5.6 million in FY 2003 expenditures from the General Fees Fund and \$6.2 million from the Hospital and Diagnostic Laboratory Fund.
- **Restricted Use** funding totals \$2.5 million as requested by the University.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

FY2002 FY2003

K-State Vet Med Center Budget Needs



Current Base Operating Grant: \$10.1 Million

K-State VMC Share of KBOR Request

Needed for Current Services

Governor's Statutory Proposal

Budget Committee Report

Agency: Kansas State Univ.—ESARP

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1421

Budget Page No. 317

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 49,296,711	\$ 49,296,711	\$ 0
Federal Land Grant Funds	7,970,461	7,970,461	0
Subtotal General Use	\$ 57,267,172	\$ 57,267,172	\$ 0
Restricted Use Funds	43,221,480	43,221,480	0
TOTAL—Oper. Exp.	\$ 100,488,652	\$ 100,488,652	\$ 0
Capital Improvements:			
Educational Building Fund	\$ 3,000,000	\$ 3,000,000	\$ 0
Restricted Use Funds	5,000,000	5,000,000	0
TOTAL—Cap. Impr.	\$ 8,000,000	\$ 8,000,000	\$ 0
 GRAND TOTAL	 \$ 108,488,652	 \$ 108,488,652	 \$ 0
 FTE Positions	 1,430.2	 1,430.2	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,430.2	1,430.2	0.0

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects a reduction of \$344,530 in overall general use expenditures from the budget approved by the 2001 Legislature. Adjustments include:
 - State General Fund transfer of \$661,176 for ESARP's portion of the SB 345 faculty salary enhancement pool;
 - Reappropriation of \$93,702 in State General Fund savings from FY 2001; and
 - A reduction of \$344,530 in the estimated availability of federal land grant funds.

- **Restricted Use** expenditures for FY 2002 are estimated to total \$43.2 million, an increase of \$1.9 million.

- While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
- Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.
- **FTE positions.** The ESARP's current year budget reflects 1,430.2 FTE positions, an increase of 165.3 positions from the approved budget.
 - The increase is characterized as a technical adjustment to reflect county agents in the count of FTE positions.
 - Traditionally, the state universities have not been subject to FTE limitations.
- **The Governor concurs** with current year budget.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Kansas State Univ. - ESARP

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No.

Budget Page No. 317

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 49,698,838	\$ 47,264,410	\$ 0
Federal Land Grant Funds	7,970,461	7,970,461	0
Subtotal General Use	\$ 57,669,299	\$ 55,234,871	\$ 0
Restricted Use Funds	43,423,620	43,423,620	0
TOTAL—Oper. Exp.	\$ 101,092,919	\$ 98,658,491	\$ 0
Capital Improvements:			
Educational Building Fund	\$ 0	\$ 0	\$ 0
Restricted Use Funds	4,000,000	4,000,000	0
TOTAL—Cap. Impr.	\$ 4,000,000	\$ 4,000,000	\$ 0
 GRAND TOTAL	 \$ 105,092,919	 \$ 102,658,491	 \$ 0
 FTE Positions	 1,430.2	 1,430.2	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,430.2	1,430.2	0.0

Agency Req./Governor's Recommendation

- **General Use** operating budget authority of \$57,669,299 is requested for FY 2003, an increase of \$402,127 or 0.7 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants.** State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For ESARP this totals \$495,829.
 - **Federal Funds.** The FY 2003 budget request assumes federal funding of \$8.0 million, the same amount as in the current year.

- **Absent the requested enhancements**, the general use request is a reduction of \$93,702 or 0.2 percent from the current year budget.
- **Restricted Use** funding totals \$43.4 million, an increase of \$202,140 (0.5 percent) from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$55.2 million, a decrease of \$2.0 million (3.5 percent) from the current year.
 - **State General Fund** financing of \$47.3 million for the University Operating Grant is a decrease of \$2.0 million (3.94 percent) from the current year after adjustments for the State General Fund reappropriation in the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **Federal Funds.** The Governor concurs with the University's estimate of \$8.0 million in FY 2003 expenditures from federal funds.
- **Restricted Use** funding totals \$43.4 million as requested by the University.

