

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Representative Kenny Wilk at 9:00 a.m. on February 20, 2002, in Room 514-S of the Capitol.

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

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

Conferees appearing before the committee: Jack Brier, KDFA
Travis Lenkner, Appropriations staff

Others attending: See Attached

Chairman Wilk announced the referral of **HB 2991** to the Public Safety Budget Committee.

Hearing, Discussion and Action on HB 2810—Concerning the division of accounts and reports requiring reports to the legislature when requested

Dale Brunton, Director of Accounts and Reports, presented testimony on the bill which would eliminate, or make requestable, reports that are no longer useful to recipients (Attachment 1).

As there were no opponents, Chairman Wilk closed the hearing on **HB 2810**.

Representative Landwehr moved to amend Lines 18 and 24 of the bill by adding “Legislative Research or other legislative staff agency” as entities who could request the reports in question. Motion was seconded by Representative Bethell. Motion carried.

Representative Landwehr moved to report the bill favorably as amended. Motion was seconded by Representative Bethell. Motion carried.

Hearing on HB 2829—Regulation of parking on certain state property

Joe Fritton, Director of the Division of Facilities Management, explained the importance of the bill as being part of the Department of Administration’s effort to improve security, provide additional parking, and provide such services in the capitol complex in a more cost-efficient manner (Attachment 2). This would allow the Secretary of Administration to impose and collect fines which would go into a parking fund. Currently there are approximately 150 cars parked illegally on the grounds every day. This bill would allow the Department of Administration to hire personnel to patrol the grounds for parking violations.

The Committee discussed the propriety of the Department of Administration being allowed to keep such fines rather than the money going into the State General Fund. It was pointed out that the Kansas Highway Patrol was not allowed to keep moneys collected from traffic violations.

Chairman Wilk closed the hearing on **HB 2829**.

Representative Stone moved to approve the minutes of January 22, 2002, as presented. Motion was seconded by Representative Minor. Motion carried.

Representative Peterson, Chairperson of the Tax, Judicial, and Transportation Budget Committee, presented

the Budget Committee report on the Governor's budget recommendations for the State Board of Tax Appeals for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 3). Motion was seconded by Representative Toplikar. Motion carried.

Representative Peterson, Chairperson of the Tax, Judicial, and Transportation Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Board of Tax Appeals for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 3). Motion was seconded by Representative Toplikar. Motion carried.

Representative Peterson, Chairperson of the Tax, Judicial, and Transportation Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Human Rights Commission for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 3). Motion was seconded by Representative Light. Motion carried.

Representative Peterson, Chairperson of the Tax, Judicial, and Transportation Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Human Rights Commission for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 3). Motion was seconded by Representative Light. Motion carried.

Representative Klein, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Office of the Securities Commissioner of Kansas for FY 2002 and FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2002 and FY 2003 with comments (Attachment 4). Motion was seconded by Representative Weber. Motion carried.

Representative Klein, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Department of Credit Unions for FY 2002 and FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2002 and FY 2003 (Attachment 4). Motion was seconded by Representative Weber. Motion carried.

Discussion and Action on HB 2690—University research and development enhancement act

Travis Lenkner, Administrative Assistant to Chairman Wilk, presented a construction process flowchart for the research and development projects (Attachment 5). This process would not be required for all projects but would be at the discretion of the Board of Directors of the subsidiary corporation. Companies interested in being considered for being contract managers would contact the State Building Advisory Commission. Mr. Lenkner then reviewed each of the proposed amendments in the three sections of the bill which apply to the subsidiary corporation, debt service on bonds, and the delineation of the procedures for obtaining project services for construction (Attachment 6). Copies of the proposed amendments were distributed (Attachment 7).

Representative Wilk moved for the adoption of the amendments as presented in Attachment 7. Motion was seconded by Representative Light. Motion carried.

Jack Brier, President of the Kansas Development Finance Authority, reassured the Committee that debt service for the state for the bonds would not be more than \$10 million per year at a total cost of \$50 million over a six year period. He referred to his letter of February 13, 2002, which suggested additional language to the bill regarding such debt service (Attachment 8). The Committee requested a letter of assurance that the agreement with K DFA is that K DFA will actually own the buildings and will lease them to the universities involved until the bonds are paid off.

Representative Landwehr moved to conceptually amend the bill to change the membership of the Board of Directors of the subsidiary corporation to seven members selected, one each, by the Speaker of the House, the Minority Leader of the House, the President of the Senate, the Minority Leader of the Senate, three members selected by the Board of Regents with no more than two being Regents, and with the Secretary of Administration, or the Secretary's designee, being a non-voting member. The members selected by Legislative leadership would not have to be legislators. Motion was seconded by Representative Nichols. Motion carried.

Representative Nichols made a conceptual motion to amend the bill by adding a section which would require K DFA to contract with the Board of Regents to assume costs incurred above the stated \$50 million. The motion was seconded by Representative Minor. Motion carried.

Revisor Wilson was directed to work with the staff of the Board of Regents and K DFA to prepare the

amendment to the bill in accordance with the legislative intent of the bill.

Committee members voiced concern that although this is very important for the state of Kansas and its future, they did not want this to impact the funding of the base budgets for the universities nor disallow the continued funding of 1999 SB 345.

Representative Ballard moved to report **HB 2690** favorably as amended. Motion was seconded by Representative Peterson. Motion carried on a voice vote.

Representative Bethell moved for the introduction of legislation regarding a utility company being a landlord. Motion was seconded by Representative Feuerborn. Motion carried.

The meeting was adjourned by Chairman Wilk at 10:30 a.m. The next meeting is scheduled for February 21, 2001.

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 2/20/02

NAME	REPRESENTING
Brandon Myers	KHRC
Mike Hollar	"
Bill Minner	"
Don Etzel	D of A / DFM
SHERYL WELCH	Dept. of Admin.
Dale Brunton	"
Tony Folsom	BOTA
Mary Brookstone	KTEC
Janey Dushner	KDFA
Mal Heil	KDFA
JACK BRUER	KDFA
Diana K. Clark	Intern For Rep. Cindy Hermes
Mark Stock	DofA / DFM
Ben Bauman	DofA
D. KEITH MEYERS	DofA
Sandy Braden	Civic Council of KC
Theresa Klinkenberg	KU
ERIC KING	KBOR
JOE PRITTO	DFM

TESTIMONY BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE
February 20, 2002, 9:00 a.m., Room 514-S

Presented by Dale Brunton
Director of Accounts and Reports

HOUSE APPROPRIATIONS

DATE 2/20/02
ATTACHMENT 1

Chairman, Members of the Committee:

I am providing testimony today on behalf of the Department of Administration in support of House Bill 2810, proposed to eliminate, or make requestable, reports that are no longer useful to recipients. The bill is intended to eliminate unnecessary work effort and align statutory requirements with more efficient procedures.

House Bill 2810 modifies two unrelated reporting requirements of the Division of Accounts and Reports. Currently, a report is created annually regarding claims paid by state agencies and is required to be submitted to the Senate Ways and Means Committee, the House Appropriations Committee, and to the Joint Committee on Special Claims Against the State. Proposed amendments would allow the report to be created only upon legislative request. Legislative staff confirmed that this report is not currently reviewed or used. In FY 1980, when the claims law was implemented, the report may have been a valuable tool for reviewing the claims history for the year. However, over 20 years later, it appears that the report is no longer needed on a regular basis. The report requires approximately 36 to 40 hours of an accountant's time to compile and maintain the report, at an estimated annual cost of \$950 to \$1,065. Although this does not result in tangible savings, these hours will be available for other duties.

Amendments proposed in House Bill 2810 also would abolish the requirement that each state agency annually report to the Director of Accounts and Reports any interest penalties paid or incurred under the Kansas Prompt Payment Act. Since the creation of the Prompt Payment Act in 1984, no request has been made to the Director of Accounts and Reports to view this data. Even if significant interest penalties are incurred, no statutory authority exists within the Prompt Payment Act to allow the Division to take action against an agency, and the agency incurs no further penalty or reprimand. Thus, the reporting requirement serves no purpose. Most state agencies, as a matter of sound business practice, avoid late payments that invoke interest penalties. The average statewide total of penalties paid under the Act during the last five fiscal years is \$2,158 annually. Maintaining a separate reporting process as required is an inefficient use of state resources and represents an outdated procedure. Actual procedures no longer require submission of agency reports. The information is instead obtained by the Division of Accounts and Reports for all state agencies through use of the central accounting system. If this information is ever desired, it can be easily obtained at any time upon request.

Thank you for the opportunity to provide testimony to the Committee and for your consideration of House Bill 2810. I would be happy to address any questions the Committee may have.

HOUSE APPROPRIATIONS
2/28/03
ATTACHMENT 1

**TESTIMONY TO
HOUSE COMMITTEE ON APPROPRIATIONS
BY JOE FRITTON, P.E.
DIRECTOR, DIVISION OF FACILITIES MANAGEMENT
February 20, 2002**

HB2829 ADMINISTRATIVE ENFORCEMENT OF PARKING VIOLATIONS

Introduction

This legislation is an important part of the Department of Administration's comprehensive effort to:

1. Improve security in the capitol complex
2. Provide additional parking in the capitol complex
3. Provide governmental services in a more cost-effective manner

Summary of Proposed Legislation

HB2829 makes two primary changes in current law [K.S.A. 75-4506 & K.S.A. 75-4508].

1. This legislation authorizes the Secretary of Administration to adopt rules and regulations to establish and collect administrative fines for parking violations in lots where the Secretary issues parking permits. Note: The statehouse grounds are not affected by this legislation. Statehouse parking will continue to be patrolled by law enforcement staff.

Under current law the Secretary cannot impose fines. All parking violations are misdemeanors and all fines are paid to the district court.

2. This legislation clarifies that the Secretary of Administration has the flexibility to assign responsibility for the enforcement of parking violations to the Capitol Police, the Department of Administration, or other persons designated by the Secretary.

Currently, only the Capitol Police issue parking tickets. The Superintendent of Highway Patrol, Colonel Don Brownlee, supports this proposal.

Benefits of Proposed Legislation

1. Assigning parking enforcement to non-law enforcement personnel will free Capitol Police to concentrate on the increased security demands facing state government.
2. The management of the main parking lots will be improved. The legislation will consolidate all parking administration functions under one department. Currently, the Department of Administration is responsible for parking regulation development, parking fee collection, and parking permit issuance. With this legislation, the Department of Administration will also be responsible for the imposition and collection of parking fines. Consolidated management of all aspects of parking will enable the Department of Administration to better predict future parking needs and to take steps to reduce the waiting list. Currently, there are 1300 employees and a waiting period in excess of one year.

DATE 2-20-02
ATTACHMENT 2

3. Employees paying for parking will benefit from the increased enforcement. By ensuring that illegal vehicles are ticketed, the number of illegally parked vehicles will be reduced. This, in turn, frees up more parking spaces for employees that pay for the parking privilege.
4. Rather than fines being paid to the district court, it is projected that this legislation will result in the Department of Administration collecting \$18,439 in parking violation fees by assigning parking lot enforcement. Parking lot enforcement with non-law enforcement personnel will provide a projected net improvement in annual cash flow of \$35,667, and it is projected that Department can save \$17,228 per year in enforcement expenses.

**2002 TAX, JUDICIAL, AND TRANSPORTATION BUDGET
COMMITTEE**

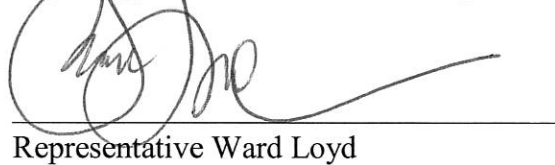
Board of Tax Appeals

Human Rights Commission



Representative Cindy Hermes

Representative Doug Spangler


Representative Jeff Peterson, Chairperson
Representative Ward Loyd
Representative Dan Thimsech

HOUSE APPROPRIATIONS

DATE 2/20/02
ATTACHMENT 3

House Budget Committee Report

Agency: State Board of Tax Appeals

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 424

Budget Page No. 427

<u>Expenditure Summary</u>	<u>Agency Estimate FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 2,113,677	\$ 2,196,280	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 2,113,677</u>	<u>\$ 2,196,280</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 2,099,177	\$ 2,181,780	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 2,099,177</u>	<u>\$ 2,181,780</u>	<u>\$ 0</u>
FTE Positions	31.0	31.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>31.0</u>	<u>31.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency estimate for FY 2002 expenditures of \$2,113,677 is a decrease of \$10,740 (0.5 percent) from the approved budget. The estimate includes \$1,555,616 for salaries and wages; \$519,561 for contractual services; \$23,500 for commodities; and \$15,000 for capital outlay.

The Governor recommends for FY 2002 expenditures of \$1,296,280 is an increase of \$71,863 (3.4 percent) from the approved budget. The Governor's recommendation includes \$82,063 in KSIP funds that the agency inadvertently omitted from its budget request. The Governor's recommendation includes: \$1,555,616 for salaries and wages; \$519,561 for contractual services; \$23,500 for commodities; and \$97,603 for capital outlay.

House Budget Committee Recommendation

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

House Budget Committee Report

Agency: State Board of Tax Appeals

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 424

Budget Page No. 427

Expenditure Summary	Agency Request FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
All Funds:			
State Operations	\$ 1,944,743	\$ 2,053,352	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 1,944,743</u>	<u>\$ 2,053,352</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 1,930,243	\$ 2,038,852	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 1,930,243</u>	<u>\$ 2,038,852</u>	<u>\$ 0</u>
FTE Positions	27.0	29.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>27.0</u>	<u>29.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency's request for FY 2003 expenditures is \$1,944,743 which is a decrease of \$168,934 (8.0 percent) from the FY 2002 estimate. The request includes reduction packages totaling \$191,280 which includes the elimination of four FTE positions. The request includes: \$1,476,545 for salaries and wages; \$409,698 for contractual services; \$23,500 for commodities; and \$35,000 for capital outlay.

The Governor's recommendation for FY 2003 is \$2,053,352 which is a decrease of \$142,928 from the FY 2002 recommendation. The recommendation includes the reinstatement of two FTE positions. The recommendation includes: \$1,626,635 for salaries and wages; \$368,217 for contractual services; \$23,500 for commodities; and \$35,000 for capital outlay.

House Budget Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Human Rights Commission

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 347

Budget Page No. 249

<u>Expenditure Summary</u>	<u>Agency Estimate FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Subcommittee Adjustments</u>
State Operations			
State General Fund	\$ 1,527,054	\$ 1,527,054	\$ 0
Special Revenue Funds	458,500	458,500	0
TOTAL	<u>\$ 1,985,554</u>	<u>\$ 1,985,554</u>	<u>\$ 0</u>
FTE Positions	37.0	37.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>37.0</u>	<u>37.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency estimates \$1,985,554 for FY 2002, an increase of \$59,187 (3.0 percent) from the FY 2001 Legislature. Of the total request, \$1,527,054 (76.9 percent) is from the State General Fund and \$458,500 (23.1 percent) is from other funds. The increase would be financed entirely from KSIP funds.

The Governor concurs with the agency FY 2002 estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet reviewed this budget.

House Budget Committee Report

Agency: Kansas Human Rights Commission

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 347

Budget Page No. 249

<u>Expenditure Summary</u>	<u>Agency Estimate FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Budget Committee Adjustments</u>
State Operations			
State General Fund	\$ 1,527,054	\$ 1,527,054	\$ 0
Special Revenue Funds	458,500	458,500	0
TOTAL	<u>\$ 1,985,554</u>	<u>\$ 1,985,554</u>	<u>\$ 0</u>
FTE Positions	37.0	37.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>37.0</u>	<u>37.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency estimates \$1,985,554 for FY 2002, an increase of \$59,187 (3.0 percent) from the amount approved by the FY 2001 Legislature. Of the total request, \$1,527,054 (76.9 percent) is from the State General Fund and \$458,500 (23.1 percent) is from other funds. The increase would be financed entirely from KSIP funds.

The Governor concurs with the agency FY 2002 estimate.

House Budget Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Human Rights Commission

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 347 Budget Page No. 249

Expenditure Summary	Agency Request FY 03	Governor's Recommendation FY 03	Subcommittee Adjustments
State Operations			
State General Funds	\$ 1,568,631	\$ 1,439,688	\$ 0
Special Revenue Funds	458,500	459,201	0
TOTAL	<u>\$ 2,027,131</u>	<u>\$ 1,898,889</u>	<u>\$ 0</u>
FTE Positions	38.0	37.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>38.0</u>	<u>37.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests \$2,027,131 for FY 2003, an increase of \$41,577 (2.1 percent) from the agency FY 2002 estimate. Of the total request, \$1,568,631 (77.4 percent) is from the State General Fund and \$458,500 (22.6 percent) is from other funds. The increase is primarily due to enhancements totaling \$88,098 (State General Fund).

The Governor recommends \$1,898,889 for FY 2003, a decrease of \$86,665 (4.4 percent) from the FY 2002 recommendation. Of the total recommendation \$1,439,688 (75.8 percent) is from the State General Fund and \$459,201 (24.2 percent) is from other funds. The Governor does not recommend the enhancements and recommends a reduction package of \$66,541 (State General Fund).

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following observations:

1. The Senate Subcommittee congratulates Kansas Human Rights Commission Chairman on being awarded the 2002 Governor's Martin Luther King Jr. "Spirit of Giving Award" at this year's Martin Luther King Day activities at the Statehouse and express their gratitude for his many years of outstanding service to the Commission and the state of Kansas.

2. The Senate Subcommittee commends the Human Rights Commission on lowering the amount of time to process cases from 21.1 months in 1995 to 6.1 months in 2001.
3. The Senate Subcommittee commends the Kansas Human Rights Commission for meeting the Governor's challenge to work within their budget constraints and still provide the excellent service to the people of Kansas.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet reviewed this budget.

House Budget Committee Report

Agency: Kansas Human Rights Commission

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 347

Budget Page No. 249

Expenditure Summary	Agency Request FY 03	Governor's Recommendation FY 03	Budget Committee Adjustments
State Operations			
State General Funds	\$ 1,568,631	\$ 1,439,688	\$ 0
Special Revenue Funds	458,500	459,201	0
TOTAL	<u>\$ 2,027,131</u>	<u>\$ 1,898,889</u>	<u>\$ 0</u>
FTE Positions	38.0	37.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>38.0</u>	<u>37.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests \$2,027,131 for FY 2003, an increase of \$41,577 (2.1 percent) from the agency FY 2002 estimate. Of the total request, \$1,568,631 (77.4 percent) is from the State General Fund and \$458,500 (22.6 percent) is from other funds. The increase is primarily due to

enhancements totaling \$88,098 (State General Fund).

The Governor recommends \$1,898,889 for FY 2003, a decrease of \$86,665 (4.4 percent) from the FY 2002 recommendation. Of the total recommendation \$1,439,688 (75.8 percent) is from the State General Fund and \$459,201 (24.2 percent) is from other funds. The Governor does not recommend the enhancements and recommends a reduction package of \$66,541 (State General Fund).

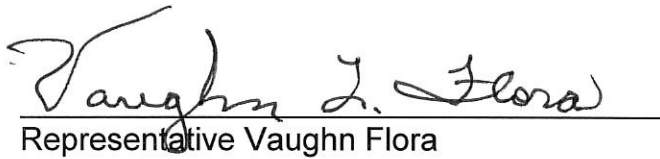
House Budget Committee Recommendation

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

**2002 AGRICULTURE AND NATURAL
RESOURCES BUDGET COMMITTEE**

Securities Commissioner
Department of Credit Unions


Representative Sharon Schwartz, Chairperson


Representative Vaughn Flora


Representative Alan Goering


Representative Carl Holmes


Representative Tom Klein

Representative Bill McCreary


Representative Don Myers

HOUSE APPROPRIATIONS

DATE 2/20/02
ATTACHMENT 4

SUBCOMMITTEE REPORT

Agency: Biennial Budget Agencies

Bill No.

Bill Sec.

Analyst: Various

Analysis Pg. No. Vol. I - 513

	Actual FY 01	Approved FY 02	Agency Est. FY 02	Gov. Rec. FY 02	Approved FY 03	Agency Req. FY 03	Gov. Rec. FY 03
Financial Institutions Regulatory Agencies							
Bank Commissioner, State	\$ 4,289,995	\$ 5,299,375	\$ 5,556,407	\$ 5,400,669	\$ 5,500,236	\$ 5,838,913	\$ 5,721,964
Credit Unions, State Dept. of	765,832	859,789	859,789	859,789	870,801	888,217	896,620
Securities Commissioner	1,880,687	2,042,207	2,042,207	2,042,207	2,092,598	2,092,598	2,113,020
TOTAL	\$ 6,936,514	\$ 8,201,371	\$ 8,458,403	\$ 8,302,665	\$ 8,463,635	\$ 8,819,728	\$ 8,731,604

Occupational and Professional Licensing Boards

Abstracters Board of Examiners	\$ 18,164	\$ 20,168	\$ 20,168	\$ 20,168	\$ 20,045	\$ 20,285	20,285
Accountancy, Board of	166,145	179,432	179,432	179,432	187,915	187,915	189,663
Barbering, Board of	119,005	126,914	129,914	129,914	131,177	131,177	132,390
Behavioral Sciences Regulatory	431,322	484,954	486,815	486,815	512,945	512,945	517,271
Cosmetology, Board of	583,754	722,187	722,187	722,187	752,980	752,980	761,970
Dental, Kansas Board	287,762	321,902	321,902	321,902	327,208	327,208	328,839
Healing Arts, Board of	1,916,016	1,990,963	1,990,963	1,990,963	2,066,884	2,066,884	2,084,630
Hearing Aid Examiners, Board	14,733	21,243	21,243	21,243	21,937	21,937	21,937
Mortuary Arts, Board of	199,269	205,929	213,541	213,541	214,222	214,222	216,514
Nursing, Board of	1,192,574	1,424,287	1,430,221	1,430,221	1,383,705	1,383,705	1,397,017
Optometry Examiners, Board of	59,980	83,770	83,770	83,770	84,631	84,631	85,305
Pharmacy, State Board of	509,316	553,254	553,254	553,254	566,462	566,462	571,321
Real Estate Appraisal Board	222,640	245,753	245,753	245,753	254,104	254,104	256,455
Real Estate Commission	644,381	647,312	690,942	670,112	668,570	752,266	714,473
Technical Professions, Board of	463,357	535,155	535,155	535,155	550,711	550,711	555,193
Veterinary Examiners, Board of	234,580	282,854	282,854	282,854	290,967	268,889	270,992
TOTAL	\$ 7,062,998	\$ 7,846,077	\$ 7,908,114	\$ 7,887,284	\$ 8,034,463	\$ 8,096,321	\$ 8,124,255

Total Expenditures **\$ 13,999,512** **\$ 16,047,448** **\$ 16,366,517** **\$ 16,189,949** **\$ 16,498,098** **\$ 16,916,049** **\$ 16,855,859**

Percentage Change from Previous Fiscal Year	5.0%	14.6%	15.8%	15.6%	2.8%	3.4%	4.1%
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Other Biennial Agencies

Governmental Ethics Commission							
State General Fund	\$ 400,528	\$ 407,766	\$ 407,766	\$ 407,766	\$ 458,165	\$ 458,165	464,056
All Funds	\$ 536,486	\$ 570,303	\$ 570,303	\$ 570,303	\$ 574,491	\$ 574,491	581,182

Percent Change:

State General Fund	7.3%	1.8%	1.8%	1.8%	12.4%	12.4%	13.8%
All Funds	6.5%	6.3%	6.3%	6.3%	0.7%	0.7%	1.9%

FTE Positions	238.5	248.2	248.2	248.2	248.2	249.2	248.2
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FTE Positions

	Actual FY 01	Approved FY 02	Agency Est. FY 02	Gov. Rec. FY 02	Approved FY 03	Agency Req. FY 03	Gov. Rec. FY 03
Financial Institutions Regulatory Agencies							
Bank Commissioner, State	77.0	85.0	85.0	85.0	85.0	85.0	85.0
Credit Unions, State Dept. of	12.0	13.0	13.0	13.0	13.0	13.0	13.0
Securities Commissioner	27.8	27.8	27.8	27.8	27.8	27.8	27.8
TOTAL	116.8	125.8	125.8	125.8	125.8	125.8	125.8
Occupational and Professional Licensing Boards							
Abstracters Board of Examiners	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accountancy, Board of	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Barbering, Board of	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Behavioral Sciences Regulatory	7.8	8.0	8.0	8.0	8.0	8.0	8.0
Cosmetology, Board of	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Dental, Kansas Board	2.0	2.5	2.5	2.5	2.5	2.5	2.5
Healing Arts, Board of	29.0	29.0	29.0	29.0	29.0	29.0	29.0
Hearing Aid Examiners, Board	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Mortuary Arts, Board of	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Nursing, Board of	22.0	22.0	22.0	22.0	22.0	22.0	22.0
Optometry Examiners, Board of	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pharmacy, State Board of	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Real Estate Appraisal Board	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Real Estate Commission	13.0	13.0	13.0	13.0	13.0	14.0	13.0
Technical Professions, Board of	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Veterinary Examiners, Board of	3.0	3.0	3.0	3.0	3.0	3.0	3.0
TOTAL	112.7	113.4	113.4	113.4	113.4	114.4	113.4
Other Biennial Agencies							
Governmental Ethics Commission	9.0	9.0	9.0	9.0	9.0	9.0	9.0
TOTAL	238.5	248.2	248.2	248.2	248.2	249.2	248.2

Securities Commissioner

FY 2002. The agency requests \$2,042,207, which is the same as the approved amount.

The Governor concurs with the agency's FY 2002 request.

House Budget Committee Recommendation

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

FY 2003. The agency requests \$2,092,598, which is the same as the approved amount.

The Governor for FY 2003 recommends \$2,113,020 which is \$20,422 above the agency request. The net additional funding is for employer health insurance costs and for the KPERS death and disability moratorium adjustment.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation, with the following comments:

1. The Budget Committee notes that anticipated fees are currently running approximately \$600,000 below expectations. The lower receipts are a result of fewer agent registrations and fewer registered security offerings, both impacted by the current condition of the financial markets.
2. The Budget Committee also notes that the lower than expected fee receipts could impact the transfer from the agency fee fund to the State General Fund. This agency's fee fund above \$50,000 is transferred to the State General Fund. Under the Governor's recommendations, the agency will transfer \$6.9 million from the agency's fee fund in FY 2002 and FY 2003.

State Department of Credit Unions

FY 2002. The agency requests \$859,789, which is the same as the approved amount.

The Governor concurs with the agency's FY 2002 request.