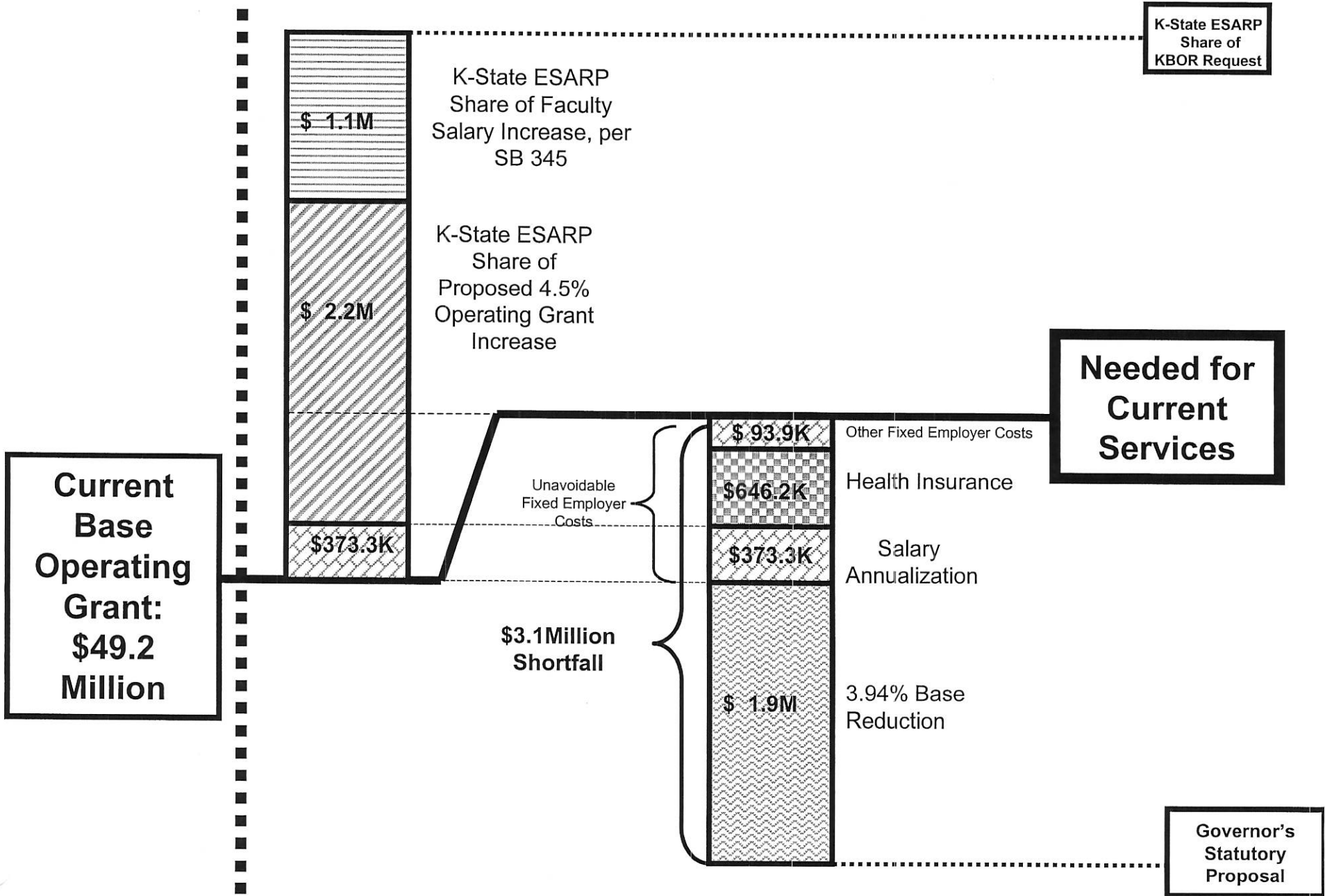
House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

FY2002 | FY2003

K-State ESARP Budget Needs

1-31



Budget Committee Report

Agency: Wichita State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1431

Budget Page No. 471

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 65,903,685	\$ 65,903,685	\$ 0
General Fees Fund	30,074,222	30,074,222	0
Other Funds	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal-General Use	\$ 95,977,907	\$ 95,977,907	\$ 0
Restricted Use Funds	<u>47,663,178</u>	<u>47,663,178</u>	<u>0</u>
TOTAL—Oper. Exp.	<u>\$ 143,641,085</u>	<u>\$ 143,641,085</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Educational Bld. Fund	2,910,117	2,910,117	0
Other Funds	<u>1,490,000</u>	<u>1,490,000</u>	<u>0</u>
TOTAL—Cap. Imp.	<u>\$ 4,400,117</u>	<u>\$ 4,400,117</u>	<u>\$ 0</u>
 GRAND TOTAL	 \$ 148,041,202	 \$ 148,041,202	 \$ 0
 FTE Positions	 1,727.3	 1,727.3	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>1,727.3</u>	<u>1,727.3</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects no change in overall general use expenditures from the budget approved by the 2001 Legislature. Previously authorized adjustments include a State General Fund transfer of \$963,124 for WSU's portion of the SB 345 faculty salary enhancement pool.
- **Restricted Use** expenditures for FY 2002 are estimated to total \$47.7 million, an increase of \$1.2 million from last year's estimate.
 - While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
 - Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.

- **FTE positions.** The University's current year budget reflects 1,727.3 FTE positions, an amount unchanged from the approved budget.
 - Traditionally, the state universities have not been subject to FTE limitations.

- **The Governor recommends** concurs with current year budget.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Wichita State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1431

Budget Page No. 471

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 66,589,107	\$ 63,307,080	\$ 0
General Fees Fund	30,074,222	30,074,222	0
Other Funds	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal-General Use	\$ 96,663,329	\$ 93,381,302	\$ 0
Restricted Use Funds	<u>47,755,327</u>	<u>47,755,327</u>	<u>0</u>
TOTAL—Oper. Exp.	<u>\$ 144,418,656</u>	<u>\$ 141,136,629</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 485,925	\$ 0	\$ 0
Educational Bld. Fund	557,386	0	0
Other Funds	<u>800,000</u>	<u>800,000</u>	<u>0</u>
TOTAL—Cap. Imp.	<u>\$ 1,843,311</u>	<u>\$ 800,000</u>	<u>\$ 0</u>
 GRAND TOTAL	 \$ 146,261,967	 \$ 141,936,629	 \$ 0
 FTE Positions	 1,727.3	 1,727.3	 0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>1,727.3</u>	<u>1,727.3</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

- **General Use** operating budget of \$96,663,329 is requested for FY 2003, an increase of \$685,422 or 0.7 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants.** State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For Wichita State University this totals \$685,422.
 - **General Fees Fund.** For FY 2003 state universities were instructed to assume no change in General Fee Fund expenditures from the current year. For WSU this totals \$30.1 million. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.

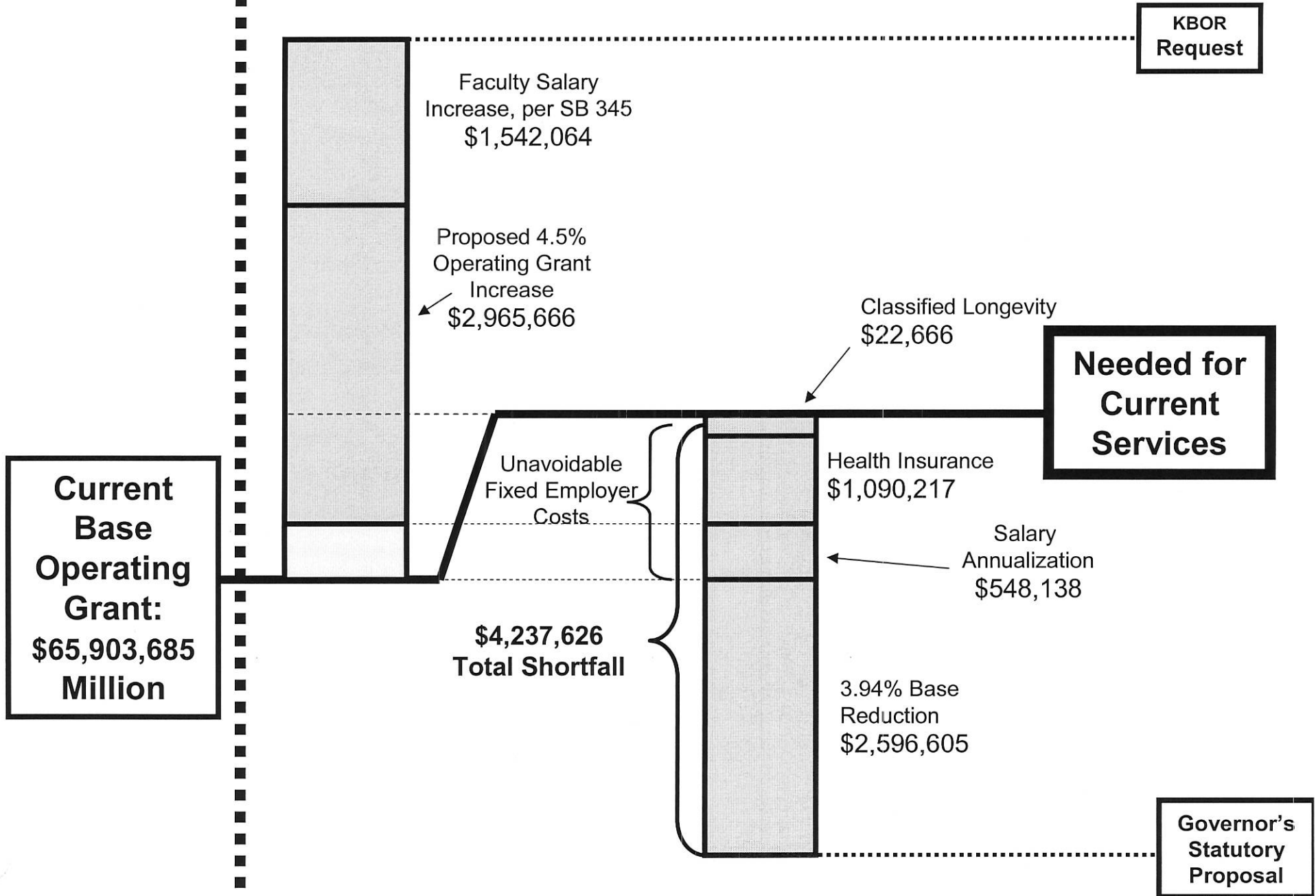
- **Absent the requested enhancements**, the general use request is the same as the current year budget.
- **Restricted Use** funding totals \$47.8 million, an increase of \$92,149 (0.2 percent) from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$93.4 million, a decrease of \$2.6 million (2.7 percent) from the current year.
 - **State General Fund** financing of \$63.3 million for the University Operating Grant is a decrease of \$2.6 million (3.94 percent) from the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
- **General Fees Fund.** The Governor concurs with the University's estimate of \$30.1 million in FY 2003 expenditures from the General Fees Fund.
- **Restricted Use** funding totals \$47.8 million as requested by the University.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