House Budget Committee Recommendation

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

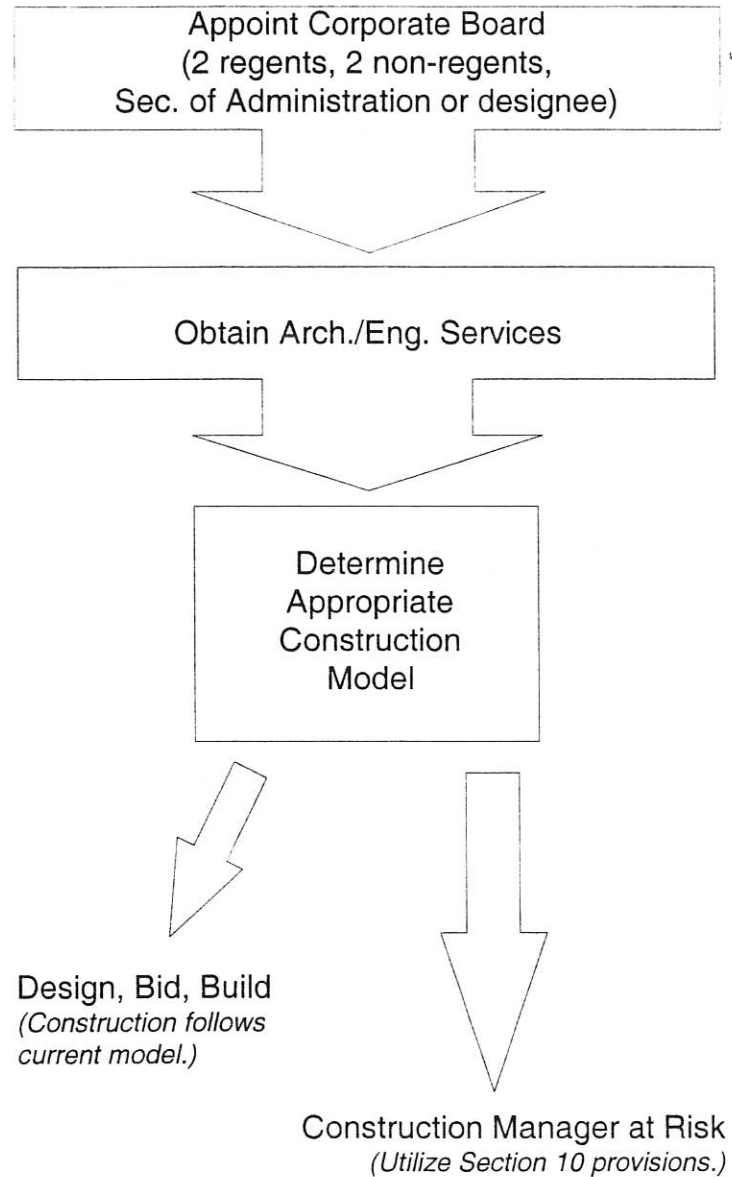
FY 2003. The agency requests \$888,217, which is \$17,416 or 2.2 percent above the approved amount. The additional funding is requested due to increased salaries and wages resulting from reclassification of examiner positions.

The Governor for FY 2003 recommends \$896,620 which is \$8,403 above the agency request. The net additional funding is for employer costs for group health insurance increases and the KPERS Death and Disability moratorium.

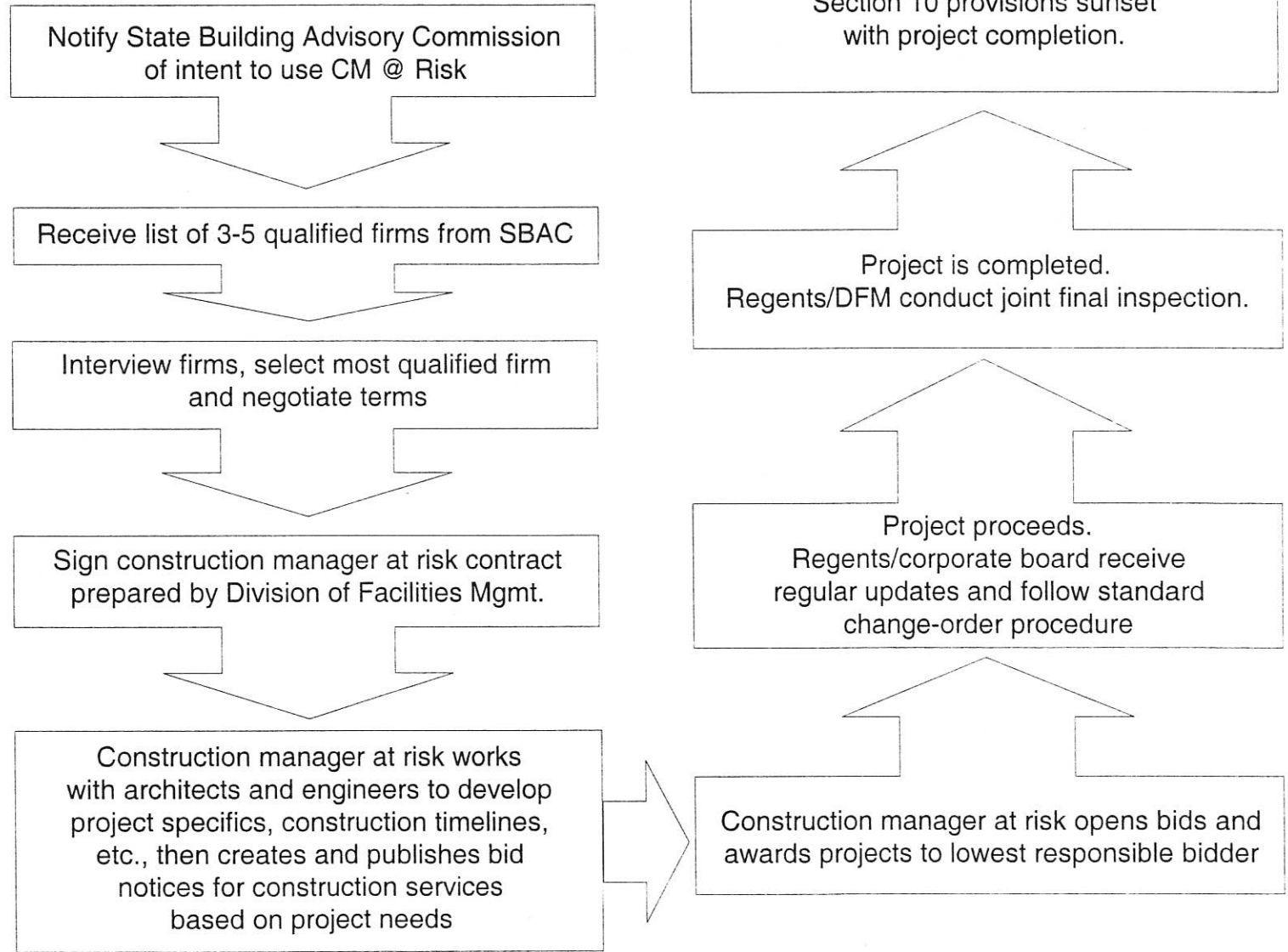
House Budget Committee Recommendation

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

Construction Process Flowchart for Research and Development Projects (HB 2690)



Assuming 'Construction Manager at Risk', the construction process continues:



MEMORANDUM

TO: House Appropriations Committee

FROM: Jim Wilson, First Assistant Revisor of Statutes
Travis Lenkner, Legislative Assistant

DATE: February 20, 2002

RE: Summary of Amendments to HB 2690

Generally, the proposed amendments to HB 2690 amend three sections of the bill – portions of Section 5 related to the subsidiary corporation and Section 7 related to debt service on bonds, and a new Section 10 that further delineates the procedures for obtaining project services for construction.

SECTION 5

The subsidiary corporation shall be governed by a five-member board, to include two members who are members of the board of regents, two members who are not members of the board of regents, and the Secretary of Administration or designee. Board members shall serve without compensation. The subsidiary corporation shall be dissolved after completion of the capital improvement projects. *[Draft amendment, page 1, lines 2-13]*

The second part of the amendment adds language discussed in previous committee hearings regarding the state's funding commitment to the research projects.

NEW SECTION 7(a)(3)

This amendment provides for transfers from the state general fund for debt service payments related to the research facilities. It limits total annual transfers to \$10 million and the total amount of all transfers to \$50 million under this provision. *[Draft amendment, page 1, line 15, through page 2, line 7]*

Finally, the amendment strikes the original Section 10 and replaces it with a new section. The original bill contained numerous statutory exemptions; the new Section 10 removes most of those exemptions and establishes a mechanism for the "construction manager at risk" philosophy that has been discussed in committee. The Board of Regents is authorized to use the new construction formula set out in Section 10 or use current statutes – the "design, bid, build" approach.

HOUSE APPROPRIATIONS

DATE 2-20-02
ATTACHMENT 6

NEW SECTION 10

Section 10(a)

Because the new Section 10 sets out its own construction management procedure, some definitions – already in statute – are necessary at the outset. There are two definitions of particular importance:

Construction Management At-Risk Services

Outlines the specific responsibilities of the construction manager, and specifically places the manager responsible for the value and schedule of the project. The construction manager will “hold the trade contracts and execute the work for a project in a manner similar to a general contractor.” *[Draft amendment, page 2, line 19, through page 3, line 6]*

Project

Specifies that the construction procedures are only to be used for facilities at KSU, WSU and the KU Medical Center, and limits the total project amount to \$110 million in bond funding, plus any additional money from grants or private sources. *[Draft amendment, page 4, lines 12-21]*

Section 10(b)

These are the only remaining exemptions under the new Section 10:

K.S.A. 75-1269

Fees for architectural and other services provided by the secretary of administration for certain projects [1% fee]

K.S.A. 75-3738 through 75-3741b.

Division of Purchases - bidding, capital improvements, contract guidelines, restrictions procedures, change orders

K.S.A. 75-3742 through 75-3744

Division of Architectural Services - assistance in preparing written program statements; Leases, procurement contracts - Attorney General approval as to contract form; execution and other approvals

K.S.A. 75-3783

Secretary of Administration to establish criteria and procedures for evaluating the qualifications and performance of architectural, engineering and construction services contractors for state capital improvement projects; issue stop work orders; adopt standards for inspection of building projects and qualifications for inspectors; and establishing standards for planning, design and construction of and improvements to buildings for state agencies

Section 10(c) The Board of Regents may negotiate contracts for supplies, materials and equipment for a project or utilize competitive bidding under current statutes.

The remainder of the new Section 10 establishes protocol for services procurement. If the Section 10 protocol are not used, current statutes apply.

Section 10(d) The Board of Regents shall publish a notice in the Kansas Register 15 days prior to commencing negotiations for project services.

Section 10(e) The corporation's board of directors shall negotiate a contract with a firm(s) to provide any necessary architectural, engineering and/or land surveying services. No limitation on fees shall apply.

Section 10(f) If the board determines that a construction manager at risk is required for the project, the State Building Advisory Commission shall prepare a list of 3-5 firms that are qualified to provide these services. The corporation board shall conduct discussions with each firm, and then negotiate with the firm considered to be most qualified for the project (using the process outlined in K.S.A. 75-1257 for architectural services). The contracts shall be prepared by the Division of Facilities Management.

Section 10(g) The construction manager at risk shall publish construction services bids in the Kansas Register. The construction manager at risk shall evaluate the bids and determine the lowest responsible bidder.

Section 10(h) The Division of Facilities Management shall provide information and assistance as requested by the corporation, and (1) shall assist the construction manager at risk in preparing the request for proposals and publication of notice information, (2) shall prepare each contract for project services, including construction services, (3) shall conduct design development reviews, (4) shall review and approve all construction documents prior to soliciting bids or proposals, (5) shall obtain and maintain copies of construction documents, and (6) shall periodically conduct inspections, including the final inspection.

Section 10(i)

The Board of Regents shall enter into contracts with the Division of Facilities Management for the services provided by DFM for each project. The division shall receive fees from the Regents to cover the costs incurred for services.

Section 10(j)

Design-development and construction-document reviews conducted by Division of Facilities Management shall be limited to ensuring only that the documents comply with standards in K.S.A. 75-3783 (including life-safety codes and energy efficiency) and that the documents do not change the project description.

Section 10(k)

Each project shall receive a joint final inspection by the Regents and the Division of Facilities Management, and the facility shall not be used until it is accepted by the Regents.

Section 10(l)

Establishes a change order procedure that parallels current statute for change orders administered by the Department of Administration.

Section 10(m)

The provisions of Section 10 shall apply only to projects authorized under this act.

PROPOSED AMENDMENTS TO HB 2690
For Consideration by Committee on Appropriations
February 19, 2002

1 On page 2, in line 42, by striking “to” and by inserting “and shall”;

2 On page 3, in line 15, by striking “not more than”; by striking all in line 16; in line 17, by
3 striking all before the period and inserting “five members as follows: (1) Two members of the
4 board of regents who shall be designated by the board of regents and who shall serve at the
5 pleasure of the board of regents; (2) two persons who are not members of the board of regents and
6 who shall serve at the pleasure of the board of regents; (3) the secretary of administration, or the
7 secretary’s designee who shall serve at the pleasure of the secretary of administration. Members
8 of the board of directors shall serve without compensation”; in line 23, after the period, by
9 inserting “The subsidiary corporation formed pursuant to this section shall be dissolved by the
10 board of regents after completion and official acceptance by the board of regents of all of the
11 capital improvement projects initiated for research and development facilities for state educational
12 institutions under this act or at such earlier time as may be prescribed or determined in accordance
13 with the provisions of the articles of incorporation of the subsidiary corporation.”;

14 On page 4, following line 32, by inserting the following:

15 “(3) Upon acceptance by the board of regents of each project initiated and completed under
16 this act and upon a determination by the board of regents that the period for repayment of debt for
17 such project is to commence, the board of regents shall certify to the director of accounts and
18 reports that principal and interest payments for such project are to commence and the dates and
19 amounts of all principal and interest payments for such project. Pursuant to each such certification,

HOUSE APPROPRIATIONS

DATE 2-2-02
ATTACHMENT 7

1 the director of accounts shall transfer, from the state general fund to the debt service fund or funds
2 at a state educational institution as specified in the certification for such project, the amount
3 certified on or before the respective payment date therefor. Transfers shall be made under this
4 section pursuant to any such certification on or after July 1, 2003. The aggregate of all such
5 transfers from the state general fund during any fiscal year shall not exceed \$10,000,000 and the
6 aggregate of all such transfers from the state general fund under this section shall not exceed
7 \$50,000,000.”;

8 On page 7, by striking all in lines 16 through 26, and inserting the following material to
9 read as follows:

10 “Sec. 10. (a) As used in this section, unless the context expressly provides otherwise:

11 (1) “Ancillary technical services” include, but shall not be limited to, geology services and
12 other soil or subsurface investigation and testing services, surveying, adjusting and balancing of
13 air conditioning, ventilating, heating and other mechanical building systems, testing and consultant
14 services that are determined by the board of regents to be required for a project;

15 (2) “architectural services” means those services described by subsection (e) of K.S.A. 74-
16 7003, and amendments thereto;

17 (3) “construction services” means the work performed by a construction contractor to
18 commence and complete a project;

19 (4) “construction management at-risk services” means the services provided by a firm
20 which has entered into a contract with the board of regents to be the construction manager at risk
21 for the value and schedule of the contract for a project, which is to hold the trade contracts and