Wichita State University Budget Needs

FY2002 FY2003



Budget Committee Report

Agency: Emporia State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1454

Budget Page No. 165

Expenditure Summary	Agency Estimate FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 30,589,220	\$ 30,589,220	\$ 0
General Fees Fund	9,193,167	9,193,167	0
Other Funds	252,205	252,205	0
Subtotal-General Use	\$ 40,034,592	\$ 40,034,592	\$ 0
Restricted Use Funds	14,990,695	14,990,695	0
TOTAL—Oper. Exp.	\$ 55,025,287	\$ 55,025,287	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Educational Bld. Fund	941,889	941,889	0
Other Funds	3,333,078	3,333,078	0
TOTAL—Cap. Imp.	\$ 4,274,967	\$ 4,274,967	\$ 0
GRAND TOTAL	\$ 59,300,254	\$ 59,300,254	\$ 0
FTE Positions	692.0	692.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	692.0	692.0	0.0

Agency Estimate/Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects no change in overall general use expenditures from the budget approved by the 2000 Legislature. Previously authorized adjustments include:
 - State General Fund reappropriation of \$17,167 from FY 2001;
 - State General Fund transfer of \$412,807 for ESU's portion of the SB 345 faculty salary enhancement pool;
 - Equipment Reserve Fund financing of \$237,205 in, which is derived from FY 2001 General Fees Fund savings.
- **Restricted Use** expenditures for FY 2002 are estimated to total \$14.7 million, an increase of \$292,575.

- While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
- Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.
- **FTE positions.** The University's current year budget reflects 692.0 FTE positions, a decrease of 66.1 positions from the approved budget.
 - The decrease appears to be attributable to an inadvertent omission of FTE from the Service Clearing and Auxiliary Services programs.
 - Traditionally, the state universities have not been subject to FTE limitations.
- **The Governor concurs** with current year budget.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Emporia State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1454

Budget Page No. 165

Expenditure Summary	Agency Request FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 30,864,762	\$ 29,367,514	\$ 0
General Fees Fund	9,193,167	9,193,167	0
Other Funds	30,000	30,000	0
Subtotal-General Use	\$ 40,087,929	\$ 38,590,681	\$ 0
Restricted Use Funds	14,748,685	14,748,685	0
TOTAL—Oper. Exp.	\$ 54,836,614	\$ 53,339,366	\$ 0
Capital Improvements:			
State General Fund	\$ 334,921	\$ 0	\$ 0
Educational Bld. Fund	0	0	0
Other Funds	945,170	945,170	0
TOTAL—Cap. Imp.	\$ 1,280,091	\$ 945,170	\$ 0
GRAND TOTAL	\$ 56,116,705	\$ 54,284,536	\$ 0
FTE Positions	692.0	692.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	692.0	692.0	0.0

Agency Request/Governor's Recommendation

- **General Use** operating budget authority of \$40,087,929 is requested for FY 2003, a net increase of \$53,337 or 0.1 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants** . State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For Emporia State University this totals \$292,709.
 - **General Fees Fund**. For FY 2003 state universities were instructed to assume no change in General Fee Fund expenditures from the current year. For ESU this totals \$9.2 million. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.