1 execute the work for a project in a manner similar to a general contractor and which is required
2 to solicit competitive bids for the trade packages developed for a project and to enter into the trade
3 contracts for a project with the lowest responsible bidder therefor, and may include, but are not
4 limited to, such services as scheduling, value analysis, systems analysis, constructability reviews,
5 progress document reviews, subcontractor involvement and prequalification, subcontractor
6 bonding policy, budgeting and price guarantees, and construction coordination;

7 (5) "division of facilities management" means the division of facilities management of the
8 department of administration;

9 (6) "engineering services" means those services described by subsection (i) of K.S.A. 74-
10 7003, and amendments thereto;

11 (7) "Firm" means (A) with respect to architectural services, an individual, firm, partnership,
12 corporation, association, or other legal entity which is: (i) permitted by law to practice the
13 profession of architecture; and (ii) maintaining an office in Kansas staffed by one or more
14 architects who are licensed by the board of technical professions; or (iii) not maintaining an office
15 in Kansas, but which is qualified to perform special architectural services that are required in
16 special cases where in the judgment of the board of regents it is necessary to go outside the state
17 to obtain such services; (B) with respect to engineering services or land surveying, an individual,
18 firm, partnership, corporation, association, or other legal entity permitted by law to practice the
19 profession of engineering and provide engineering services or practice the profession of land
20 surveying and provide land surveying services, respectively; (C) with respect to construction
21 management at risk services, a qualified individual, firm, partnership, corporation, association, or

1 other legal entity permitted by law to perform construction management at risk services; (D) with
2 respect to ancillary technical services or other services that are determined by the board of regents
3 to be required for a project, a qualified individual, firm, partnership, corporation, association, or
4 other legal entity permitted by law to practice the required profession or perform the other required
5 services, as determined by the board of regents; and (E) with respect to construction services, a
6 qualified individual, firm, partnership, corporation, association, or other legal entity permitted by
7 law to perform construction services for a project;

8 (8) "land surveying" means those services described in subsection (j) of K.S.A. 74-7003,
9 and amendments thereto;

10 (9) "negotiating committee" means the board of directors of the subsidiary corporation
11 formed under section 5, and amendments thereto;

12 (10) "project" means (A) the project for the KSU food safety and security research facility,
13 (B) the project for the KUMC biomedical research facility, (C) the project for the WSU
14 engineering complex expansion and research laboratory, or (D) the project for the acquisition and
15 installation of equipment for the KU biosciences research building, which are funded from the
16 proceeds of the bonds authorized to be issued under section 7, and amendments thereto, within the
17 limitation of \$110,000,000, in the aggregate, plus all amounts required for costs of any bond
18 issuance, costs of interest on any bond issued or obtained for such scientific research and
19 development facilities and any required reserves for payment of principal and interest on any such
20 bond, and from any moneys received as gifts, grants or otherwise from any public or private non-
21 state source;

1 (11) "project services" means architectural services, engineering services, land surveying,
2 construction management at risk services, construction services, ancillary technical services or
3 other construction-related services determined by the board of regents to be required for a project;
4 and

5 (12) "state building advisory commission" means the state building advisory commission
6 created by K.S.A. 75-3780, and amendments thereto.

7 (b) The board of regents, when acting under authority of this act, and each project
8 authorized by the board of regents under this act are exempt from the provisions of K.S.A. 75-
9 1269, 75-3738 through 75-3741b, 75-3742 through 75-3744, and 75-3783, and amendments
10 thereto, except as otherwise specifically provided by this act.

11 (c) Notwithstanding the provisions of K.S.A. 75-3738 through 75-3744, and amendments
12 thereto, or the provisions of any other statute to the contrary, all contracts for any supplies,
13 materials or equipment for a project authorized by the board of regents under this act, shall be
14 entered into in accordance with procurement procedures determined by the board of regents,
15 subject to the provisions of this section, except that, in the discretion of the board of regents, any
16 such contract may be entered into in the manner provided in and subject to the provisions of any
17 such statute otherwise applicable thereto.

18 (d) When it is necessary in the judgement of the board of regents to obtain project services
19 for a particular project by conducting negotiations therefor, the board of regents shall publish a
20 notice of the commencement of negotiations for the required project services at least 15 days prior
21 to the commencement of such negotiations in the Kansas register in accordance with K.S.A. 75-

1 430a, and amendments thereto, and in such other appropriate manner as may be determined by the
2 board of regents.

3 (e)(1) Notwithstanding the provisions of subsection (b) of K.S.A. 75-1251, and amendments
4 thereto, or the provisions of any other statute to the contrary, as used in K.S.A. 75-1250 through
5 75-1270, and amendments thereto, with respect to the procurement of architectural services for
6 a project authorized by the board of regents under this act, "negotiating committee" shall mean the
7 board of directors of the of the subsidiary corporation formed under section 5, and amendments
8 thereto, and such board of directors shall negotiate a contract with a firm to provide any required
9 architectural services for the project in accordance with the provisions of K.S.A. 75-1250 through
10 75-1270, and amendments thereto, except that no limitation on the fees for architectural services
11 for the project shall apply to the fees negotiated by the board of directors for such architectural
12 services.

13 (2) Notwithstanding the provisions of subsection (e) of K.S.A. 75-5802, and amendments
14 thereto, or the provisions of any other statute to the contrary, as used in K.S.A. 75-5801 through
15 75-5807, and amendments thereto, with respect to the procurement of engineering services or land
16 surveying services for a project authorized by the board of regents under this act, "negotiating
17 committee" shall mean the board of directors of the of the subsidiary corporation formed under
18 section 5, and amendments thereto, and such board of directors shall negotiate a contract with a
19 firm to provide any required engineering services or land surveying services for the project in
20 accordance with the provisions of K.S.A. 75-5801 through 75-5807, and amendments thereto.

21 (3) In any case of a conflict between the provisions of this section and the provisions of

1 K.S.A. 75-1250 through 75-1270, or 75-5801 through 75-5807, and amendments thereto, with
2 respect to a project authorized by the board of regents under this act, the provisions of this section
3 shall govern.

4 (f)(1) For the procurement of construction management at risk services for projects under
5 this act, the secretary of administration shall encourage firms engaged in the performance of
6 construction management at risk services to submit annually to the secretary of administration and
7 to the state building advisory commission a statement of qualifications and performance data. Each
8 statement shall include data relating to (A) the firm's capacity and experience, including
9 experience on similar or related projects, (B) the capabilities and other qualifications of the firm's
10 personnel, and (C) performance data of all consultants the firm proposes to use.

11 (2) Whenever the board of regents determines that a construction manager at risk is
12 required for a project under this act, the board of regents shall notify the state building advisory
13 commission and the state building advisory commission shall prepare a list of at least three and
14 not more than five firms which are, in the opinion of the state building advisory commission,
15 qualified to serve as construction manager at risk for the project. Such list shall be submitted to
16 the negotiating committee, without any recommendation of preference or other recommendation.
17 The negotiating committee shall have access to statements of qualifications of and performance
18 data on the firms listed by the state building advisory commission and all information and
19 evaluations regarding such firms gathered and developed by the secretary of administration under
20 K.S.A. 75-3783, and amendments thereto.

21 (3) The negotiating committee shall conduct discussions with each of the firms so listed

1 regarding the project. The negotiating committee shall determine which construction management
2 at risk services are desired and then shall proceed to negotiate with and attempt to enter into a
3 contract with the firm considered to be most qualified to serve as construction manager at risk for
4 the project. The negotiating committee shall proceed in accordance with the same process with
5 which negotiations are undertaken to contract with a firm to be a project architect under K.S.A.
6 75-1257, and amendments thereto, to the extent that such provisions can be made to apply. Should
7 the negotiating committee be unable to negotiate a satisfactory contract with the firm considered
8 to be most qualified, negotiations with that firm shall be terminated and shall undertake
9 negotiations with the second most qualified firm, and so forth, in accordance with that statute.

10 (4) The contract to perform construction management at risk services for a project shall be
11 prepared by the division of facilities management and entered into by the board of regents with
12 the firm contracting to perform such construction management at risk services.

13 (g) (1) To assist in the procurement of construction services for projects under this act, the
14 secretary of administration shall encourage firms engaged in the performance of construction
15 services to submit annually to the secretary of administration and to the state building advisory
16 commission a statement of qualifications and performance data. Each statement shall include data
17 relating to (A) the firm's capacity and experience, including experience on similar or related
18 projects, (B) the capabilities and other qualifications of the firm's personnel, (C) performance data
19 of all subcontractors the firm proposes to use, and (D) such other information related to the
20 qualifications and capability of the firm to perform construction services for projects as may be
21 prescribed by the secretary of administration.

1 (2) The construction manager at risk shall publish a construction services bid notice in the
2 Kansas register and in such other appropriate manner as may be determined by the board of
3 regents. Each construction services bid notice shall include the request for bids and other bidding
4 information prepared by the construction manager at risk and the state board of regents with the
5 assistance of the division of facilities management. The current statements of qualifications of and
6 performance data on the firms submitting bid proposals shall be made available to the construction
7 manager at risk and the board of regents by the state building advisory commission along with all
8 information and evaluations developed regarding such firms by the secretary of administration
9 under K.S.A. 75-3783, and amendments thereto. At the time for opening the bids, the construction
10 manager at risk shall evaluate the bids and shall determine the lowest responsible bidder. The
11 construction manager at risk shall enter into contracts with each firm performing the construction
12 services for the project and make a public announcement of each firm selected in accordance with
13 this subsection.

14 (h)The division of facilities management shall provide such information and assistance as
15 may be requested by the board of regents or the negotiating committee for a project, including all
16 or part of any project services as requested by the board of regents, and (1) shall prepare the
17 request for proposals and publication information for each publication of notice under this section,
18 subject to the provisions of this section, (2) shall prepare each contract for project services for a
19 project, including each contract for construction services for a project, (3) shall conduct design
20 development reviews for each project, (4) shall review and approve all construction documents
21 for a project prior to soliciting bids or otherwise soliciting proposals from construction contractors

1 or construction service providers for a project, (5) shall obtain and maintain copies of construction
2 documents for each project, and (6) shall conduct periodic inspections of each project, including
3 jointly conducting the final inspection of each project.

4 (i) Notwithstanding the provisions of any other statute, the board of regents shall enter into
5 one or more contracts with the division of facilities management for each project for the services
6 performed by the division of facilities management for the project as required by this section or
7 at the request of the board of regents. The division of facilities management shall receive fees from
8 the board of regents to recover the costs incurred to provide such services pursuant to such
9 contracts.

10 (j) Design development reviews and construction document reviews conducted by the
11 division of facilities management shall be limited to ensuring only that the construction documents
12 do not change the project description and that the construction documents comply with the
13 standards established under K.S.A. 75-3783, and amendments thereto, by the secretary of
14 administration for the planning, design and construction of buildings and major repairs and
15 improvements to buildings for state agencies, including applicable building and life safety codes
16 and appropriate and practical energy conservation and efficiency standards.

17 (k) Each project for a state educational institution shall receive a final joint inspection by
18 the division of facilities management and the board of regents. Each such project shall be officially
19 accepted by the board of regents before such project is occupied or utilized by the state educational
20 institution, unless otherwise agreed to in writing by the contractor and the board of regents as to
21 the satisfactory completion of the work on part of the project that is to be occupied and utilized,

1 including any corrections of the work thereon.

2 (1)(1)The board of regents shall issue monthly reports of progress on each project and shall
3 advise and consult with the joint committee on state building construction regarding each project.
4 Change orders and changes of plans for a project shall be authorized or approved by the board of
5 regents.

6 (2) No change order or change of plans for a project involving either cost increases of
7 \$75,000 or more or involving a change in the proposed use of a project shall be authorized or
8 approved by the board of regents without having first advised and consulted with the joint
9 committee on state building construction .

10 (3) Change orders or changes in plans for a project involving a cost increase of less than
11 \$75,000 and any change order involving a cost reduction, other than a change in the proposed use
12 of the project, may be authorized or approved by the board of regents without prior consultation
13 with the joint committee on state building construction. The board of regents shall report to the
14 joint committee on state building construction all action relating to such change orders or changes
15 in plans.

16 (4) If the board of regents determines that it is in the best interest of the state to authorize
17 or approve a change order, a change in plans or a change in the proposed use of any project that
18 the board of regents is required to first advise and consult with the joint committee on state
19 building construction prior to issuing such approval and if no meeting of the joint committee is
20 scheduled to take place within the next 10 business days, then the board of regents may use the
21 procedure authorized by subsection (d) of K.S.A. 75-1264, and amendments thereto, in lieu of

1 advising and consulting with the joint committee at a meeting. In any such case, the board of
2 regents shall mail a summary description of the proposed change order, change in plans or change
3 in the proposed use of any project to each member of the joint committee on state building
4 construction and to the director of the legislative research department. If the board of regents
5 provides notice and information to the members of the joint committee and to such director in the
6 manner required and subject to the same provisions and conditions that apply to the secretary of
7 administration under such statute, and if less than two members of the joint committee contact the
8 director of the legislative research department within seven business days of the date the summary
9 description was mailed and request a presentation and review of any such proposed change order,
10 change in plans or change in use at a meeting of the joint committee, then the board of regents
11 shall be deemed to have advised and consulted with the joint committee about such proposed
12 change order, change in plans or change in proposed use and may authorize or approve such
13 proposed change order, change in plans or change in proposed use.

14 (m) The provisions of this section shall apply to each project authorized by the board of
15 regents under this act and shall not apply to any other capital improvement project of the board of
16 regents or of any state educational institution that is specifically authorized by any other statute.”;

17



KANSAS

KANSAS DEVELOPMENT FINANCE AUTHORITY

February 13, 2002

Honorable Kenny Wilk & Members of the
House Appropriations Committee
Capitol Building – Room 514S
Topeka, Kansas 66612

RE: House Bill No. 2690

Dear Members of the Committee:

At the Committee meeting on Tuesday you requested additional information which we are pleased to provide. First, you inquired about additional language limiting the Legislature's commitment to \$50,000,000. You will note the time frame of 5 years or 6 years has been eliminated given the uncertainty of the beginning dates of each of the institutions facilities.

Additionally, it is our intent to contractually bind the Board of Regents to the \$50,000,000 direct appropriation limit. The suggested amendment is enclosed and has previously been provided to Revisor Wilson.

Additionally, you may wish to consider in the annual appropriations bill specific provisos in each institution receiving bond authority which further recognizes the institution's responsibility beyond the \$50,000,000.

You have requested a pro forma amortization which is also enclosed. The assumptions for these pro forma amortizations is as follows:

- 1) \$110,000,000 Bond Authority
- 2) \$115,000,000 Bond Authority
- 3) \$120,000,000 Bond Authority
- 4) The true interest cost is 4.97%
- 5) The duration of the bond issue is 20 years
- 6) These bonds would be University Revenue Bonds. (A lease appropriation bond would eliminate the debt service reserve funds which would further reduce the costs.)

HOUSE APPROPRIATIONS

DATE 2/20/02
ATTACHMENT 8

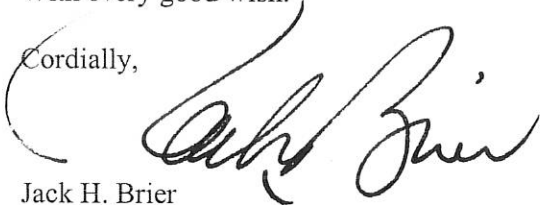
- 7) One-half of the funds will be borrowed January 1, 2003, and the interest will be capitalized until fiscal year 2005
- 8) The other half of the funds authorized will be borrowed January 1, 2004, and the interest will be capitalized until fiscal year 2006

These assumptions are based on today's interest rate environment, which at the shorter end, have backed up. The interest rate environment January 1, 2003 and January 1, 2004 is largely conjecture at this point, but the issue size will ultimately be driven by the \$50,000,000 in appropriations and any of the university's additional assets which they may use.

If you have further questions or if I can be of additional assistance, please advise.

With every good wish.

Cordially,



Jack H. Brier
President

Enclosure

House Bill 2690

Section 7(a)(3)

Addition of a new paragraph:

Upon acceptance by the board of regents of each project initiated and completed under this act and upon a determination by the board of regents that the period for repayment of debt for such project is to commence, the board of regents shall certify to the director of accounts and reports that principal and interest payments for such project are to commence and the dates and amounts of all principal and interest payments for such project. Pursuant to each such certification, the director of accounts shall transfer, from the state general fund to the debt service fund or funds at a state educational institution as specified in the certification for such project, the amount certified on or before the respective payment date therefore. Transfers shall be made under this section pursuant to any such certification on or after July 1, 2003. The aggregate of all such transfers from the state general fund during any fiscal year shall not exceed \$10,000,000 and the aggregate of all such transfers from the state general fund under this section shall not exceed \$50,000,000.

\$64,990,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
\$55m dated 01.15.03 capitalized int until FY05

SOURCES & USES

Dated 01/15/2003

Delivered 02/01/2003

SOURCES OF FUNDS

Par Amount of Bonds.....	\$64,990,000.00
Accrued Interest from 01/15/2003 to 02/01/2003.....	133,946.22
TOTAL SOURCES.....	\$65,123,946.22

USES OF FUNDS

Total Underwriter's Discount (0.750%).....	487,425.00
Costs of Issuance.....	812,375.00
Deposit to Debt Service Fund.....	133,946.22
Deposit to Debt Service Reserve Fund (DSRF).....	5,173,790.00
Deposit to Capitalized Interest (CIF) Fund.....	3,516,088.34
Deposit to Project Construction Fund.....	55,000,000.08
Rounding Amount.....	321.58
TOTAL USES.....	\$65,123,946.22

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

Kansas Development Finance Authority
 ALJ

capitalized int until FY05- SINGLE PURPOSE
 2/12/2002 2:55 PM

\$64,990,000 Kansas Development Finance Authority Revenue Bonds

University Research and Development
\$55m dated 01.15.03 capitalized int until FY05

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
2/01/2003	-	-	-	-	-	-	-	-	-
4/01/2003	-	-	-	-	(41,744.97)	-	-	(41,744.97)	-
6/30/2003	-	-	-	-	-	-	-	-	(41,744.97)
10/01/2003	-	-	2,143,139.56	2,143,139.56	(126,248.09)	(2,204,099.86)	(778,938.94)	(966,147.33)	-
4/01/2004	-	-	1,506,895.00	1,506,895.00	(126,248.09)	(1,525,731.19)	(384,719.84)	(529,804.12)	-
6/30/2004	-	-	-	-	-	-	-	-	(1,495,951.45)
10/01/2004	2,160,000.00	2.600%	1,506,895.00	3,666,895.00	(126,248.09)	-	(213,733.25)	3,326,913.66	-
4/01/2005	-	-	1,478,815.00	1,478,815.00	(126,248.09)	-	(47,496.36)	1,305,070.55	-
6/30/2005	-	-	-	-	-	-	-	-	4,631,984.21
10/01/2005	2,215,000.00	3.100%	1,478,815.00	3,693,815.00	(126,248.09)	-	-	3,567,566.91	-
4/01/2006	-	-	1,444,482.50	1,444,482.50	(126,248.09)	-	-	1,318,234.41	-
6/30/2006	-	-	-	-	-	-	-	-	4,885,801.32
10/01/2006	2,280,000.00	3.400%	1,444,482.50	3,724,482.50	(126,248.09)	-	-	3,598,234.41	-
4/01/2007	-	-	1,405,722.50	1,405,722.50	(126,248.09)	-	-	1,279,474.41	-
6/30/2007	-	-	-	-	-	-	-	-	4,877,708.82
10/01/2007	2,360,000.00	3.800%	1,405,722.50	3,765,722.50	(126,248.09)	-	-	3,639,474.41	-
4/01/2008	-	-	1,360,882.50	1,360,882.50	(126,248.09)	-	-	1,234,634.41	-
6/30/2008	-	-	-	-	-	-	-	-	4,874,108.82
10/01/2008	2,450,000.00	4.000%	1,360,882.50	3,810,882.50	(126,248.09)	-	-	3,684,634.41	-
4/01/2009	-	-	1,311,882.50	1,311,882.50	(126,248.09)	-	-	1,185,634.41	-
6/30/2009	-	-	-	-	-	-	-	-	4,870,268.82
10/01/2009	2,550,000.00	4.200%	1,311,882.50	3,861,882.50	(126,248.09)	-	-	3,735,634.41	-
4/01/2010	-	-	1,258,332.50	1,258,332.50	(126,248.09)	-	-	1,132,084.41	-
6/30/2010	-	-	-	-	-	-	-	-	4,867,718.82
10/01/2010	2,655,000.00	4.300%	1,258,332.50	3,913,332.50	(126,248.09)	-	-	3,787,084.41	-
4/01/2011	-	-	1,201,250.00	1,201,250.00	(126,248.09)	-	-	1,075,001.91	-
6/30/2011	-	-	-	-	-	-	-	-	4,862,086.32
10/01/2011	2,770,000.00	4.400%	1,201,250.00	3,971,250.00	(126,248.09)	-	-	3,845,001.91	-
4/01/2012	-	-	1,140,310.00	1,140,310.00	(126,248.09)	-	-	1,014,061.91	-
6/30/2012	-	-	-	-	-	-	-	-	4,859,063.82
10/01/2012	2,890,000.00	4.500%	1,140,310.00	4,030,310.00	(126,248.09)	-	-	3,904,061.91	-
4/01/2013	-	-	1,075,285.00	1,075,285.00	(126,248.09)	-	-	949,036.91	-
6/30/2013	-	-	-	-	-	-	-	-	4,853,098.82
10/01/2013	3,020,000.00	4.600%	1,075,285.00	4,095,285.00	(126,248.09)	-	-	3,969,036.91	-
4/01/2014	-	-	1,005,825.00	1,005,825.00	(126,248.09)	-	-	879,576.91	-
6/30/2014	-	-	-	-	-	-	-	-	4,848,613.82
10/01/2014	3,160,000.00	4.700%	1,005,825.00	4,165,825.00	(126,248.09)	-	-	4,039,576.91	-
4/01/2015	-	-	931,565.00	931,565.00	(126,248.09)	-	-	805,316.91	-
6/30/2015	-	-	-	-	-	-	-	-	4,844,893.82
10/01/2015	3,310,000.00	4.800%	931,565.00	4,241,565.00	(126,248.09)	-	-	4,115,316.91	-
4/01/2016	-	-	852,125.00	852,125.00	(126,248.09)	-	-	725,876.91	-
6/30/2016	-	-	-	-	-	-	-	-	4,841,193.82
10/01/2016	3,465,000.00	4.900%	852,125.00	4,317,125.00	(126,248.09)	-	-	4,190,876.91	-
4/01/2017	-	-	767,232.50	767,232.50	(126,248.09)	-	-	640,984.41	-

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

\$64,990,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$55m dated 01.15.03 capitalized int until FY05

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
6/30/2017	-	-	-	-	-	-	-	-	4,831,861.32
10/01/2017	3,635,000.00	5.000%	767,232.50	4,402,232.50	(126,248.09)	-	-	4,275,984.41	-
4/01/2018	-	-	676,357.50	676,357.50	(126,248.09)	-	-	550,109.41	-
6/30/2018	-	-	-	-	-	-	-	-	4,826,093.82
10/01/2018	3,820,000.00	5.100%	676,357.50	4,496,357.50	(126,248.09)	-	-	4,370,109.41	-
4/01/2019	-	-	578,947.50	578,947.50	(126,248.09)	-	-	452,699.41	-
6/30/2019	-	-	-	-	-	-	-	-	4,822,808.82
10/01/2019	4,015,000.00	5.100%	578,947.50	4,593,947.50	(126,248.09)	-	-	4,467,699.41	-
4/01/2020	-	-	476,565.00	476,565.00	(126,248.09)	-	-	350,316.91	-
6/30/2020	-	-	-	-	-	-	-	-	4,818,016.32
10/01/2020	4,220,000.00	5.200%	476,565.00	4,696,565.00	(126,248.09)	-	-	4,570,316.91	-
4/01/2021	-	-	366,845.00	366,845.00	(126,248.09)	-	-	240,596.91	-
6/30/2021	-	-	-	-	-	-	-	-	4,810,913.82
10/01/2021	4,435,000.00	5.200%	366,845.00	4,801,845.00	(126,248.09)	-	-	4,675,596.91	-
4/01/2022	-	-	251,535.00	251,535.00	(126,248.09)	-	-	125,286.91	-
6/30/2022	-	-	-	-	-	-	-	-	4,800,883.82
10/01/2022	4,670,000.00	5.200%	251,535.00	4,921,535.00	(126,248.09)	-	-	4,795,286.91	-
4/01/2023	-	-	130,115.00	130,115.00	(126,248.09)	-	-	3,866.91	-
6/30/2023	-	-	-	-	-	-	-	-	4,799,153.82
10/01/2023	4,910,000.00	5.300%	130,115.00	5,040,115.00	(5,300,038.09)	-	-	(259,923.09)	-
6/30/2024	-	-	-	-	-	-	-	-	(259,923.09)
Total	64,990,000.00	-	40,585,079.56	105,575,079.56	(10,391,706.66)	(3,729,831.05)	(1,424,888.39)	90,028,653.46	-

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

Kansas Development Finance Authority
ALJ

File = UNIVERSITY RESEARCH.SF-\$55m dated 01.15.03 capitalized int until FY05- SINGLE PURPOSE
2/12/2002 2:55 PM

\$65,135,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
\$55m dated 01.15.04 capitalized int until FY06

SOURCES & USES

Dated 01/15/2004

Delivered 02/01/2004

SOURCES OF FUNDS

Par Amount of Bonds.....	\$65,135,000.00
Accrued Interest from 01/15/2004 to 02/01/2004.....	137,579.78
TOTAL SOURCES.....	\$65,272,579.78

USES OF FUNDS

Total Underwriter's Discount (0.750%).....	488,512.50
Costs of Issuance.....	814,187.50
Deposit to Debt Service Fund.....	137,579.78
Deposit to Debt Service Reserve Fund (DSRF).....	5,218,375.00
Deposit to Capitalized Interest (CIF) Fund.....	3,611,469.16
Deposit to Project Construction Fund.....	55,000,000.08
Rounding Amount.....	2,455.76
TOTAL USES.....	\$65,272,579.78

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

Kansas Development Finance Authority
 ALJ

capitalized int until FY06- SINGLE PURPOSE
 2/12/2002 2:55 PM

\$65,135,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$55m dated 01.15.04 capitalized int until FY06