- Reduction in other funds is associated with current year equipment reserve expenditures, offset slightly by a \$15,000 increase in State Normal School Fund interest earnings.
- **Absent the requested enhancements**, the general use request is a reduction of \$239,372, or 0.6 percent from FY 2002.
- **Restricted Use** funding totals \$14.7 million, a decrease of \$242,010 (1.6 percent) from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$38,590,681, a decrease of \$1.7 million (3.1 percent) from the current year.
 - **State General Fund** financing of \$29.4 million for the University Operating Grant is a decrease of \$1.2 million (4.0 percent) from the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **General Fees Fund.** The Governor concurs with the University's estimate of \$9.2 million in FY 2003 expenditures from the General Fees Fund.
- **Restricted Use** funding totals \$14.7 million as requested by the University.

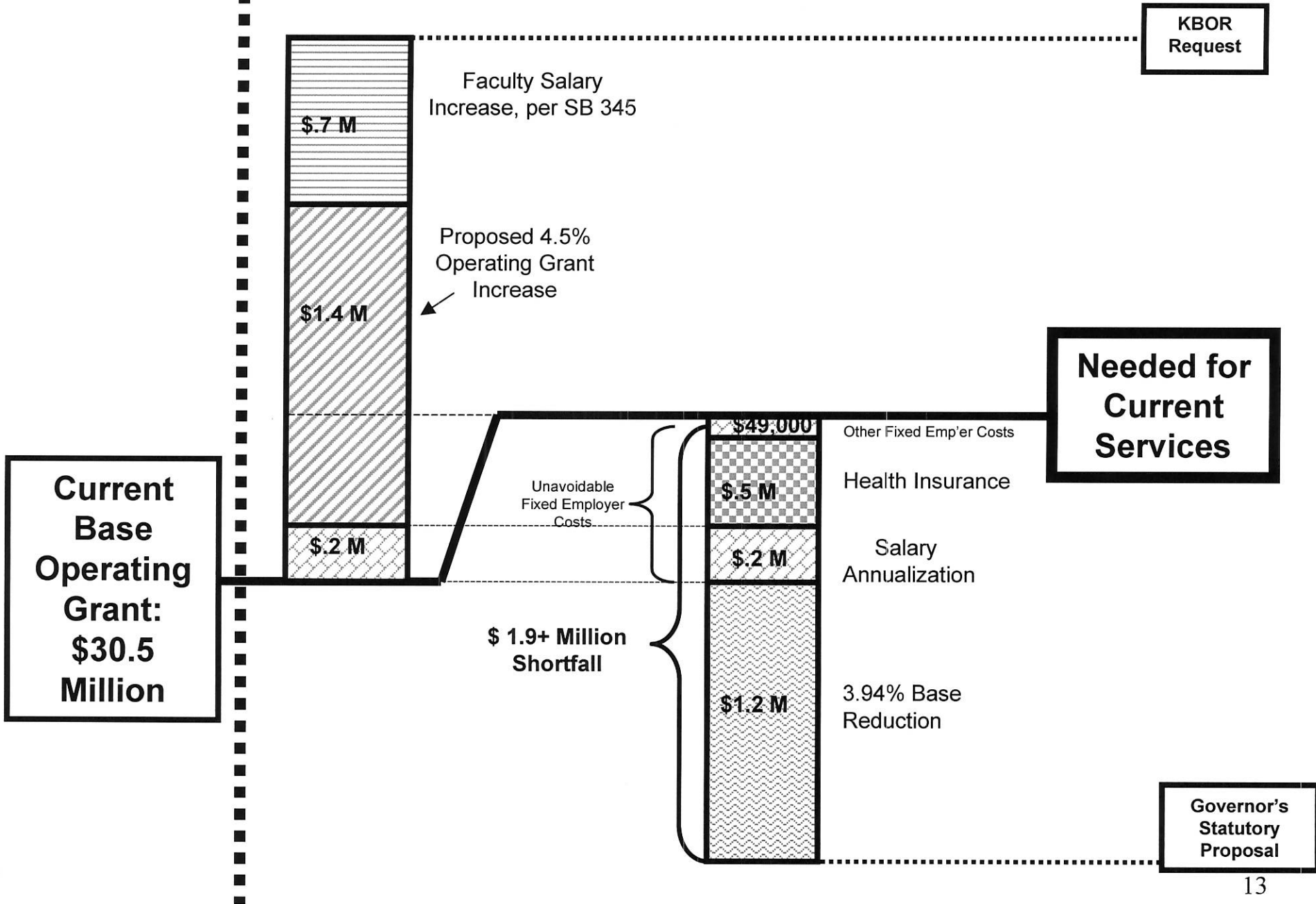
House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