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
2/01/2004	-	-	-	-	-	-	-	-	-
4/01/2004	-	-	-	-	(42,764.92)	-	-	(42,764.92)	-
6/30/2004	-	-	-	-	-	-	-	-	(42,764.92)
10/01/2004	-	-	2,201,276.44	2,201,276.44	(129,349.01)	(2,263,890.40)	(778,938.94)	(970,901.91)	-
4/01/2005	-	-	1,547,772.50	1,547,772.50	(129,349.01)	(1,567,119.66)	(384,719.84)	(533,416.01)	-
6/30/2005	-	-	-	-	-	-	-	-	(1,504,317.92)
10/01/2005	2,120,000.00	3.100%	1,547,772.50	3,667,772.50	(129,349.01)	-	(213,733.25)	3,324,690.24	-
4/01/2006	-	-	1,514,912.50	1,514,912.50	(129,349.01)	-	(47,496.36)	1,338,067.13	-
6/30/2006	-	-	-	-	-	-	-	-	4,662,757.37
10/01/2006	2,185,000.00	3.400%	1,514,912.50	3,699,912.50	(129,349.01)	-	-	3,570,563.49	-
4/01/2007	-	-	1,477,767.50	1,477,767.50	(129,349.01)	-	-	1,348,418.49	-
6/30/2007	-	-	-	-	-	-	-	-	4,918,981.98
10/01/2007	2,260,000.00	3.800%	1,477,767.50	3,737,767.50	(129,349.01)	-	-	3,608,418.49	-
4/01/2008	-	-	1,434,827.50	1,434,827.50	(129,349.01)	-	-	1,305,478.49	-
6/30/2008	-	-	-	-	-	-	-	-	4,913,896.98
10/01/2008	2,345,000.00	4.000%	1,434,827.50	3,779,827.50	(129,349.01)	-	-	3,650,478.49	-
4/01/2009	-	-	1,387,927.50	1,387,927.50	(129,349.01)	-	-	1,258,578.49	-
6/30/2009	-	-	-	-	-	-	-	-	4,909,056.98
10/01/2009	2,440,000.00	4.200%	1,387,927.50	3,827,927.50	(129,349.01)	-	-	3,698,578.49	-
4/01/2010	-	-	1,336,687.50	1,336,687.50	(129,349.01)	-	-	1,207,338.49	-
6/30/2010	-	-	-	-	-	-	-	-	4,905,916.98
10/01/2010	2,545,000.00	4.300%	1,336,687.50	3,881,687.50	(129,349.01)	-	-	3,752,338.49	-
4/01/2011	-	-	1,281,970.00	1,281,970.00	(129,349.01)	-	-	1,152,620.99	-
6/30/2011	-	-	-	-	-	-	-	-	4,904,959.48
10/01/2011	2,650,000.00	4.400%	1,281,970.00	3,931,970.00	(129,349.01)	-	-	3,802,620.99	-
4/01/2012	-	-	1,223,670.00	1,223,670.00	(129,349.01)	-	-	1,094,320.99	-
6/30/2012	-	-	-	-	-	-	-	-	4,896,941.98
10/01/2012	2,770,000.00	4.500%	1,223,670.00	3,993,670.00	(129,349.01)	-	-	3,864,320.99	-
4/01/2013	-	-	1,161,345.00	1,161,345.00	(129,349.01)	-	-	1,031,995.99	-
6/30/2013	-	-	-	-	-	-	-	-	4,896,316.98
10/01/2013	2,895,000.00	4.600%	1,161,345.00	4,056,345.00	(129,349.01)	-	-	3,926,995.99	-
4/01/2014	-	-	1,094,760.00	1,094,760.00	(129,349.01)	-	-	965,410.99	-
6/30/2014	-	-	-	-	-	-	-	-	4,892,406.98
10/01/2014	3,025,000.00	4.700%	1,094,760.00	4,119,760.00	(129,349.01)	-	-	3,990,410.99	-
4/01/2015	-	-	1,023,672.50	1,023,672.50	(129,349.01)	-	-	894,323.49	-
6/30/2015	-	-	-	-	-	-	-	-	4,884,734.48
10/01/2015	3,170,000.00	4.800%	1,023,672.50	4,193,672.50	(129,349.01)	-	-	4,064,323.49	-
4/01/2016	-	-	947,592.50	947,592.50	(129,349.01)	-	-	818,243.49	-
6/30/2016	-	-	-	-	-	-	-	-	4,882,566.98
10/01/2016	3,320,000.00	4.900%	947,592.50	4,267,592.50	(129,349.01)	-	-	4,138,243.49	-
4/01/2017	-	-	866,252.50	866,252.50	(129,349.01)	-	-	736,903.49	-
6/30/2017	-	-	-	-	-	-	-	-	4,875,146.98
10/01/2017	3,485,000.00	5.000%	866,252.50	4,351,252.50	(129,349.01)	-	-	4,221,903.49	-
4/01/2018	-	-	779,127.50	779,127.50	(129,349.01)	-	-	649,778.49	-

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

\$65,135,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$55m dated 01.15.04 capitalized int until FY06

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
6/30/2018	-	-	-	-	-	-	-	-	4,871,681.98
10/01/2018	3,660,000.00	5.100%	779,127.50	4,439,127.50	(129,349.01)	-	-	4,309,778.49	-
4/01/2019	-	-	685,797.50	685,797.50	(129,349.01)	-	-	556,448.49	-
6/30/2019	-	-	-	-	-	-	-	-	4,866,226.98
10/01/2019	3,845,000.00	5.100%	685,797.50	4,530,797.50	(129,349.01)	-	-	4,401,448.49	-
4/01/2020	-	-	587,750.00	587,750.00	(129,349.01)	-	-	458,400.99	-
6/30/2020	-	-	-	-	-	-	-	-	4,859,849.48
10/01/2020	4,040,000.00	5.200%	587,750.00	4,627,750.00	(129,349.01)	-	-	4,498,400.99	-
4/01/2021	-	-	482,710.00	482,710.00	(129,349.01)	-	-	353,360.99	-
6/30/2021	-	-	-	-	-	-	-	-	4,851,761.98
10/01/2021	4,250,000.00	5.200%	482,710.00	4,732,710.00	(129,349.01)	-	-	4,603,360.99	-
4/01/2022	-	-	372,210.00	372,210.00	(129,349.01)	-	-	242,860.99	-
6/30/2022	-	-	-	-	-	-	-	-	4,846,221.98
10/01/2022	4,470,000.00	5.200%	372,210.00	4,842,210.00	(129,349.01)	-	-	4,712,860.99	-
4/01/2023	-	-	255,990.00	255,990.00	(129,349.01)	-	-	126,640.99	-
6/30/2023	-	-	-	-	-	-	-	-	4,839,501.98
10/01/2023	4,705,000.00	5.300%	255,990.00	4,960,990.00	(129,349.01)	-	-	4,831,640.99	-
4/01/2024	-	-	131,307.50	131,307.50	(129,349.01)	-	-	1,958.49	-
6/30/2024	-	-	-	-	-	-	-	-	4,833,599.48
10/01/2024	4,955,000.00	5.300%	131,307.50	5,086,307.50	(5,347,724.01)	-	-	(261,416.51)	-
6/30/2025	-	-	-	-	-	-	-	-	(261,416.51)
Total	65,135,000.00	-	41,389,376.44	106,524,376.44	(10,564,449.33)	(3,831,010.06)	(1,424,888.39)	90,704,028.66	-

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

\$67,945,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$57.5 m dated 01.15.03 capitalized int until FY05

SOURCES & USES

Dated 01/15/2003

Delivered 02/01/2003

SOURCES OF FUNDS

Par Amount of Bonds.....	\$67,945,000.00
Accrued Interest from 01/15/2003 to 02/01/2003.....	140,039.33
TOTAL SOURCES.....	\$68,085,039.33

USES OF FUNDS

Total Underwriter's Discount (0.750%).....	509,587.50
Costs of Issuance.....	849,312.50
Deposit to Debt Service Fund.....	140,039.33
Deposit to Debt Service Reserve Fund (DSRF).....	5,409,400.00
Deposit to Capitalized Interest (CIF) Fund.....	3,676,032.50
Deposit to Project Construction Fund.....	57,500,000.00
Rounding Amount.....	667.50
TOTAL USES.....	\$68,085,039.33

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

Kansas Development Finance Authority
 ALJ

capitalized int until FY05- SINGLE PURPOSE
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\$67,945,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$57.5 m dated 01.15.03 capitalized int until FY05

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
2/01/2003	-	-	-	-	-	-	-	-	-
4/01/2003	-	-	-	-	(43,646.16)	-	-	(43,646.16)	-
6/30/2003	-	-	-	-	-	-	-	-	(43,646.16)
10/01/2003	-	-	2,240,629.33	2,240,629.33	(131,997.79)	(2,304,362.66)	(814,345.28)	(1,010,076.40)	-
4/01/2004	-	-	1,575,442.50	1,575,442.50	(131,997.79)	(1,595,135.53)	(402,207.12)	(553,897.94)	-
6/30/2004	-	-	-	-	-	-	-	-	(1,563,974.34)
10/01/2004	2,255,000.00	2.600%	1,575,442.50	3,830,442.50	(131,997.79)	-	(223,448.40)	3,474,996.31	-
4/01/2005	-	-	1,546,127.50	1,546,127.50	(131,997.79)	-	(49,655.20)	1,364,474.51	-
6/30/2005	-	-	-	-	-	-	-	-	4,839,470.82
10/01/2005	2,315,000.00	3.100%	1,546,127.50	3,861,127.50	(131,997.79)	-	-	3,729,129.71	-
4/01/2006	-	-	1,510,245.00	1,510,245.00	(131,997.79)	-	-	1,378,247.21	-
6/30/2006	-	-	-	-	-	-	-	-	5,107,376.92
10/01/2006	2,385,000.00	3.400%	1,510,245.00	3,895,245.00	(131,997.79)	-	-	3,763,247.21	-
4/01/2007	-	-	1,469,700.00	1,469,700.00	(131,997.79)	-	-	1,337,702.21	-
6/30/2007	-	-	-	-	-	-	-	-	5,100,949.42
10/01/2007	2,470,000.00	3.800%	1,469,700.00	3,939,700.00	(131,997.79)	-	-	3,807,702.21	-
4/01/2008	-	-	1,422,770.00	1,422,770.00	(131,997.79)	-	-	1,290,772.21	-
6/30/2008	-	-	-	-	-	-	-	-	5,098,474.42
10/01/2008	2,560,000.00	4.000%	1,422,770.00	3,982,770.00	(131,997.79)	-	-	3,850,772.21	-
4/01/2009	-	-	1,371,570.00	1,371,570.00	(131,997.79)	-	-	1,239,572.21	-
6/30/2009	-	-	-	-	-	-	-	-	5,090,344.42
10/01/2009	2,665,000.00	4.200%	1,371,570.00	4,036,570.00	(131,997.79)	-	-	3,904,572.21	-
4/01/2010	-	-	1,315,605.00	1,315,605.00	(131,997.79)	-	-	1,183,607.21	-
6/30/2010	-	-	-	-	-	-	-	-	5,088,179.42
10/01/2010	2,775,000.00	4.300%	1,315,605.00	4,090,605.00	(131,997.79)	-	-	3,958,607.21	-
4/01/2011	-	-	1,255,942.50	1,255,942.50	(131,997.79)	-	-	1,123,944.71	-
6/30/2011	-	-	-	-	-	-	-	-	5,082,551.92
10/01/2011	2,895,000.00	4.400%	1,255,942.50	4,150,942.50	(131,997.79)	-	-	4,018,944.71	-
4/01/2012	-	-	1,192,252.50	1,192,252.50	(131,997.79)	-	-	1,060,254.71	-
6/30/2012	-	-	-	-	-	-	-	-	5,079,199.42
10/01/2012	3,020,000.00	4.500%	1,192,252.50	4,212,252.50	(131,997.79)	-	-	4,080,254.71	-
4/01/2013	-	-	1,124,302.50	1,124,302.50	(131,997.79)	-	-	992,304.71	-
6/30/2013	-	-	-	-	-	-	-	-	5,072,559.42
10/01/2013	3,160,000.00	4.600%	1,124,302.50	4,284,302.50	(131,997.79)	-	-	4,152,304.71	-
4/01/2014	-	-	1,051,622.50	1,051,622.50	(131,997.79)	-	-	919,624.71	-
6/30/2014	-	-	-	-	-	-	-	-	5,071,929.42
10/01/2014	3,305,000.00	4.700%	1,051,622.50	4,356,622.50	(131,997.79)	-	-	4,224,624.71	-
4/01/2015	-	-	973,955.00	973,955.00	(131,997.79)	-	-	841,957.21	-
6/30/2015	-	-	-	-	-	-	-	-	5,066,581.92
10/01/2015	3,460,000.00	4.800%	973,955.00	4,433,955.00	(131,997.79)	-	-	4,301,957.21	-
4/01/2016	-	-	890,915.00	890,915.00	(131,997.79)	-	-	758,917.21	-
6/30/2016	-	-	-	-	-	-	-	-	5,060,874.42
10/01/2016	3,625,000.00	4.900%	890,915.00	4,515,915.00	(131,997.79)	-	-	4,383,917.21	-
4/01/2017	-	-	802,102.50	802,102.50	(131,997.79)	-	-	670,104.71	-

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\$67,945,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$57.5 m dated 01.15.03 capitalized int until FY05

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
6/30/2017	-	-	-	-	-	-	-	-	5,054,021.92
10/01/2017	3,800,000.00	5.000%	802,102.50	4,602,102.50	(131,997.79)	-	-	4,470,104.71	-
4/01/2018	-	-	707,102.50	707,102.50	(131,997.79)	-	-	575,104.71	-
6/30/2018	-	-	-	-	-	-	-	-	5,045,209.42
10/01/2018	3,995,000.00	5.100%	707,102.50	4,702,102.50	(131,997.79)	-	-	4,570,104.71	-
4/01/2019	-	-	605,230.00	605,230.00	(131,997.79)	-	-	473,232.21	-
6/30/2019	-	-	-	-	-	-	-	-	5,043,336.92
10/01/2019	4,195,000.00	5.100%	605,230.00	4,800,230.00	(131,997.79)	-	-	4,668,232.21	-
4/01/2020	-	-	498,257.50	498,257.50	(131,997.79)	-	-	366,259.71	-
6/30/2020	-	-	-	-	-	-	-	-	5,034,491.92
10/01/2020	4,410,000.00	5.200%	498,257.50	4,908,257.50	(131,997.79)	-	-	4,776,259.71	-
4/01/2021	-	-	383,597.50	383,597.50	(131,997.79)	-	-	251,599.71	-
6/30/2021	-	-	-	-	-	-	-	-	5,027,859.42
10/01/2021	4,640,000.00	5.200%	383,597.50	5,023,597.50	(131,997.79)	-	-	4,891,599.71	-
4/01/2022	-	-	262,957.50	262,957.50	(131,997.79)	-	-	130,959.71	-
6/30/2022	-	-	-	-	-	-	-	-	5,022,559.42
10/01/2022	4,880,000.00	5.200%	262,957.50	5,142,957.50	(131,997.79)	-	-	5,010,959.71	-
4/01/2023	-	-	136,077.50	136,077.50	(131,997.79)	-	-	4,079.71	-
6/30/2023	-	-	-	-	-	-	-	-	5,015,039.42
10/01/2023	5,135,000.00	5.300%	136,077.50	5,271,077.50	(5,541,397.79)	-	-	(270,320.29)	-
6/30/2024	-	-	-	-	-	-	-	-	(270,320.29)
Total	67,945,000.00	-	42,432,179.33	110,377,179.33	(10,864,955.55)	(3,899,498.19)	(1,489,656.00)	94,123,069.59	-

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\$68,095,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$57.5m dated 01.15.04 capitalized int until FY06

SOURCES & USES

Dated 01/15/2004

Delivered 02/01/2004

SOURCES OF FUNDS	
Par Amount of Bonds.....	\$68,095,000.00
Accrued Interest from 01/15/2004 to 02/01/2004.....	143,830.44
TOTAL SOURCES.....	\$68,238,830.44
USES OF FUNDS	
Total Underwriter's Discount (0.750%).....	510,712.50
Costs of Issuance.....	851,187.50
Deposit to Debt Service Fund.....	143,830.44
Deposit to Debt Service Reserve Fund (DSRF).....	5,455,220.00
Deposit to Capitalized Interest (CIF) Fund.....	3,775,549.17
Deposit to Project Construction Fund.....	57,500,000.00
Rounding Amount.....	2,330.83
TOTAL USES.....	\$68,238,830.44

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Kansas Development Finance Authority
 ALJ

capitalized int until FY06- SINGLE PURPOSE
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\$68,095,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
\$57.5m dated 01.15.04 capitalized int until FY06

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
2/01/2004	-	-	-	-	-	-	-	-	-
4/01/2004	-	-	-	-	(44,705.61)	-	-	(44,705.61)	-
6/30/2004	-	-	-	-	-	-	-	-	(44,705.61)
10/01/2004	-	-	2,301,287.11	2,301,287.11	(135,218.91)	(2,366,745.82)	(814,345.28)	(1,015,022.90)	-
4/01/2005	-	-	1,618,092.50	1,618,092.50	(135,218.91)	(1,638,318.66)	(402,207.12)	(557,652.19)	-
6/30/2005	-	-	-	-	-	-	-	-	(1,572,675.09)
10/01/2005	2,215,000.00	3.100%	1,618,092.50	3,833,092.50	(135,218.91)	-	(223,448.40)	3,474,425.19	-
4/01/2006	-	-	1,583,760.00	1,583,760.00	(135,218.91)	-	(49,655.20)	1,398,885.89	-
6/30/2006	-	-	-	-	-	-	-	-	4,873,311.08
10/01/2006	2,285,000.00	3.400%	1,583,760.00	3,868,760.00	(135,218.91)	-	-	3,733,541.09	-
4/01/2007	-	-	1,544,915.00	1,544,915.00	(135,218.91)	-	-	1,409,696.09	-
6/30/2007	-	-	-	-	-	-	-	-	5,143,237.18
10/01/2007	2,365,000.00	3.800%	1,544,915.00	3,909,915.00	(135,218.91)	-	-	3,774,696.09	-
4/01/2008	-	-	1,499,980.00	1,499,980.00	(135,218.91)	-	-	1,364,761.09	-
6/30/2008	-	-	-	-	-	-	-	-	5,139,457.18
10/01/2008	2,455,000.00	4.000%	1,499,980.00	3,954,980.00	(135,218.91)	-	-	3,819,761.09	-
4/01/2009	-	-	1,450,880.00	1,450,880.00	(135,218.91)	-	-	1,315,661.09	-
6/30/2009	-	-	-	-	-	-	-	-	5,135,422.18
10/01/2009	2,550,000.00	4.200%	1,450,880.00	4,000,880.00	(135,218.91)	-	-	3,865,661.09	-
4/01/2010	-	-	1,397,330.00	1,397,330.00	(135,218.91)	-	-	1,262,111.09	-
6/30/2010	-	-	-	-	-	-	-	-	5,127,772.18
10/01/2010	2,660,000.00	4.300%	1,397,330.00	4,057,330.00	(135,218.91)	-	-	3,922,111.09	-
4/01/2011	-	-	1,340,140.00	1,340,140.00	(135,218.91)	-	-	1,204,921.09	-
6/30/2011	-	-	-	-	-	-	-	-	5,127,032.18
10/01/2011	2,770,000.00	4.400%	1,340,140.00	4,110,140.00	(135,218.91)	-	-	3,974,921.09	-
4/01/2012	-	-	1,279,200.00	1,279,200.00	(135,218.91)	-	-	1,143,981.09	-
6/30/2012	-	-	-	-	-	-	-	-	5,118,902.18
10/01/2012	2,895,000.00	4.500%	1,279,200.00	4,174,200.00	(135,218.91)	-	-	4,038,981.09	-
4/01/2013	-	-	1,214,062.50	1,214,062.50	(135,218.91)	-	-	1,078,843.59	-
6/30/2013	-	-	-	-	-	-	-	-	5,117,824.68
10/01/2013	3,025,000.00	4.600%	1,214,062.50	4,239,062.50	(135,218.91)	-	-	4,103,843.59	-
4/01/2014	-	-	1,144,487.50	1,144,487.50	(135,218.91)	-	-	1,009,268.59	-
6/30/2014	-	-	-	-	-	-	-	-	5,113,112.18
10/01/2014	3,165,000.00	4.700%	1,144,487.50	4,309,487.50	(135,218.91)	-	-	4,174,268.59	-
4/01/2015	-	-	1,070,110.00	1,070,110.00	(135,218.91)	-	-	934,891.09	-
6/30/2015	-	-	-	-	-	-	-	-	5,109,159.68
10/01/2015	3,315,000.00	4.800%	1,070,110.00	4,385,110.00	(135,218.91)	-	-	4,249,891.09	-
4/01/2016	-	-	990,550.00	990,550.00	(135,218.91)	-	-	855,331.09	-
6/30/2016	-	-	-	-	-	-	-	-	5,105,222.18
10/01/2016	3,470,000.00	4.900%	990,550.00	4,460,550.00	(135,218.91)	-	-	4,325,331.09	-
4/01/2017	-	-	905,535.00	905,535.00	(135,218.91)	-	-	770,316.09	-
6/30/2017	-	-	-	-	-	-	-	-	5,095,647.18
10/01/2017	3,640,000.00	5.000%	905,535.00	4,545,535.00	(135,218.91)	-	-	4,410,316.09	-
4/01/2018	-	-	814,535.00	814,535.00	(135,218.91)	-	-	679,316.09	-

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\$68,095,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$57.5m dated 01.15.04 capitalized int until FY06

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
6/30/2018	-	-	-	-	-	-	-	-	5,089,632.18
10/01/2018	3,825,000.00	5.100%	814,535.00	4,639,535.00	(135,218.91)	-	-	4,504,316.09	-
4/01/2019	-	-	716,997.50	716,997.50	(135,218.91)	-	-	581,778.59	-
6/30/2019	-	-	-	-	-	-	-	-	5,086,094.68
10/01/2019	4,020,000.00	5.100%	716,997.50	4,736,997.50	(135,218.91)	-	-	4,601,778.59	-
4/01/2020	-	-	614,487.50	614,487.50	(135,218.91)	-	-	479,268.59	-
6/30/2020	-	-	-	-	-	-	-	-	5,081,047.18
10/01/2020	4,225,000.00	5.200%	614,487.50	4,839,487.50	(135,218.91)	-	-	4,704,268.59	-
4/01/2021	-	-	504,637.50	504,637.50	(135,218.91)	-	-	369,418.59	-
6/30/2021	-	-	-	-	-	-	-	-	5,073,687.18
10/01/2021	4,445,000.00	5.200%	504,637.50	4,949,637.50	(135,218.91)	-	-	4,814,418.59	-
4/01/2022	-	-	389,067.50	389,067.50	(135,218.91)	-	-	253,848.59	-
6/30/2022	-	-	-	-	-	-	-	-	5,068,267.18
10/01/2022	4,675,000.00	5.200%	389,067.50	5,064,067.50	(135,218.91)	-	-	4,928,848.59	-
4/01/2023	-	-	267,517.50	267,517.50	(135,218.91)	-	-	132,298.59	-
6/30/2023	-	-	-	-	-	-	-	-	5,061,147.18
10/01/2023	4,915,000.00	5.300%	267,517.50	5,182,517.50	(135,218.91)	-	-	5,047,298.59	-
4/01/2024	-	-	137,270.00	137,270.00	(135,218.91)	-	-	2,051.09	-
6/30/2024	-	-	-	-	-	-	-	-	5,049,349.68
10/01/2024	5,180,000.00	5.300%	137,270.00	5,317,270.00	(5,590,438.91)	-	-	(273,168.91)	-
6/30/2025	-	-	-	-	-	-	-	-	(273,168.91)
Total	68,095,000.00	-	43,268,397.11	111,363,397.11	(11,043,900.92)	(4,005,064.48)	(1,489,656.00)	94,824,775.71	-

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

\$70,900,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$60m dated 01.15.03 capitalized int until FY05

SOURCES & USES

Dated 01/15/2003

Delivered 02/01/2003

SOURCES OF FUNDS

Par Amount of Bonds.....	\$70,900,000.00
Accrued Interest from 01/15/2003 to 02/01/2003.....	146,128.22
TOTAL SOURCES.....	\$71,046,128.22

USES OF FUNDS

Total Underwriter's Discount (0.75%).....	531,750.00
Costs of Issuance.....	886,250.00
Deposit to Debt Service Fund.....	146,128.22
Deposit to Debt Service Reserve Fund (DSRF).....	5,644,280.00
Deposit to Capitalized Interest (CIF) Fund.....	3,835,865.84
Deposit to Project Construction Fund.....	60,000,000.00
Rounding Amount.....	1,854.16
TOTAL USES.....	\$71,046,128.22

These projections should be used for estimation purposes only. Assumptions made for these projections are based on the best available information at the time. No representation is made that these assumptions will prevail for the proposed transaction. Changes to these assumptions may have a material impact on the proposed transaction.

Kansas Development Finance Authority
 ALJ

capitalized int until FY05- SINGLE PURPOSE
 2/12/2002 2:55 PM

\$70,900,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
\$60m dated 01.15.03 capitalized int until FY05

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
2/01/2003	-	-	-	-	-	-	-	-	-
4/01/2003	-	-	-	-	(45,541.37)	-	-	(45,541.37)	-
6/30/2003	-	-	-	-	-	-	-	-	(45,541.37)
10/01/2003	-	-	2,338,051.56	2,338,051.56	(137,729.42)	(2,404,556.01)	(849,751.57)	(1,053,985.44)	-
4/01/2004	-	-	1,643,942.50	1,643,942.50	(137,729.42)	(1,664,491.78)	(419,694.37)	(577,973.07)	-
6/30/2004	-	-	-	-	-	-	-	-	(1,631,958.51)
10/01/2004	2,355,000.00	2.600%	1,643,942.50	3,998,942.50	(137,729.42)	-	(233,163.54)	3,628,049.54	-
4/01/2005	-	-	1,613,327.50	1,613,327.50	(137,729.42)	-	(51,814.12)	1,423,783.96	-
6/30/2005	-	-	-	-	-	-	-	-	5,051,833.50
10/01/2005	2,415,000.00	3.100%	1,613,327.50	4,028,327.50	(137,729.42)	-	-	3,890,598.08	-
4/01/2006	-	-	1,575,895.00	1,575,895.00	(137,729.42)	-	-	1,438,165.58	-
6/30/2006	-	-	-	-	-	-	-	-	5,328,763.66
10/01/2006	2,490,000.00	3.400%	1,575,895.00	4,065,895.00	(137,729.42)	-	-	3,928,165.58	-
4/01/2007	-	-	1,533,565.00	1,533,565.00	(137,729.42)	-	-	1,395,835.58	-
6/30/2007	-	-	-	-	-	-	-	-	5,324,001.16
10/01/2007	2,575,000.00	3.800%	1,533,565.00	4,108,565.00	(137,729.42)	-	-	3,970,835.58	-
4/01/2008	-	-	1,484,640.00	1,484,640.00	(137,729.42)	-	-	1,346,910.58	-
6/30/2008	-	-	-	-	-	-	-	-	5,317,746.16
10/01/2008	2,675,000.00	4.000%	1,484,640.00	4,159,640.00	(137,729.42)	-	-	4,021,910.58	-
4/01/2009	-	-	1,431,140.00	1,431,140.00	(137,729.42)	-	-	1,293,410.58	-
6/30/2009	-	-	-	-	-	-	-	-	5,315,321.16
10/01/2009	2,780,000.00	4.200%	1,431,140.00	4,211,140.00	(137,729.42)	-	-	4,073,410.58	-
4/01/2010	-	-	1,372,760.00	1,372,760.00	(137,729.42)	-	-	1,235,030.58	-
6/30/2010	-	-	-	-	-	-	-	-	5,308,441.16
10/01/2010	2,895,000.00	4.300%	1,372,760.00	4,267,760.00	(137,729.42)	-	-	4,130,030.58	-
4/01/2011	-	-	1,310,517.50	1,310,517.50	(137,729.42)	-	-	1,172,788.08	-
6/30/2011	-	-	-	-	-	-	-	-	5,302,818.66
10/01/2011	3,020,000.00	4.400%	1,310,517.50	4,330,517.50	(137,729.42)	-	-	4,192,788.08	-
4/01/2012	-	-	1,244,077.50	1,244,077.50	(137,729.42)	-	-	1,106,348.08	-
6/30/2012	-	-	-	-	-	-	-	-	5,299,136.16
10/01/2012	3,155,000.00	4.500%	1,244,077.50	4,399,077.50	(137,729.42)	-	-	4,261,348.08	-
4/01/2013	-	-	1,173,090.00	1,173,090.00	(137,729.42)	-	-	1,035,360.58	-
6/30/2013	-	-	-	-	-	-	-	-	5,296,708.66
10/01/2013	3,295,000.00	4.600%	1,173,090.00	4,468,090.00	(137,729.42)	-	-	4,330,360.58	-
4/01/2014	-	-	1,097,305.00	1,097,305.00	(137,729.42)	-	-	959,575.58	-
6/30/2014	-	-	-	-	-	-	-	-	5,289,936.16
10/01/2014	3,445,000.00	4.700%	1,097,305.00	4,542,305.00	(137,729.42)	-	-	4,404,575.58	-
4/01/2015	-	-	1,016,347.50	1,016,347.50	(137,729.42)	-	-	878,618.08	-
6/30/2015	-	-	-	-	-	-	-	-	5,283,193.66
10/01/2015	3,610,000.00	4.800%	1,016,347.50	4,626,347.50	(137,729.42)	-	-	4,488,618.08	-
4/01/2016	-	-	929,707.50	929,707.50	(137,729.42)	-	-	791,978.08	-
6/30/2016	-	-	-	-	-	-	-	-	5,280,596.16
10/01/2016	3,780,000.00	4.900%	929,707.50	4,709,707.50	(137,729.42)	-	-	4,571,978.08	-
4/01/2017	-	-	837,097.50	837,097.50	(137,729.42)	-	-	699,368.08	-