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Emporia State University's Budget Outlook FY 03

FY2002 FY2003



Budget Committee Report

Agency: Fort Hays State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1442

Budget Page No. 171

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 31,951,242	\$ 31,951,242	\$ 0
General Fees Fund	8,843,159	8,843,159	0
Other Funds	38,700	38,700	0
Subtotal-General Use	\$ 40,833,101	\$ 40,833,101	\$ 0
Restricted Use Funds	15,834,218	15,834,218	0
TOTAL—Oper. Exp.	\$ 56,667,319	\$ 56,667,319	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Educational Bld. Fund	888,772	888,772	0
Other Funds	1,963,680	1,963,680	0
TOTAL—Cap. Imp.	\$ 2,852,452	\$ 2,852,452	\$ 0
GRAND TOTAL	\$ 59,519,771	\$ 59,519,771	\$ 0
FTE Positions	710.0	710.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	710.0	710.0	0.0

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects no change in overall general use expenditures from the budget approved by the 2000 Legislature. Previously authorized adjustments include:
 - State General Fund reappropriation of \$4,421 from FY 2001,
 - State General Fund transfer of \$433,486 for FHSU's portion of the SB 345 faculty salary enhancement pool,
 - Equipment Reserve Fund financing of \$38,700 in, which is derived from FY 2001 General Fees Fund savings.
- **Restricted Use** expenditures for FY 2002 are estimated to total \$15.8 million, a decrease of \$251,230.

- While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
- Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.
- **FTE positions.** The University's current year budget reflects 692.0 FTE positions, a decrease of 12.6 positions from the approved budget.
 - The decrease appears to be attributable to an inadvertent omission of FTE from the Service Clearing program.
 - Traditionally, the state universities have not been subject to FTE limitations.
- **The Governor concurs** with current year budget.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Fort Hays State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No.

Budget Page No. 171

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 32,255,308	\$ 30,692,363	\$ 0
General Fees Fund	8,843,159	8,843,159	0
Other Funds	0	0	0
Subtotal-General Use	\$ 41,098,467	\$ 39,535,522	\$ 0
Restricted Use Funds	15,849,799	15,849,799	0
TOTAL—Oper. Exp.	\$ 56,948,266	\$ 55,385,321	\$ 0
Capital Improvements:			
State General Fund	\$ 295,000	\$ 0	\$ 0
Educational Bld. Fund	0	0	0
Other Funds	965,000	965,000	0
TOTAL—Cap. Imp.	\$ 1,260,000	\$ 965,000	\$ 0
GRAND TOTAL	\$ 58,208,266	\$ 56,350,321	\$ 0
FTE Positions	710.0	710.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	710.0	710.0	0.0

Agency Req./Governor's Recommendation

- **General Use** operating budget authority of \$41,098,467 is requested for FY 2003, a net increase of \$265,366 or 0.6 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants.** State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For Fort Hays State University this totals \$304,066.

- **General Fees Fund** . For FY 2003 state universities were instructed to assume no change in General Fee Fund expenditures from the current year. For FHSU this totals \$8.8 million. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.
- Reduction in other funds is associated with current year equipment reserve expenditures.
- **Absent the requested enhancements** , the general use request is a reduction of \$38,700, or 0.1 percent from FY 2002.

- **Restricted Use** funding totals \$15.8 million, an amount unchanged from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$35,535,522, a decrease of \$1.3 million (3.2 percent) from the current year.
 - **State General Fund** financing of \$29.4 million for the University Operating Grant is a decrease of \$1.3 million (3.9 percent) from the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **General Fees Fund.** The Governor concurs with the University's estimate of \$8.8 million in FY 2003 expenditures from the General Fees Fund.