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\$70,900,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
\$60m dated 01.15.03 capitalized int until FY05

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
6/30/2017	-	-	-	-	-	-	-	-	5,271,346.16
10/01/2017	3,970,000.00	5.000%	837,097.50	4,807,097.50	(137,729.42)	-	-	4,669,368.08	-
4/01/2018	-	-	737,847.50	737,847.50	(137,729.42)	-	-	600,118.08	-
6/30/2018	-	-	-	-	-	-	-	-	5,269,486.16
10/01/2018	4,165,000.00	5.100%	737,847.50	4,902,847.50	(137,729.42)	-	-	4,765,118.08	-
4/01/2019	-	-	631,640.00	631,640.00	(137,729.42)	-	-	493,910.58	-
6/30/2019	-	-	-	-	-	-	-	-	5,259,028.66
10/01/2019	4,380,000.00	5.100%	631,640.00	5,011,640.00	(137,729.42)	-	-	4,873,910.58	-
4/01/2020	-	-	519,950.00	519,950.00	(137,729.42)	-	-	382,220.58	-
6/30/2020	-	-	-	-	-	-	-	-	5,256,131.16
10/01/2020	4,600,000.00	5.200%	519,950.00	5,119,950.00	(137,729.42)	-	-	4,982,220.58	-
4/01/2021	-	-	400,350.00	400,350.00	(137,729.42)	-	-	262,620.58	-
6/30/2021	-	-	-	-	-	-	-	-	5,244,841.16
10/01/2021	4,840,000.00	5.200%	400,350.00	5,240,350.00	(137,729.42)	-	-	5,102,620.58	-
4/01/2022	-	-	274,510.00	274,510.00	(137,729.42)	-	-	136,780.58	-
6/30/2022	-	-	-	-	-	-	-	-	5,239,401.16
10/01/2022	5,095,000.00	5.200%	274,510.00	5,369,510.00	(137,729.42)	-	-	5,231,780.58	-
4/01/2023	-	-	142,040.00	142,040.00	(137,729.42)	-	-	4,310.58	-
6/30/2023	-	-	-	-	-	-	-	-	5,236,091.16
10/01/2023	5,360,000.00	5.300%	142,040.00	5,502,040.00	(5,782,009.42)	-	-	(279,969.42)	-
6/30/2024	-	-	-	-	-	-	-	-	(279,969.42)
Total	70,900,000.00	-	44,277,551.56	115,177,551.56	(11,336,727.59)	(4,069,047.79)	(1,554,423.60)	98,217,352.58	-

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\$71,055,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$60m dated 01.15.04 capitalized int until FY06

SOURCES & USES

Dated 01/15/2004

Delivered 02/01/2004

SOURCES OF FUNDS

Par Amount of Bonds.....	\$71,055,000.00
Accrued Interest from 01/15/2004 to 02/01/2004.....	150,081.56
TOTAL SOURCES.....	\$71,205,081.56

USES OF FUNDS

Total Underwriter's Discount (0.75%).....	532,912.50
Costs of Issuance.....	888,187.50
Deposit to Debt Service Fund.....	150,081.56
Deposit to Debt Service Reserve Fund (DSRF).....	5,692,515.00
Deposit to Capitalized Interest (CIF) Fund.....	3,939,640.83
Deposit to Project Construction Fund.....	60,000,000.00
Rounding Amount.....	1,744.17
TOTAL USES.....	\$71,205,081.56

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Kansas Development Finance Authority
 ALJ

capitalized int until FY06- SINGLE PURPOSE
 2/12/2002 2:55 PM

\$71,055,000 Kansas Development Finance Authority Revenue Bonds

*University Research and Development
\$60m dated 01.15.04 capitalized int until FY06*

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
2/01/2004	-	-	-	-	-	-	-	-	-
4/01/2004	-	-	-	-	(46,650.43)	-	-	(46,650.43)	-
6/30/2004	-	-	-	-	-	-	-	-	(46,650.43)
10/01/2004	-	-	2,401,304.89	2,401,304.89	(141,101.34)	(2,469,608.54)	(849,751.57)	(1,059,156.56)	-
4/01/2005	-	-	1,688,417.50	1,688,417.50	(141,101.34)	(1,709,522.72)	(419,694.37)	(581,900.93)	-
6/30/2005	-	-	-	-	-	-	-	-	(1,641,057.49)
10/01/2005	2,315,000.00	3.100%	1,688,417.50	4,003,417.50	(141,101.34)	-	(233,163.54)	3,629,152.62	-
4/01/2006	-	-	1,652,535.00	1,652,535.00	(141,101.34)	-	(51,814.12)	1,459,619.54	-
6/30/2006	-	-	-	-	-	-	-	-	5,088,772.16
10/01/2006	2,385,000.00	3.400%	1,652,535.00	4,037,535.00	(141,101.34)	-	-	3,896,433.66	-
4/01/2007	-	-	1,611,990.00	1,611,990.00	(141,101.34)	-	-	1,470,888.66	-
6/30/2007	-	-	-	-	-	-	-	-	5,367,322.32
10/01/2007	2,465,000.00	3.800%	1,611,990.00	4,076,990.00	(141,101.34)	-	-	3,935,888.66	-
4/01/2008	-	-	1,565,155.00	1,565,155.00	(141,101.34)	-	-	1,424,053.66	-
6/30/2008	-	-	-	-	-	-	-	-	5,359,942.32
10/01/2008	2,560,000.00	4.000%	1,565,155.00	4,125,155.00	(141,101.34)	-	-	3,984,053.66	-
4/01/2009	-	-	1,513,955.00	1,513,955.00	(141,101.34)	-	-	1,372,853.66	-
6/30/2009	-	-	-	-	-	-	-	-	5,356,907.32
10/01/2009	2,660,000.00	4.200%	1,513,955.00	4,173,955.00	(141,101.34)	-	-	4,032,853.66	-
4/01/2010	-	-	1,458,095.00	1,458,095.00	(141,101.34)	-	-	1,316,993.66	-
6/30/2010	-	-	-	-	-	-	-	-	5,349,847.32
10/01/2010	2,775,000.00	4.300%	1,458,095.00	4,233,095.00	(141,101.34)	-	-	4,091,993.66	-
4/01/2011	-	-	1,398,432.50	1,398,432.50	(141,101.34)	-	-	1,257,331.16	-
6/30/2011	-	-	-	-	-	-	-	-	5,349,324.82
10/01/2011	2,895,000.00	4.400%	1,398,432.50	4,293,432.50	(141,101.34)	-	-	4,152,331.16	-
4/01/2012	-	-	1,334,742.50	1,334,742.50	(141,101.34)	-	-	1,193,641.16	-
6/30/2012	-	-	-	-	-	-	-	-	5,345,972.32
10/01/2012	3,020,000.00	4.500%	1,334,742.50	4,354,742.50	(141,101.34)	-	-	4,213,641.16	-
4/01/2013	-	-	1,266,792.50	1,266,792.50	(141,101.34)	-	-	1,125,691.16	-
6/30/2013	-	-	-	-	-	-	-	-	5,339,332.32
10/01/2013	3,155,000.00	4.600%	1,266,792.50	4,421,792.50	(141,101.34)	-	-	4,280,691.16	-
4/01/2014	-	-	1,194,227.50	1,194,227.50	(141,101.34)	-	-	1,053,126.16	-
6/30/2014	-	-	-	-	-	-	-	-	5,333,817.32
10/01/2014	3,300,000.00	4.700%	1,194,227.50	4,494,227.50	(141,101.34)	-	-	4,353,126.16	-
4/01/2015	-	-	1,116,677.50	1,116,677.50	(141,101.34)	-	-	975,576.16	-
6/30/2015	-	-	-	-	-	-	-	-	5,328,702.32
10/01/2015	3,455,000.00	4.800%	1,116,677.50	4,571,677.50	(141,101.34)	-	-	4,430,576.16	-
4/01/2016	-	-	1,033,757.50	1,033,757.50	(141,101.34)	-	-	892,656.16	-
6/30/2016	-	-	-	-	-	-	-	-	5,323,232.32
10/01/2016	3,625,000.00	4.900%	1,033,757.50	4,658,757.50	(141,101.34)	-	-	4,517,656.16	-
4/01/2017	-	-	944,945.00	944,945.00	(141,101.34)	-	-	803,843.66	-
6/30/2017	-	-	-	-	-	-	-	-	5,321,499.82
10/01/2017	3,800,000.00	5.000%	944,945.00	4,744,945.00	(141,101.34)	-	-	4,603,843.66	-
4/01/2018	-	-	849,945.00	849,945.00	(141,101.34)	-	-	708,843.66	-

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\$71,055,000 Kansas Development Finance Authority Revenue Bonds
University Research and Development
 \$60m dated 01.15.04 capitalized int until FY06

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	PCF	Net New D/S	FISCAL TOTAL
6/30/2018	-	-	-	-	-	-	-	-	5,312,687.32
10/01/2018	3,990,000.00	5.100%	849,945.00	4,839,945.00	(141,101.34)	-	-	4,698,843.66	-
4/01/2019	-	-	748,200.00	748,200.00	(141,101.34)	-	-	607,098.66	-
6/30/2019	-	-	-	-	-	-	-	-	5,305,942.32
10/01/2019	4,195,000.00	5.100%	748,200.00	4,943,200.00	(141,101.34)	-	-	4,802,098.66	-
4/01/2020	-	-	641,227.50	641,227.50	(141,101.34)	-	-	500,126.16	-
6/30/2020	-	-	-	-	-	-	-	-	5,302,224.82
10/01/2020	4,410,000.00	5.200%	641,227.50	5,051,227.50	(141,101.34)	-	-	4,910,126.16	-
4/01/2021	-	-	526,567.50	526,567.50	(141,101.34)	-	-	385,466.16	-
6/30/2021	-	-	-	-	-	-	-	-	5,295,592.32
10/01/2021	4,635,000.00	5.200%	526,567.50	5,161,567.50	(141,101.34)	-	-	5,020,466.16	-
4/01/2022	-	-	406,057.50	406,057.50	(141,101.34)	-	-	264,956.16	-
6/30/2022	-	-	-	-	-	-	-	-	5,285,422.32
10/01/2022	4,880,000.00	5.200%	406,057.50	5,286,057.50	(141,101.34)	-	-	5,144,956.16	-
4/01/2023	-	-	279,177.50	279,177.50	(141,101.34)	-	-	138,076.16	-
6/30/2023	-	-	-	-	-	-	-	-	5,283,032.32
10/01/2023	5,130,000.00	5.300%	279,177.50	5,409,177.50	(141,101.34)	-	-	5,268,076.16	-
4/01/2024	-	-	143,232.50	143,232.50	(141,101.34)	-	-	2,131.16	-
6/30/2024	-	-	-	-	-	-	-	-	5,270,207.32
10/01/2024	5,405,000.00	5.300%	143,232.50	5,548,232.50	(5,833,616.34)	-	-	(285,383.84)	-
6/30/2025	-	-	-	-	-	-	-	-	(285,383.84)
Total	71,055,000.00	-	45,149,564.89	116,204,564.89	(11,524,320.37)	(4,179,131.26)	(1,554,423.60)	98,946,689.66	-

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House committee endorses plan for research centers



Rep. Jeff Peterson

Proposal: Some Democrats are worried the move could lead to lower funding, smaller salary increases

By John Hanna
The Associated Press

A bill authorizing \$110 million in bonds for three new university research centers cleared a House committee on Wednesday over the misgivings of some minority Democrats.

Outside funding would supplement the bond revenue for the centers for biomedical research at The University of Kansas, food safety at Kansas State University and aviation research at Wichita

State University.

The House Appropriations Committee endorsed the bill on a voice vote, sending it to the House for debate.

Board of Regents members and legislative supporters contend the centers would stimulate economic development — and attract federal and private grants to help pay for them.

“I think that it is an excellent opportunity for the state,” said Rep. Jeff Peterson, R-Manhattan, a member of the Appropriations Committee.

While not objecting to the plan, some Democrats said they worried that legislators will pass the bonding bill, then cut universities’ operating budgets and fail to give pay raises to faculty.

Gov. Bill Graves has expressed similar concerns, noting legislators promised

universities extra money when they reorganized higher education in 1999.

“The Legislature traditionally has a terrible case of Attention Deficit Disorder, where we abandon last year’s initiative for something because it’s shiny and new,” said Rep. Rocky Nichols, D-Topeka.

He and other Democrats said they don’t know exactly where the state will get the money to cover bond payments.

Under the bill, the state would be obligated to pay off the first \$50 million of the bonds, with a limit of \$10 million a year in payments, starting in fiscal year 2004. The universities would have to pay off the remaining \$60 million. The Kansas Development Finance Authority said it would issue 20-year bonds at 4.97 percent interest.

“A failure to look toward the future on what we could do to give the state a hand up on the economy is fairly shortsighted,” said Rep. Melvin Neufeld, R-Ingalls, another committee member.

The original bill drew criticism from architects, engineers and others because it exempted the projects from competitive bidding requirements for the construction and professional service contracts.

The regents said the exemptions would speed the projects up.

As endorsed by the committee, the bill maintains the exemptions but spells out in more detail how the regents are to use those contracts.

Some legislators’ goal is to allow the regents to accept a package of services managed by a single entity.