- **Restricted Use** funding totals \$15.8 million as requested by the University.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

Budget Committee Report

Agency: Pittsburg State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1465

Budget Page No. 353

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 33,546,613	\$ 33,546,613	\$ 0
General Fees Fund	11,342,443	11,342,443	0
Other Funds	477,806	477,806	0
Subtotal-General Use	\$ 45,366,862	\$ 45,366,862	\$ 0
Restricted Use Funds	17,340,493	17,340,493	0
TOTAL—Oper. Exp.	\$ 62,707,355	\$ 62,707,355	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Educational Bld. Fund	1,724,675	1,724,675	0
Other Funds	2,806,000	2,806,000	0
TOTAL—Cap. Imp.	\$ 4,530,675	\$ 4,530,675	\$ 0
 GRAND TOTAL	 \$ 67,238,030	 \$ 67,238,030	 \$ 0
 FTE Positions	 796.3	 796.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	796.3	796.3	0.0

Agency Est./Governor's Recommendation

- **General Use** expenditures. The institution's revised FY 2002 estimate for general use expenditures reflects no change in overall general use expenditures from the budget approved by the 2000 Legislature. Previously authorized adjustments include:
 - State General Fund reappropriation of \$101 from FY 2001,
 - State General Fund transfer of \$530,145 for PSU's portion of the SB 345 faculty salary enhancement pool,
 - Equipment Reserve Fund financing of \$477,806 in, which is derived from FY 2001 General Fees Fund savings.

- **Restricted Use** expenditures for FY 2002 are estimated to total \$17.3 million, an increase of \$292,575.
 - While subject to appropriation, most restricted use funds are treated as "no limit" appropriations.
 - Examples include parking fees, student union fees, federal research grants, and income generated from campus revenue-producing activities.
- **FTE positions.** The University's current year budget reflects 796.3 FTE positions, an increase of 2.3 positions from the approved budget.
 - Traditionally, the state universities have not been subject to FTE limitations.
- **The Governor recommends** concurs with current year budget.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2002.

Budget Committee Report

Agency: Pittsburg State University

Bill No.

Bill Sec.

Analyst: West

Analysis Pg. No. 1465

Budget Page No. 353

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 33,953,087	\$ 32,224,876	\$ 0
General Fees Fund	11,342,443	11,342,443	0
Other Funds	0	0	0
Subtotal-General Use	\$ 45,295,530	\$ 43,567,319	\$ 0
Restricted Use Funds	17,382,670	17,382,670	0
TOTAL—Oper. Exp.	\$ 62,678,200	\$ 60,949,989	\$ 0
Capital Improvements:			
State General Fund	\$ 1,825,400	\$ 0	\$ 0
Educational Bld. Fund	0	0	0
Other Funds	4,668,000	4,668,000	0
TOTAL—Cap. Imp.	\$ 6,493,400	\$ 4,668,000	\$ 0
 GRAND TOTAL	 \$ 69,171,600	 \$ 65,617,989	 \$ 0
FTE Positions	796.3	796.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	796.3	796.3	0.0

Agency Req./Governor's Recommendation

- **General Use** operating budget of \$45,295,530, a net decrease of \$68,332 or 0.1 percent from general use expenditure authority in FY 2002.
 - **University Operating Grants.** State university budget requests for FY 2003 reflect the decision by the Board of Regents to request funding for a 4.5 percent increase in the University Operating Grant through the Board's budget. The Board would then be responsible for allocating any increases to the individual institutions. Individual universities have included only those additional State General Fund dollars necessary to annualize current year base pay increases and restoration of the state death and disability insurance assessment. For Pittsburg State University this totals \$406,474.

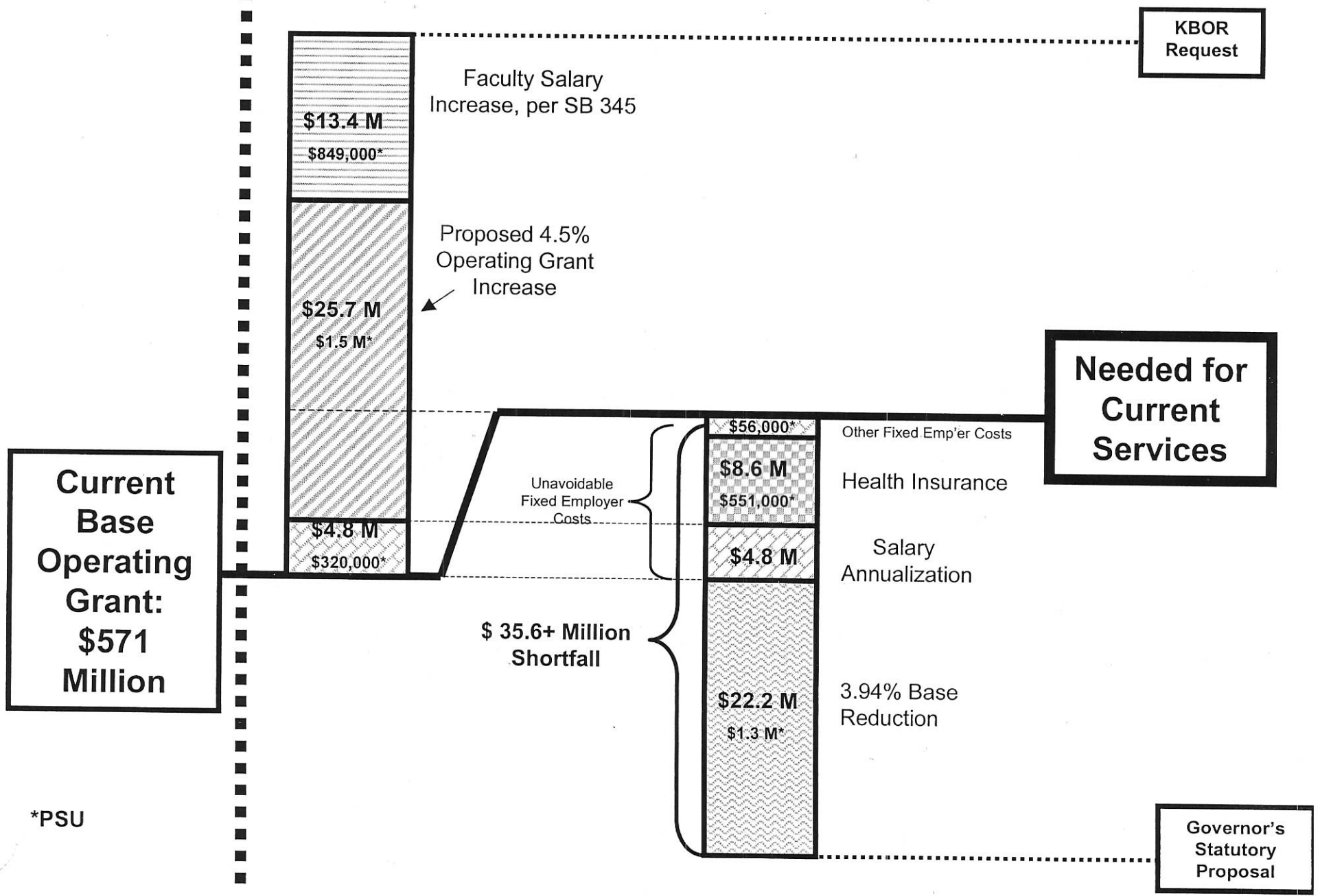
- **General Fees Fund.** For FY 2003 state universities were instructed to assume no change in General Fee Fund expenditures from the current year. For PSU this totals \$11.3 million. The Board of Regents have deferred setting fall 2002 tuition rates until the spring of 2002.
- Reduction in other funds is associated with current year equipment reserve expenditures.
- FTE increases are related to enhancement requests discussed below
- **Absent the requested enhancements,** the general use request is a reduction of \$477,806, or 0.9 percent from FY 2002.
- **Restricted Use** funding totals \$17.4 million, an increase of \$42,177 (0.2 percent) from the revised current year estimate.
- **The Governor's FY 2003 recommendation** for General Use totals \$43,567,319, a decrease of \$1.8 million (4.0 percent) from the current year.
 - **State General Fund** financing of \$32.2 million for the University Operating Grant is a decrease of \$1.3 million (3.94 percent) from the current year.
 - The Governor recommends no increase in the University Operating grant for salary annualization or the cost of increased fringe benefit assessments.
 - **General Fees Fund.** The Governor concurs with the University's estimate of \$11.3 million in FY 2003 expenditures from the General Fees Fund.
- **Restricted Use** funding totals \$17.3 million as requested by the University.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2003.

FY2002 FY2003

State Universities' Budget Needs



**Current
Base
Operating
Grant:
\$571
Million**

**KBOR
Request**

**Needed for
Current
Services**

**Governor's
Statutory
Proposal**

*PSU